

# A Qualitative Study of Luxury Consumption by Chinese Overseas Students

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**Abstract:** This study investigates the views and experiences of Chinese overseas students on luxury consumption and the impact of traditional culture on their luxury consumption behaviors. It aims to understand the motivations and meanings that Chinese overseas students attribute to their luxury consumption practices. This study will use qualitative research methodologies and present three significant findings. The primary reason for Chinese overseas students' luxury consumption is constructing identity. The prevailing societal norms of luxury goods have a significant role associated with wealth and status to construct their identity. Social media amplifies this function, helping people with identity building. Social circle integration are also important reasons for building luxury goods, especially on specific occasions. Secondly, under the influence of neoliberalism, Chinese students' luxury consumption tends to be self-expression and self-reward. Finally, this research also investigates the influence of collectivist culture and Individualism culture on Chinese overseas students' luxury consumption. Traditional Chinese cultural values emphasize face consumption, gift-giving, and modesty. With the process of globalization, individualism has also influenced the luxury consumption of Chinese students to a large extent, especially in two aspects. First of all, respondents give expensive gifts to show the importance of relationships through material consumption. Secondly, respondents pay more attention to their own needs rather than the so-called face of consumption when consuming luxury goods. In spite of that the influence of modesty in traditional Chinese culture on the conspicuous consumption of respondents is still there.

**Keywords:** Luxury Consumption, Social Identity, Neo-liberalism, Collectivism Individualism

## 1. Introduction

The middle and high-income groups have proliferated with the rapid development of China's economy [1]. According to the report of Walpole, the high-end consumption of Chinese people still shows great potential after the Covid-19 epidemic [2]. The China Luxury report shows that China is one of the largest consumer markets for luxury goods, which contributed 38% market share [3]. Chinese spend 42% of their luxury goods abroad [4]. Among them, Chinese overseas students play increasingly essential roles in luxury consumption. The Xinhua EID Joint Visa Agency's "2019 Analysis Report on Overseas Consumption and Payment Behaviour of Chinese Overseas Students" revealed that 10% of the living expenses incurred by Chinese overseas students are devoted to conspicuous consumption [5]. A survey conducted by China Luxury Advisors revealed that a minimum of 34% of international students purchase luxury products every three months [6]. Prior research failed to break the groups into smaller subcategories and conduct a survey on luxury consumption among different groups. Previously published studies are limited to local luxury consumption and need more cross-cultural research on luxury consumption. This study provides new insights into Chinese overseas students, which focuses on the motivations and meanings of luxury consumption and the impact of cross-cultural factors on their luxury consumption.

## 2. Literature Review

### 2.1 Luxury Items Act as Identity Construction in Interpersonal Interaction

Previous literature has explained that the important function of luxury goods is to help people construct their identity, which means identify their status and wealth and help find place in a social group. Veblen initially introduced the notion of 'conspicuous consumption'. Veblen's "conspicuous

consumption" explains the critical motivation for people to buy luxury goods. The leisure class hopes to show off their social status and wealth by buying luxury clothes that high prices separate the rich from the ordinary people and identify the high class [7]. Leibenstrein expanded upon Veblen's concept of 'conspicuous consumption' by introducing the notions of the "herd effect" and the "snobbery effect" [8]. Leibenstrein elaborates on how individuals utilize commodities to shape their identities within social collectives. For instance, purchasing luxury items might get widespread acknowledgment within a social circle. Additionally, one can establish a unique identity within the group by acquiring exclusive limited edition luxury products so they can set themselves apart from others. Bourdieu proposed the concepts of 'cultural capital' and 'economic capital,' which provide additional insight into how consumption difference contributes to forming social identity. Bourdieu insists that the development of an individual's taste and lifestyle, including their purchasing habits, is influenced by economic and cultural capital. Varied purchasing habits indicate different class' economic status and taste preferences [9]. Compared to Veblen and Bourdieu, Veblen's theory of 'conspicuous consumption' highlights the act of indulging in material possessions, purchasing high-priced items, and ostentatiously displaying them. Bourdieu highlighted the consumption behavior disparities caused by economic and cultural in defining social class. Additionally, he emphasized that people's spending patterns serve as a means to identify and differentiate social classes, reflecting their level of social wealth.

The above research explains that luxury items facilitate the construction of one's identity which are also shaped through interpersonal interactions. Luxury items facilitate individuals' upholding and reinforcing their social standing. In a sense, luxury goods play an important role in social attributes.

