

Household Income in Luxury-Fashion Purchase Intention: A Comparative Mediation and Exogenous-Resource SEM using JASP in India's NCR

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Abstract

This study examines how household income should be represented when explaining luxury-fashion purchase intention. The issue is tested in two different ways using responses from 800 luxury-fashion consumers in India's National Capital Region (NCR). In Model A, household income is placed between attitude and purchase intention as a possible mediator. Model B takes a different view and treats income as a socioeconomic resource that may strengthen perceived behavioural control (PBC), which then contributes to purchase intention. These tests are situated within a wider model that includes fashion innovativeness, opinion leadership, fashion involvement, status consumption, consumer innovativeness, brand consciousness, social-media marketing, the Theory of Planned Behaviour (TPB), and Trickle-Down, Trickle-Up and Trickle-Across diffusion. The full latent SEM provides a close fit to the data ($\chi^2=2400.434$, $df=2224$, $\chi^2/df=1.079$, CFI=.9946, TLI=.9943, RMSEA=.0100, SRMR=.0336) and accounts for 41.4% of the variance in purchase intention. The mediation proposed in Model A is not supported because the bootstrap confidence interval for the indirect effect crosses zero. Model B produces a different result. Household income predicts PBC ($\beta=.138$, $p<.001$), PBC predicts purchase intention ($\beta=.193$, $p<.001$), and the indirect Income $\rightarrow$ PBC $\rightarrow$ Purchase Intention effect is significant ($\beta=.027$, $p=.002$). Overall, the findings suggest that income is better understood in this setting as a resource affecting consumers' perceived ability to purchase luxury fashion than as a mechanism through which attitude influences intention.

Keywords: luxury fashion; household income; perceived behavioural control; purchase intention; mediation; exogenous variable; Triple-Trickle; structural equation modelling; NCR India

1. Introduction

Luxury-fashion purchases involve more than attraction to a brand or a desire to follow fashion. Consumers may like a luxury label, pay attention to fashion leaders and respond favourably to social-media communication, yet still feel that the purchase is beyond what they can comfortably manage. This difference between preference and practical purchasing capacity is especially relevant when products are expensive. It also raises an important modelling issue: should household income be treated as part of the psychological process leading to intention, or as a financial condition that exists outside that process and affects how feasible the purchase appears?

The issue is examined among luxury-fashion consumers in India's NCR. Household income is tested in two specifications rather than being assigned a single statistical role at the outset. Model A tests whether income mediates the relationship between attitude and purchase intention. Model B starts from the socioeconomic character of income and examines whether it contributes to PBC and, through PBC, to purchase intention. Both specifications are considered within a broader fashion-adoption framework that combines TPB with Trickle-Down, Trickle-Up and Trickle-Across diffusion.

The two models give somewhat different accounts of consumer behaviour. In the mediation model, income is positioned as the mechanism linking attitude with purchase intention. In the resource model, income is treated as a financial condition that exists before the immediate purchase evaluation and can affect whether consumers feel able to act on their preferences. Comparing the two approaches makes it possible to see which role of income is better supported by the data, without losing sight of the proposed ordering of the variables.

2. Literature Review and Hypothesis Development

2.1 Fashion Innovativeness and Trickle-Up Adoption

Fashion innovativeness is best understood as a readiness to engage with a style before it becomes commonplace. Rogers (2003) treats innovativeness as a central feature of diffusion, while Beaudoin, Lachance and Robitaille (2003) show that fashion innovativeness is closely tied to diffusion behaviour and sensitivity to fashion cues. Baker et al. (2019) likewise distinguish innovative fashion consumers from later adopters. In the NCR luxury market, this tendency is relevant not only to established designer trends but also to styles that first become visible in youth, street or emerging-fashion settings and later migrate upward. A consumer who enjoys experimenting with new styles should therefore be more receptive to Trickle-Up movement.

H1: Fashion Innovativeness positively influences Trickle-Up fashion adoption.

2.2 Consumer Innovativeness and Trickle-Up Adoption

Consumer innovativeness captures a broader willingness to try unfamiliar products and ideas. Goldsmith and Hofacker (1991) developed domain-specific innovativeness precisely because adoption tendencies vary across consumption fields. Citrin et al. (2000) later demonstrated that innovativeness matters when consumers confront new purchasing environments, and Yun et al. (2008) examined new-product adoption among affluent Indian consumers. Applied to luxury fashion, the argument is straightforward whether consumers who are comfortable with novelty are less dependent on established status signals and more willing to notice styles emerging outside traditional luxury channels.

H2: Consumer Innovativeness positively influences Trickle-Up fashion adoption.

2.3 Fashion Opinion Leadership and Trickle-Across Adoption

Fashion opinion leadership concerns interpersonal influence rather than early adoption alone. Opinion leaders are noticed, consulted and imitated by people around them. Baker et al. (2019) identify opinion leadership as a distinct fashion-consumer characteristic, while Ananda et al. (2020) connect fashion opinion leadership on Instagram with intentions to purchase and adopt new fashion. This kind of influence is consistent with Trickle-Across diffusion because the movement is horizontal, styles spread among consumers and reference groups occupying broadly comparable social positions.

H3: Fashion Opinion Leadership positively influences Trickle-Across fashion adoption.

2.4 Status Consumption and Trickle-Down Adoption

The association between fashion and status is one of the oldest themes in consumption theory. Veblen (1899) viewed conspicuous consumption as a visible expression of social standing, whereas Simmel (1904) described fashion as a continuing process of imitation and differentiation. Contemporary luxury research reaches a similar conclusion from a value perspective, Wiedmann, Hennigs and Siebels (2009) identify social value as an important dimension of luxury consumption, and Zhan and He (2012) show that status-related meanings remain relevant in emerging luxury markets. Consumers who place greater importance on status should consequently pay closer attention to fashion signals associated with prestigious groups.

H4: Status Consumption positively influences Trickle-Down fashion adoption.

2.5 Brand Consciousness and Trickle-Down Adoption

Brand consciousness is especially relevant in luxury fashion because the brand name often carries information about prestige, quality, heritage and social recognition before the product itself is evaluated. Giovannini, Xu and Thomas (2015) link brand consciousness with luxury-fashion consumption among younger consumers, while Zhang and Kim (2013) show that brand-related perceptions contribute to luxury-fashion attitudes and purchase intent. When consumers rely strongly on recognised luxury labels, they are also more likely to follow fashion cues associated with established, high-status market actors.

H5: Brand Consciousness positively influences Trickle-Down fashion adoption.

2.6 Social-Media Marketing as Diffusion Infrastructure

Social media has altered the speed and direction of fashion diffusion. Kim and Ko (2012) show that luxury-fashion social-media marketing can strengthen customer-related outcomes, but its role extends beyond conventional promotion. A single platform can simultaneously expose consumers to designer-led campaigns, celebrity or influencer styling, emerging street trends and peer recommendations. Social media can therefore reinforce downward, upward and horizontal diffusion at the same time. This multi-directional role is particularly plausible in NCR, where luxury consumption is closely connected with digitally visible lifestyles.

H6a: Social-Media Marketing positively influences Trickle-Down fashion adoption.

H6b: Social-Media Marketing positively influences Trickle-Up fashion adoption.

H6c: Social-Media Marketing positively influences Trickle-Across fashion adoption.

2.7 TPB Variables and Luxury-Fashion Purchase Intention

The Theory of Planned Behaviour provides the proximal decision layer of the model. Ajzen (1991) proposes that intention is shaped by attitude, subjective norm and perceived behavioural control. The three constructs are conceptually different. Attitude reflects whether buying luxury fashion is evaluated favourably; subjective norm reflects perceived approval or expectations from important others; and PBC reflects whether the consumer believes the purchase is realistically manageable. Luxury research supports the importance of favourable evaluations and social meanings (Bian & Forsythe, 2012; Zhang & Kim, 2013), while the high price of luxury products makes perceived control particularly salient.

H7: Attitude toward luxury fashion positively influences Purchase Intention.

H8: Subjective Norm positively influences Purchase Intention.

H9: Perceived Behavioural Control positively influences Purchase Intention.

2.8 Triple-Trickle Diffusion and Purchase Intention

The diffusion component deliberately avoids assuming that fashion moves in only one direction. Classical Trickle-Down reasoning follows the status hierarchy described by Simmel (1904). King (1963) questioned the sufficiency of this account and emphasised simultaneous adoption across social groups, while Field (1970) described upward movement of innovations. Mohr, Fuxman and Mahmoud (2022) bring these strands together in a Triple-Trickle perspective. For a contemporary luxury market, the implication is that elite-led, emerging-style and peer-level influences can coexist. Each route may therefore make its own contribution to purchase intention.

H10: Trickle-Down adoption positively influences Purchase Intention.

H11: Trickle-Up adoption positively influences Purchase Intention.

H12: Trickle-Across adoption positively influences Purchase Intention.