Veblen pointed out upper classes indulge in luxury items as a means of differentiating themselves from lower social classes. In comparison, lower-class people aspire to forge ties with the upper classes by acquiring high price products. Baudrillard's theory of commodity value symbolism elucidates the reasons for the social significance of luxury items. Baudrillard points out that people buy goods based on their symbolic value. Luxury brands possess distinct symbolic meanings, which are conspicuous indicators of individual affluence and societal standing during social occasions and may be employed to draw attention and forge relationships. Kastanakis and Balaban is provided more details on the connection between herd consumption behavior and social pressure [10]. People may follow their friends to purchase a particular good to acquire or uphold social recognition and preserve their standing within the circle or they may feel under the pressure. These sociological elements that may contribute to explain the individual's luxury consumption behaviors, even in the absence of necessity. The above studies emphasize the relationship between luxury goods and social identity construction and social functions. However, they overemphasize the goods themselves and ignore people's subjective initiative in the whole process [11].

## ***2.2 The Association between Consumption, Happiness, and Freedom***

Since the 1920s, several studies have examined consumer culture's impact on individuals' ideology. In the capitalist mode of production, consuming serves not only as a means of purchasing a tangible object but also as a means of repressing and uniting thoughts. Substantially, the prevailing consumerist society compels individuals to develop false needs, impairs their cognitive abilities, and encourages consumption through various channels such as mass media. Consequently, people have a distorted perception of reality, engage in self-deception while purchasing, and harbor a misguided notion of happiness. This partially clarifies the reasons for individuals' inclination to purchase luxury items at ridiculous prices, even when they lack necessity, and their relentless pursuit of such products.

The Frankfurt School claims that people's appetites and ideologies are manipulated by consumer culture. Consumer culture promotes a belief that individuals should prioritize their freedom to purchase and their enjoyment derived from possessing certain commodities instead of pursuing genuine happiness and freedom. Adorno and Horkheimer claimed that mass culture films and music are created and disseminated by industrial means, resulting in the uniformity and standardization of culture. The significance of a commodity is deemed more significant than its intrinsic worth. According to Adorno and Horkheimer those who seek cultural goods for the sake of gaining reputation displace those who really appreciate and understand them [12]. Marcuse argued that the freedom offered by consumer culture is actually a form of freedom that is subject to the constraints of slavery. Marcuse observed that in consumer society, individuals are subject to manipulation by consumer culture. The products of the entertainment and cultural industries necessarily promote specific attitudes and behaviours [13]. The impact of these beliefs influences individuals' cognitive processes and subconsciously manipulates their thoughts. Capitalism perpetually generates artificial desires among individuals for its advantage. Mass media shapes and influences the needs and desires. The Frankfurt School posits that individuals may

purchase luxury items with the intention of enhancing their social status rather than only for the practical benefits offered by the commodities themselves. The Frankfurt School's concept of the cultural industry has influenced individuals' perception of the aesthetic appeal of luxury items through various forms of media, while also establishing a connection between the acquisition of luxury goods and feelings of happiness. People's concept of luxury goods is distorted, and the pursuit of luxury goods is based on price and fame. People's sense of happiness comes from owning expensive goods, and people's freedom is alienated into the freedom to buy. Baudrillard argued that mass media and advertising not only generate consumers' appetites for goods but also establish a connection between happiness and freedom with the act of consuming [14].

Neoliberal ideology emerged during the latter half of the 20th century, which promotes the pursuit of economic success and the maximization of personal interests, which can contribute to the proliferation of consumerist culture. This culture sees luxury purchases as a means to reflect personal success and fulfillment. Neoliberalism is an ideology that applies the principles of free markets to all aspects of society, including social, cultural, and political domains. Neoliberalism manifests in the realm of consumption through the promotion of individual autonomy and the encouragement of free decision-making. According to Bauman, freedom is perceived as an adequate selection for consumers in a culture focused on consumerism [15]. Nevertheless, the concept of freedom has shifted from not being limited by societal restrictions to free to purchase on material possessions. Consumption has evolved into an irresistible compulsion. Individuals engage in consumption to align themselves with societal trends and conform to the prevailing patterns of public consumption. The market commodifies the individual's liberty, self-definition, and genuine existence. Bauman mentioned that in a culture characterized by fluidity, continuity, and stability, they strive for immediate gratification and joy through consumption. However, this sense of bliss is fleeting, and they will quickly develop other aspirations. Giddens contends that modernity is a postmodern framework in which the inquiry of how one would lead one's life can alone be elucidated via the routine experiences of everyday life and the continual construction of self-identity [16]. Miller emphasized that shopping has a practical purpose, but it is also a means to achieve personal lifestyle objectives, enhance family life, and strengthen family relationships [17]. Neoliberalism, an ideology, promotes the principles of capitalism, exploits people's longing for autonomy and well-being, and redirects their focus on consumerism to achieve pleasure and freedom.