2.9 Household Income: Mediator or Exogenous Resource?

Income requires more careful treatment than the psychological constructs. It is a socioeconomic resource rather than an attitude created during the purchase decision. Ajzen's (1991) discussion of behavioural control explicitly recognises resources and opportunities, which provides a theoretical basis for Income → PBC. Luxury-value research also acknowledges economic sacrifice and value considerations (Wiedmann et al., 2009; Loureiro & Araújo, 2014). If income provides greater financial room, consumers may be less likely to view a luxury purchase as financially difficult.

H13a: Household Income positively influences Perceived Behavioural Control.

H13b: Household Income has a positive indirect effect on Purchase Intention through Perceived Behavioural Control.

The study also evaluates the competing mediation sequence Attitude -> Household Income -> Purchase Intention. This is a less intuitive causal claim. It asks whether income behaves statistically as the mechanism connecting attitude with intention. Testing the pathway is useful because it allows the data to distinguish a mediation explanation from the theoretically more plausible resource explanation rather than assuming either in advance.

H14: Household Income mediates the relationship between Attitude toward luxury fashion and Purchase Intention.

3. Integrated Hypothesis and Result Model

Figure 1 maps the hypothesised relationships together with the empirical results. It also distinguishes the unsupported mediation test from the supported exogenous-resource pathway. The detailed income specifications are interpreted separately in Sections 5.2 and 5.3.

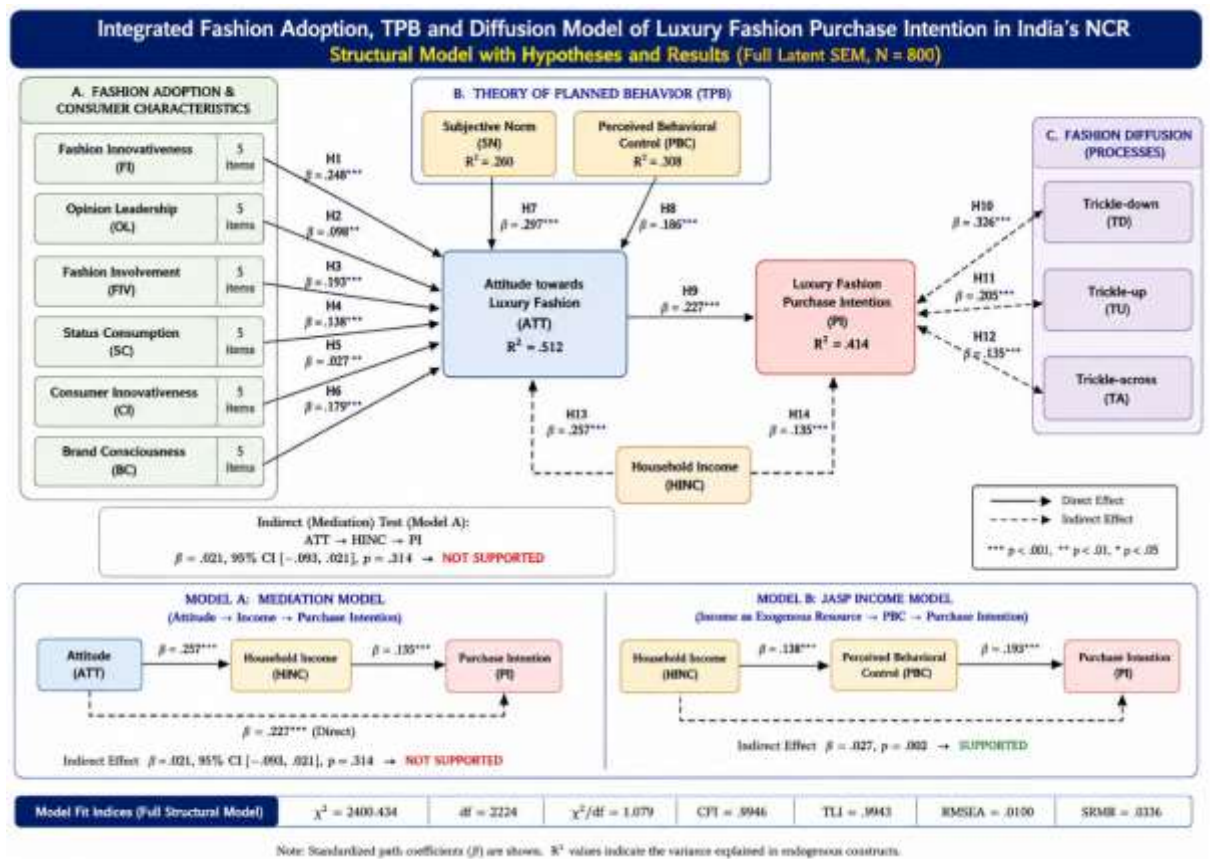


Figure 1. Integrated pictorial hypothesis-and-result model used as the organising framework for the article.