### ***2.3 Traditional Culture of Luxury Consumption***

Different social environments have different cultures and social norms. Chinese students are in a cross-cultural environment and are also influenced by both Eastern and Western cultures in their luxury consumption. Several academic studies have discussed the influence of diverse notions of 'self' in Eastern and Western cultures on their respective cultural values [18]. The East is profoundly impacted by Confucian values. Individuals are expected to carry out the duties they have. When there is a conflict between one's private desires and society's expectations regarding personal roles, individuals are expected to successfully pursue their objectives while maintaining a harmonious connection with the group [19]. On the contrary, Western societies emphasize promoting self-expression and the outward manifestation of personal ideals. Furthermore, As Bian and Forsythe mentioned, the significant difference between Eastern and Western cultures lies in collectivism and individualism [20]. Thus, consumers from the Eastern and Western regions have distinct reasons when it comes to buying luxury products. Collectivism is often accompanied by communal coercion and limitations on individuals, so collectivist customers are more inclined to manifest their individuality and societal standing via luxury goods. In individualism culture, individuals place more importance on self-awareness. Thus, their motivation for purchasing is centered on the need for uniqueness and self-expression [21]. According to Wong and Ahuvia, traditional Chinese values are profoundly influenced by Confucianism in five specific aspects: 'Man-to-nature orientation,' 'Man-to-himself orientation,' 'relational orientation,' 'temporal orientation,' and 'personal activity orientation.' Simultaneously, Wong and Ahuvia highlight the influence of these conventional values on consumer motivation. One of these concepts, 'relational orientation,' refers to those who prioritize interdependence and collaboration in their relationships. Meanwhile, etiquette plays a crucial role in interpersonal communication, serving as a significant method for preserving relationships. It emphasizes the principle of "reciprocating courtesy with courtesy." In addition, people pay attention to their "face" in interpersonal communication [22]. The meaning of face imposes a reciprocal and potentially controlling influence on individuals within a community, prompting people to place significance on gift-giving to preserve interdependence and preserve one's reputation. East Asians often choose expensive products as presents to demonstrate respect for the receivers [23]. In addition, Chinese culture places a strong emphasis on collectivism, respect for authority, and modesty. However, It is worth noting that the ideology of individualism has

spread in globalization. Hofstede and Bond pointed out that with globalization and the rapid development of China's economy, the collectivist values of the Chinese people have changed, and the ideology of individualism has increasingly influenced people and is reflected in their lifestyles. Davis highlighted a similar perspective that asserts that people's income levels have consistently increased since implementing the reform and opening up policies. As living conditions have improved, Chinese culture has become more focused on material satisfaction, leading to the rise of consumerism and individualism. Chinese students studying abroad are in a cross-cultural context and whether their luxury consumption is influenced by different cultures will be our in-depth exploration.

### 3. Methodology

This study will use qualitative research. Most luxury-related research uses quantitative methods [24-26]. This study uses qualitative research mainly because qualitative research can provide an understanding of the motivations, values, and cultural factors behind the consumption behavior of Chinese overseas students [27]. Through in-depth interviews and observations, researchers can reveal consumers' real thoughts and emotions, which are often not captured by quantitative data. Second, the luxury consumption behavior of Chinese overseas students is influenced by their cultural and social background. Through qualitative methods, researchers can better understand the impacts of social and culture value aspects on luxury consumption in overseas cultural environments. I used a purposive sampling method to select respondents. I invited 12 Chinese students studying in the University of Manchester, aged between 19 and 26 from acquaintance networks, who all had experience in luxury purchases. This study will collect data through semi-structured interviews. Each interview lasted between 30-60 minutes using Zoom. Only the interviewer's recording was collected for this interview. This study analyzed data using the thematic analysis method proposed by Braun and Clarke [28]. The participants data is shown in Table 1.

*Table 1: Profiles of participants in the study*

Number	Name	Gender	Age
1	Participant1	Female	23
2	Participant2	Female	24
3	Participant3	Female	24
4	Participant4	Male	24
5	Participant5	Male	22
6	Participant6	Female	21
7	Participant7	Female	20
8	Participant8	Female	23
9	Participant9	Female	24
10	Participant10	Female	24
11	Participant11	Female	23
12	Participant12	Female	23

This study will primarily address two ethical concerns. First, it will examine the preservation of privacy. Second, it will explore the importance of safeguarding the self-esteem of the respondents. Regarding privacy safeguarding, respondents will be provided with comprehensive details about the research (PIS). In addition, I use data anonymization techniques and implement robust security measures to ensure the privacy of the respondents. Furthermore, I comply with strict procedures for safely storing and deleting the data. Participants will be required to sign a permission form. The participants will give consent to be recorded and acknowledge their right to terminate the interview or withdraw from participation at any time. I will also prioritize preserving the interviewers' self-esteem. If the participants feel uneasy with a question, they can either evade it or choose not to reply.

### 4. Results

This section primarily focuses on the outcomes of the theme analysis. Three themes were identified. The first theme concentrates on the conspicuous behaviors and formation of identity among Chinese students studying abroad. The second theme explores the impact of neoliberalism on the purchasing decisions made by Chinese overseas students. The third theme explores the impact of individualism and collectivism on luxury consumption of Chinese overseas students.

#### ***4.1 Chinese overseas Students' Conspicuous Behavior and Identity Construction***

Individuals establish their social identity by engaging in conspicuous consumption of high-end products. Individuals develop connections by indulging in luxury products, seamlessly blending into social circles, mutually acknowledging one another, and ultimately forming friendships. Chinese overseas students' social circle is shown to align with a social norm where luxury is closely linked to income and social position. The acquisition of luxury items serves primarily as a social symbol rather than a practical need. Chinese overseas students reinforce this social norm by publicly displaying high-end merchandise on various social media platforms. Excluding those who lack social symbols results in a kind of social compulsion, which is called social pressure. Thus, luxury brands are essential for Chinese overseas students to integrate into social circles and engage in social different occasions.

##### ***4.1.1 Social norm***

The social norms of luxury goods are a significant factor motivating individuals to shape their identity by using luxury items. The respondents mentioned the existence of a social norm in the social circle of Chinese overseas students. A significant number of respondents think that overseas students who own luxury items are more inclined to originate from affluent households or belong to a higher socioeconomic status. Luxury products may serve as assessing the social standing and economic position of a Chinese overseas student. Participant 3 said, in the overseas students' social group, people assess one's wealth based on their clothing and accessories. Participant 7 believe overseas students who own several luxuries are affluent. Participant 5 posits that possessing certain luxury items will be seen as indicative of higher social standing. Many participants said that Chinese overseas students adhere to a social norm regarding luxury products. Thus, luxury products assist individuals in creating a distinct identity image, serving as a sign to showcase their social class and economic standing.

Participant3

"[...] This phenomenon often occurs among overseas students, when some individuals assess if you come from a wealthy family based on the luxury bag you take and the clothing you wear

Participant7

"If an individual has several luxury items, I might perceive them as having a considerably higher social standing due to their wealth, which enables them to acquire a multitude of luxury products."

Participant5

"I believe that society normally perceives those who own certain types of luxury things as having a refined taste or a higher social standing."

However, a small number of participants, like Participant 12, argue that some individuals use luxury things as a means to showcase their material possessions. They claim that it is simple for others to determine whether someone is affluent, even if they own just a few luxury items. It is apparent when some one pretend to be wealthy.

Participant12

"It is relatively simple for anyone to determine if someone is wealthy or whether they just pretend to be rich and purchase a few luxury items with prominent logos. "

The participant's perception of the societal norm for luxury products aligns with Veblen's (2017) concept of conspicuous consumption. All of them display the owner's affluence and social standing via costly goods. When individuals see such conspicuous behavior and the representation of extravagant commodities, they will eventually develop an understanding of the connection between luxury products and affluence and social standing, ultimately establishing a societal norm.

##### ***4.1.2 Social Media***

More and more people think that expensive commodities are a sign of social standing and wealth because of social media. People build their identities by using social media to show off luxury items. Many participants said they thought Chinese overseas students showed off expensive things on TikTok and WeChat, which convey a social meaning and a way to build their identities. They would like to boast about their status and money to the public or their close friends. Participant 1 brought up the fact that some Chinese overseas students like to show off their expensive items on social media. They also said that Generation Z is especially likely to do this. Participant6 and participant11 said that when Chinese students studying abroad show off their social media, they are actually showing off their

money and social status.

Participant1

"I see a lot of international students discussing their experiences buying luxury brands on public Generation Z, are interested in studying abroad. Generation Z was born and raised with technology, and they want to express and communicate through social media.

Participant6:

"I believe they are a group of people who really want to show off their money, capital, or something."