4. Methodology

4.1 Research Design and Sampling

A cross-sectional survey design was used. The target respondents were adult NCR residents with actual experience of purchasing luxury-fashion clothing. No complete public register of such consumers was available; consequently, a list-based probability frame could not be constructed. Recruitment used purposive non-probability sampling, supplemented by referral recruitment and location-guided coverage across Delhi, Gurugram, Noida/Greater Noida, Ghaziabad and Faridabad.

Fieldwork ran for approximately six months. Around 5,000 potential respondents were approached, of whom about 20% declined participation. Those willing to participate were screened for previous luxury-fashion purchase. Non-purchasers

were excluded. The subsequent screening removed tourists and short-term business visitors who were not NCR residents, incomplete questionnaires and duplicate or replicated responses. The final usable sample comprised 800 respondents. The design therefore supports analytical inference about relationships within the observed sample rather than population prevalence estimates for all NCR consumers.

4.2 Measurement and Estimation

The full model contains 14 latent constructs measured with 68 observed items on five-point response scales. Household income is represented by an ordered six-category annual household-income variable and is treated as an observed socioeconomic resource in Model B. The full latent SEM retains measurement error for the multi-item constructs. Model adequacy is evaluated using χ^2/df , CFI, TLI, RMSEA and SRMR, together with standardized path coefficients, R^2 and indirect effects. Model A uses bootstrap inference to evaluate the proposed Attitude $\rightarrow$ Income $\rightarrow$ Purchase Intention mediation.

5. Results

5.1 Measurement Quality and Overall Structural Fit

Before interpreting the structural paths, the measurement model was examined for loading strength and internal consistency. Standardized loadings ranged from .685 to .883, composite reliability from .849 to .923, and average variance extracted from .553 to .696. These values indicate that the latent constructs were measured with adequate reliability and convergent validity. The full latent SEM also fitted the observed covariance structure closely: $\chi^2=2400.434$, $df=2224$, $\chi^2/df=1.079$, CFI=.9946, TLI=.9943, RMSEA=.0100 and SRMR=.0336. Purchase Intention had $R^2=.414$, meaning that the combined TPB and diffusion variables accounted for 41.4% of its variance.

5.2 Structural Findings for Purchase Intention

All three diffusion routes retained independent associations with Purchase Intention. Trickle-Down was the strongest of the three ($\beta=.257$, $p<.001$), followed by Trickle-Up ($\beta=.205$, $p<.001$) and Trickle-Across ($\beta=.135$, $p<.001$). Because the three coefficients are estimated together, each association is assessed while the other diffusion routes and TPB variables remain in the model. Among the TPB variables, Attitude showed the largest coefficient ($\beta=.248$, $p<.001$). PBC was also substantial ($\beta=.193$, $p<.001$), whereas Subjective Norm was smaller but statistically significant ($\beta=.099$, $p=.007$). The results indicate that luxury-fashion intention in the sample is driven more strongly by personal evaluation and perceived feasibility than by normative pressure alone.

5.3 Model A - Household Income as Mediator

Model A tests H14. The proposed indirect sequence is Attitude $\rightarrow$ Household Income $\rightarrow$ Purchase Intention, with the direct Attitude $\rightarrow$ Purchase Intention path retained. The bootstrap 95% confidence interval for the indirect effect includes zero; consequently, H14 is not supported. This does not mean that income is irrelevant. Instead, the result indicates that household income does not operate as the intervening mechanism through which a favourable luxury-fashion attitude becomes purchase intention in these data.

5.4 Model B - Household Income as an Exogenous Resource

Model B gives household income a different causal position. Income significantly predicts PBC ($\beta=.138$, $p<.001$), supporting H13a. PBC, in turn, predicts Purchase Intention ($\beta=.193$, $p<.001$). The resulting Income $\rightarrow$ PBC $\rightarrow$ Purchase Intention indirect effect is $\beta=.027$ ($p=.002$), supporting H13b. Allowing the Income $\rightarrow$ PBC path to be estimated improves model fit by $\Delta\chi^2(1)=13.699$, $p<.001$ and increases the explained variance in PBC from approximately .034 to .052. The effect is modest in magnitude, but it is statistically reliable and theoretically coherent: income appears to matter because it changes perceived purchase capability, not because it is produced by attitude.

5.5 Reading the Two Income Models Together

The two models answer different questions and should not be treated as competing versions of the same equation. Model A asks whether income carries an attitudinal effect and the evidence says no. Model B asks whether income functions

as a prior resource that contributes to perceived control and the evidence says yes. Considering the models together also helps avoid treating a correlated variable as a mediator without examining its theoretical and temporal position.