Participant11

"Some people want to buy costly items to show that they are wealthy or have a high social standing. That's what I say, especially around Chinese students studying abroad. [...]A lot of people show off their expensive things on social media. They're going to post these things on WeChat to show off."

The significance of luxury products as symbols is amplified via social media. Some Chinese overseas students attempt to use luxury products to construct an identity within their social circles or for public display on social media, conveying the message that they possess significant wealth and belong to the upper class. Constant exposure to luxury symbols on social media strengthens the association between owning luxury items and one's social position and income. Therefore, the prevailing societal expectation of luxury items might be further reinforced.

#### **4.1.3 Circle Integration**

Participants consume luxury products to build an identity, integrate into social circles and maintain position in social circle. According to Bourdieu, different economic and cultural capital will show different consumption patterns. Luxury products, being symbolic, can assist individuals in identifying and joining social groups that have similar aesthetic preferences and similar economic status. Individuals who possess these common characteristics are more inclined to form friendships. Both Participant 11 and Participant 12 asserted that adopting comparable consumption patterns facilitates individuals' integration into the social circle easily. Chinese overseas students from affluent backgrounds exhibit elevated consumption levels and tend to gravitate toward peers with a similar degree of consumption. Participant 3 observed that luxury products serve as a sign that enables individuals to select social circles and associate with social groups of better economic and social standing than their own. Luxury goods serve as a means for individuals to attain recognition and consensus, facilitating their integration into social circles of varying social rank and economic levels. Luxury goods facilitate the rapid construction of one's identity and integrate into social circles by identifying with the peers with similar interest, building friendships and connect better social circles.

Participant3

"Yes, it is possible that people perceive themselves as wealthy and choose not to connect with individuals who are less affluent. they exclusively builds friendships with individuals who are affluent perhaps because they engage in shopping or other activities with those who can afford.

Participant11

"Everyone within that social circle possesses luxurious commodities, indicating their likely affiliation with affluent families or a preference to indulge in extravagant purchases.' Those are their shopping preferences. If you share the same shopping habits as wealthy people, it is often easier for you to associate with them."

Participant12

" Indeed, individuals with comparable economic statuses and similar preferences may establish friendships expeditiously."

Within the social settings of Chinese overseas students, there is a concern ,a pressure ,about how their family's financial status and social standing are seen by others based on their possession of luxury items. In addition, they are aware of the perspectives and evaluations that others may have on their own attributes. Therefore, to maintain their status and self-image inside their social circle, people will acquire lavish possessions, regardless of their real needs.As Participant 5 said, he does not require luxury to demonstrate myself; however, it is impossible to clarify whether others care about that in relationships. Participant 6 said that social pressure plays a role in encouraging her luxury spending to a

certain degree when a large percentage of students living in the same flat as she possesses several luxury items; this kind of social pressure will somewhat encourage her to engage in luxury consumption.

Participant5

"I do not need premium logos or luxury labels to express my identity.' However, when you engage with someone interested in it, you should certainly do it."

Participant6

"In my social circle, which does not include my own family, many Chinese students come from affluent backgrounds. They live in a residence filled with several high-end brands, which leads me to believe I may need to acquire some of these items to demonstrate my social standing and wealth."

Despite social norms' influence on luxury, the individuals demonstrated rationality, consciousness, and independence. They possess a thorough understanding of the presence of social norms and the influence they exert. Utilize luxury products to facilitate social interaction and fulfill societal norms. This perspective diverges from that of Marcuse, a representative of the Frankfurt School, who emphasized the manipulation of people's beliefs and the production of false needs. Participants possess the capacity to discern their own needs and social desires, and they are not subject to manipulation.

#### ***4.1.4 Specific social occasions and identity construction***

Participants typically continue their process of constructing their identity by acquiring luxury products on specialized occasions. Participants occasionally utilize luxury items in response to the expectations of social circumstances. Participant3 mentioned that when shopping for luxury products, she prefers to display her financial status by carrying luxury brand bags in order to receive superior services. Participant 6 observed that business faculty students exhibit a greater propensity to purchase luxury products due to their frequent engagement in meetings and negotiations. To establish credibility during presentations, business faculty students aspire to enhance their trustworthiness by incorporating luxury goods when presenting to executives from famous corporations.

Participant3

"numerous salespeople take into account your attire and base their attitude on it. If they perceive that you are wearing inexpensive clothing or carrying a cheap bag, they may not provide you with good service[...]When I bring my bag with big logo, particularly during shopping trips, I am more likely enjoy better service and filled with excitement. "

Participant6

"I have acquaintances from business faculty who engage in negotiations and collaborations with various companies. They require luxury brands and products to enhance their self-assurance and display their social position, which create the perception of credibility and reliability among others.

Luxury items facilitate the process of constructing one's identity through particular events or situations. Luxury products serve as emblems of social consensus, effectively communicating a positive identification message to fellow group members. Individuals are not concerned with the actual product but prioritize the social meaning of luxury items. This point is strikingly similar to Baudrillard. Baudrillard focuses on the commodification of symbols in a consumer-driven culture, wherein individuals allocate greater attention to the symbolic representations of goods and the significance they convey. Consequently, the participants shape their social identities by leveraging the symbolic significance of these commodities.

### ***4.2 How Neoliberalism Affects the Consumption Decision-Making of Chinese Overseas Students***

#### ***4.2.1 Self-expression***

Participants, influenced by neoliberalism, regard purchasing luxury products as a means of self-expression. Neoliberalism promotes the expression of individuals' ideals and identities through consumption and commodifying lifestyles according to Bauman. Various choices in purchases and lifestyles serve as a means of expressing oneself. Among the 12 people I interviewed, most of them believed that showing their taste was the driving force behind their purchase of luxury products. They are attempting to utilize high-end commodities as a means of self-expression and to acquire social connections. Participant 4 admitted that by showcasing a refined perfume, he wanted to convey that he

has good taste. Participant 5 discussed her appreciation for the Hermes brand due to its environmental conservation brand image. She utilizes the Hermes brand as a means of expressing her concern for the environment to others, with the intention of influencing their perspectives. Consequently, individuals often choose to purchase luxury items to self-express and get validation from their social networks.

Participant4

“I want to buy a perfume with a taste that is considered acceptable by others. For example, when I use a perfume, I want others to be able to identify the scent I have chosen and see it as a reflection of my excellent taste.”

Participant5

“Adopting the emblem of a company like Hermes often signifies that you share the same values and beliefs as this brand. Occasionally, I use it as a means to showcase my own personality and personal image.”

The opinions expressed by the participants strongly align with Miller's assertion that the act of shopping is not just a mundane activity but rather a profound aspect of one's lifestyle and a kind of affiliation. Participants embrace a certain lifestyle and express themselves by acquiring luxury things.

#### **4.2.2 Self-Reward**

Due to neoliberalism's impact, many participants link indulging in luxury goods with rewarding themselves. Participant 3 said that when she achieves anything that leads to her success, she receives great happiness and indulges in purchasing luxury items as a kind of pleasure. Participant 7 said that she selects to purchase luxury products as a kind of self-reward when she makes a significant effort in her academics or achieves something. Participant 12 said that she selects to purchase luxury items as a kind of self-reward when she is not feeling well. Participant 3 and Participant 7 see the purchase of luxury products as a way to reward their own competence and self-worth.

Participant3

“My enjoyment is derived from my achievements and excelling in many endeavors. I intend to purchase expensive products as a personal reward.”

Participant 12

“I promised myself that after these things were finished, I'd purchase myself some luxury items as a present.”

Participant 7

“I believe I am deserving of purchasing a highly-priced luxury item due to my diligent studying and hard effort.”

When participants attain certain accomplishments, they use consumption as a means to reward themselves and demonstrate their value. Simultaneously, when participants engage in the consumption of high-end products, they experience a feeling of contentment. This phenomenon, as described by Bauman, is known as the pleasure of purchase, characterized by a rejuvenating sensation and immediate joy. Therefore, participants saw luxury purchases as a kind of self-reward

#### **4.3 The Impact of Individualism and Collectivism on Luxury Consumption of Chinese Overseas Students**

The luxury purchasing behavior of Chinese overseas students is significantly influenced by collectivist culture and Individualist culture, which is also influence their consumption patterns. In the Western world, individuals tend to prioritize the distinctiveness and visual appeal of the products While Traditional Chinese values prioritize humility, preserving one's reputation, and embracing a culture of gift-giving and face culture. However, as China's economy has grown and become more connected to the global market, Individualist cultural values have influenced and altered traditional Chinese cultural values. It is evident that individuals express their uniqueness by consuming unique goods. The gift-giving culture in China has undergone a transformation. the traditional notion that presents should be “it's the thought that counts” mentioned by Yang . Instead, there is now a preference for more expensive gifts. Promote one's and others' social position by displaying material possessions. Simultaneously, this also affected the consumer's attitudes in face-to-face interactions. Participants prioritize their own needs above conforming to social standards and seeking validation from others.



However, the notion of humility in the collectivist society continued to impact the participants' indulgence in luxury goods. When individuals purchase luxury products, they will take into account inconspicuous luxury consumption.