6. Discussion

One clear finding is the distinction between favourable evaluation of luxury fashion and the perceived ability to purchase it. Attitude remains an important predictor of luxury-fashion purchase intention, but it does not explain the role of household income. The mediation test in Model A is unsupported, whereas the results from Model B indicate that income is associated with PBC and that PBC, in turn, contributes to purchase intention. This pattern fits Ajzen's (1991) treatment of resources and constraints within perceived behavioural control. In the present context, a consumer's positive attitude toward luxury fashion does not generate household income; rather, the resources available to the household can influence how manageable a luxury purchase feels.

The diffusion results show that this resource-based explanation operates alongside several routes through which fashion ideas circulate. Trickle-Down has the largest coefficient among the three diffusion variables, suggesting that established luxury brands and high-status reference groups continue to matter. At the same time, the significant Trickle-Up and Trickle-Across paths indicate that luxury-fashion adoption in NCR is not exclusively hierarchical. Styles emerging from less traditional sources and those circulating among peers also contribute to purchase intention. The pattern also fits the broader shift away from a single-direction account associated with Simmel (1904) toward the alternatives discussed by King (1963), Field (1970) and, more recently, Mohr et al. (2022).

The TPB results provide a further qualification. Attitude has a stronger association with purchase intention than Subjective Norm, while PBC also makes a meaningful contribution. Thus, visible consumption should not automatically be interpreted as evidence that luxury-fashion decisions are mainly driven by social approval. Respondents' own evaluation of luxury fashion and their sense of whether a purchase is feasible appear to carry greater weight, although normative influence remains statistically significant.

These results also have practical implications for luxury-fashion firms. Creating aspiration through brand prestige, influencers and social-media communication may encourage favourable attitudes, but aspiration alone may not be enough to produce purchase intention. Consumers also need to perceive the purchase as manageable. Retail access, clear pricing, dependable service, convenient fulfilment and appropriate payment arrangements may help reduce practical barriers while preserving a premium market position. The income finding should therefore be read as evidence about purchasing capacity and perceived control, rather than as a case for broad discounting.

The failed mediation test is also useful in interpreting the findings. Reporting only the successful specification would conceal an important part of the model comparison. The non-significant indirect effect in Model A shows that household income does not function convincingly as the mechanism linking attitude with intention in these data. Model B offers a more coherent ordering: income is positioned as an existing resource, followed by perceived control and then purchase intention. Showing both tests makes the difference between the two explanations easier to see.

7. Theoretical Contribution

The main theoretical contribution lies in how household income is positioned within the combined fashion-adoption framework. Much of the behavioural part of the model concerns perceptions, evaluations and social influence, whereas household income represents an external socioeconomic condition. The results show why that distinction is consequential. Income does not receive support as a mediator of the attitude-purchase intention relationship, but it does contribute to PBC, which is itself related to purchase intention. The study therefore links socioeconomic capacity with the control component of TPB while retaining the simultaneous influence of multiple fashion-diffusion routes. In this formulation, luxury-fashion purchase intention reflects not only what consumers value and the fashion signals to which they are exposed, but also whether they believe they have the practical capacity to act on those preferences.

8. Limitations and Future Research

Several limitations need to be kept in mind when interpreting these findings. Household income is measured as an ordered category and cannot capture the full range of financial circumstances that may affect a luxury purchase. Consumers with similar household incomes may differ considerably in disposable income, accumulated wealth, debt,

access to credit or willingness to allocate money to fashion. The cross-sectional design also means that the temporal ordering implied by the structural model cannot be established as firmly as it could with longitudinal data. In addition, the non-probability recruitment procedure was appropriate for reaching experienced luxury-fashion consumers but does not justify population-prevalence estimates for NCR as a whole. Future research could strengthen the resource explanation by measuring perceived affordability, disposable resources, wealth, credit access and actual purchasing behaviour directly, preferably across more than one point in time.

9. Conclusion

The comparison of Models A and B changes how household income is understood in this study. The data do not support the view that income mediates the relationship between attitude and luxury-fashion purchase intention. They do, however, show a pathway in which higher household income is associated with greater perceived behavioural control, which subsequently contributes to purchase intention. This result places income more naturally on the resource side of the decision process. Within the wider TPB and Triple-Trickle framework, consumers may be attracted to luxury fashion through personal evaluations, social influences and different forms of fashion diffusion, but their perceived capacity to act on that attraction remains a separate part of the purchase decision.

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