#### **4.3.1 Differences in Individualism and Collectivism**

Individualistic culture and collectivistic culture have a significant impact on people's luxury consumption concepts. Individualism emphasizes self-centeredness and uniqueness, while collectivism emphasizes conforming to social expectations and trends. Both Participant 12 and Participant 2 highlighted the impact of individualism culture and collectivist culture on their decisions about luxury purchases. Participant 2 highlighted that when she chooses distinctive styles for luxury consumption in the UK, which may showcase her own style and personality, which is widely acceptable in British culture. However, in China, individuals may have difficulty embracing some extravagant forms of luxury products, which might influence their decisions towards luxury spending. She will refrain from purchasing excessively extravagant luxury items in China to avoid drawing excessive attention and being too conspicuous. Participant 12 also highlighted the influence of the cultural ambience in Chinese society on her acquisition of luxury products. In Chinese culture, humility is highly valued, and individuals consciously try to avoid flaunting their achievements to conform to social norms and alleviate social pressures. However, in the UK, there is a wide range of options available for luxury consumption. Individuals mostly prioritize their interests and concerns.

##### **Participant2**

Some designs of luxury products, such as boots, may be unconventional and atypical, appealing to a younger demographic. The design is quite distinctive, and it is widely accepted in the UK as well as in certain major cities in China such as Shanghai and Beijing. However, if I were to wear such boots in my hometown, it would seem out of place and people would disapprove.

##### **Participant12**

“In China, individuals are often instructed to cultivate a sense of humility. Occasionally, individuals may experience social pressure when they purchase luxury items since others may see their intentions as an attempt to flaunt their wealth. In my opinion, the whole ambience of England is more relaxed. Individuals primarily prioritize their interests and focus on their own lives, and no one cares about whether you wear exaggerated suits”

Both Participant 12 and Participant 2 highlighted the impact of individualism and collectivist cultures on their choices about luxury purchases, which aligns with *Hofstede and Bond* Western societies prioritize individuality.

#### **4.3.2 Gift Giving Culture**

Individualism has influenced the conventional Chinese gift-giving culture. This is primarily evident in the tendency of most participants to purchase costly luxury items or exchange gifts to sustain interpersonal connections. They perceive it as a symbol of reverence and significance toward others. In traditional Chinese gift-giving culture, gifts focus on emotions rather than material things. However, the traditional Chinese gift-giving culture has been influenced by Western materialism due to the growth of the economy and the process of globalization. This is also evident in the gift-giving customs of the participants. A significant number of participants think that luxury products function as an excellent choice as gifts because they perceive that the high worth of these tangible possessions can symbolize the significance they place on the relationship, and the high pricing can also indicate the social status of the recipients. Participant 3 expressed that Giving high-value gifts shows that the high-quality relationship we share. Participant 12 also noted that luxury products can be an effective choice for maintaining social interactions, particularly when seeking support through those relationships. Participant 5 asserted that she believes that the amount of money spent on gifts is the reward if you need some thing from others.

##### **Participant3**

“I used to purchase luxury brand merchandise for my boyfriend[...]although I did not give it to others, I believe it is equally significant to share luxury items with others since this present is considered highly valuable. When I give luxury items to friends or relatives, it serves as a tangible representation of the significant value we have in our relationship.

##### **Participant5**

"I am a person who is willing to send highly valuable gifts to my friend[...] because I believe that a gift carries significant social meaning. I require some tangible form to attach my emotions to my friends. Occasionally, I believe that utilizing money is the most convenient method. While it may not be the most optimal approach, it is certainly the most convenient method to express the emotion."

Participant12

"Luxury goods can serve as a reward when attempting to obtain something from another. Perhaps you desire to obtain a promotion from your superior. You can just present him with a luxury item or a similar item. Furthermore, it is a conventional partnership. But you have nothing to obtain from others. I believe that it is unnecessary for individuals to engage in such activities."

Therefore, the Chinese traditional gift-giving culture has been impacted by neoliberalism. People want expensive gifts more. You and others' relationships are branded with material things. This cultural concepts change is also reflected on luxury consumption of participants

#### **4.3.3 Face culture**

Due to the impact of Western individualism, the luxury consumption behavior of Chinese overseas students has been less influenced by face culture. Consequently, participants now prioritize their own demands. In Chinese collectivist culture, face culture is commonly linked to familial prestige and social standing. Individualists prioritize their own interests over those of others and society, leading to a heightened focus on self-image and personal consumption. Unexpectedly, many participants believed that they prioritized their own demands instead of the expectations of others. They attach great importance to themselves rather than comparing themselves to others. Participant 3 proposed evaluating the suitability of this luxury item and prioritizing practicality and she consider if the price is within her budget. Participant 11 highlighted that although individuals in their social group prioritize conspicuous purchases to preserve their face, she emphasizes the genuine abilities and accomplishments of individuals rather than the money and social standing of their families. The prioritization of personal accomplishments above familial accomplishments also demonstrates a degree of individualism

Participant3

"For me, luxury products are not about making comparisons or seeking superficial validation. I prioritize the product's practicality, taking into account its frequency of usage. If the utilization rate is low, I will not purchase the item regardless of its price."

Participant11

"Some individuals want to acquire luxury items to demonstrate their wealth or elevated social standing. You will not just show off your family's wealth if you possess exceptional, remarkable, and innovative qualities and real achievements. There is no need for you to demonstrate your wealth by buying tangible possessions."

Due to the cultural influence of Western individualism, participants prioritize their own accomplishments and performance, placing importance on personal autonomy and decision-making. Therefore, this individualism also permeates the concept of luxury consumption

#### **4.3.4 Humility**

The Chinese traditional culture, humility, has a significant influence on the lavish spending habits of participants. Several participants expressed their intention to purchase high-end products that do not have prominent logos since they want to avoid drawing attention to themselves. Participant 12 highlighted that in China, she experiences a modest cultural ambiance, so she consciously avoids purchasing products with prominent logos to avoid drawing attention. Participant 2 also highlighted the impact of conservative cultural norms. She prefers to wear inconspicuous, discreet luxury items that are recognizable only to people with a deep understanding."

Participant12

"If I were in China, I believe I would experience a simple and humble atmosphere. I would refrain from purchasing premium things adorned with excessively large logos."

Participant2

"I would like to purchase inconspicuous luxury items that will only be recognized by my close social circle and people who really know about these brands."

According to Wong and Ahuvia, Chinese culture strongly emphasizes modesty, respect for authority, and collectivism. According to the participants, they expressed a desire to be inconspicuous, avoid standing out, and not draw attention to themselves inside the group. Hence, it is evident that humility influences the participants' indulgence in luxury consumption."

## 5. Conclusion

The growing prevalence of luxury expenditure among Chinese overseas students has emerged as a significant subject of scholarly interest. My study's primary concern is to investigate driving factors behind Chinese overseas students engagement in luxury consumption and how the different culture value influence their luxury consumption. The primary driving force behind Chinese students' luxury consumption behavior is to construct their identity. This is mostly due to the symbolic significance that people attribute to luxury products, which establishes a social norm. People want to get social validation by using luxury items as a means of establishing their identity. Social media exacerbates the societal expectation for luxury items and facilitates users in effectively constructing their identities within the group. Furthermore, the individuals' urge to display extravagant behaviors is driven by the need to assimilate into their social circle in particularly in certain social situations. Secondly, this research elucidates that under neoliberalism's impact, Chinese overseas student's luxury consumption is driven by the need for self-expression and self-reward. This research also examines the influence of disparities in Eastern and Western cultural norms influence participants' luxury spending. Chinese overseas students are in a cross-cultural environment and luxury consumption is not only influenced by traditional culture value, but also the individualism emphasized by Western culture. Gift-giving culture undergoes a transformation, shifting its focus from prioritizing emotions to prioritizing material possessions. Likewise, face consumption on participants' luxury purchasing is diminished, which is also influenced by individualistic culture. While the individualistic culture does have an influence on the collectivist culture, some traditional values, such as humility, nevertheless have a significant impact role in limiting the participants' luxury purchases.

I will discuss the constraints of this research related to the method of selecting the study population, the amount of data, and the data analysis. In terms of study methodology, a small sample size of 12 experienced respondents in luxury goods purchases was chosen owing to constraints in time and labor expenses. Due to the limited sample size, the findings of the research cannot be extrapolated to the full overseas student population. During the data analysis process, the original version had an excessive number of themes for initial coding, resulting in difficulties for me to proceed with the subsequent analysis. As a result, the initial version of data analysis mostly focused on descriptive analysis. This experience has highlighted my need to enhance my thematic analysis expertise and refine my analytical abilities. This will enable me to more effectively identify the most relevant and valuable topic to my research issue while also avoiding the pitfalls of over-interpretation or a lack of coherence across themes. During the ensuing data analysis, I will engage in iterative contemplation and meticulous delineation of the topic, with the aim of enhancing my proficiency in thematic analysis.

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