Master Degree Project in Marketing and Consumption

The Online Luxperience

Discovering luxury cosmetics consumption online

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ABSTRACT

The luxury industry is evolving quickly, and the most recent trend amongst luxury retailers is to expand their product range to include a cosmetics line. Meanwhile, the luxury consumer has turned to the web and an increasing amount of young women are using the Internet to purchase their beauty products. Hence, the aim of this article is to reveal the underlying motivations for consumers' to purchase luxury cosmetics online. The findings indicate that all motivational factors in luxury cosmetics are linked to self-directed pleasure and that the consumer is driven by intrinsic motivations. The intrinsic motives are further enhanced by the online experience, referred to as *luxperience* by the authors. This study sheds light to the area of luxury retail and e-commerce, and can be useful for companies in the industry when developing new digital strategies.

Keywords: *e-commerce, luxury cosmetics, consumer motivation online*

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INTRODUCTION

The concept of luxury is not defined as an object, a product or a lifestyle but rather a whole culture and philosophy (Okonkwo, 2009). Today's consumer has a remarkably higher income, which means that the demand for luxury products has increased (Husic & Cicic, 2008). Consequently, the luxury brand market is characterized by its size, its constant and rapid evolvement, as well as its complexity and diversity (Miller & Mills, 2011). The global personal luxury goods market was estimated to be worth 212 billion euros in 2012 (Statista, 2012), where the luxury goods segment Apparel and Accessories is the largest segment in the market (Businessvibes, 2013). As a result of changing lifestyles and rising living standards, an overall growth of 6-7 % in the industry is expected in 2014, even in times of economic crisis (Svensk handel, 2012). One of the most evident trends in the industry is the expansion of luxury brands' beauty ranges to include a full cosmetic line, as compared to the traditional beauty range consisting of mainly fragrance (Euromonitor, 2013: in Businessvibes, 2013). Brands such as Giorgio Armani, Tom Ford and Michael Kors have teamed up with well-known players in the beauty industry, while for instance Burberry has taken on a slightly more independent strategy in expanding their beauty range (Euromonitor, 2013). Social motivations such as status and group belongingness are frequently claimed to be the main underlying motives when purchasing luxury products (Wiedmann et al, 2007), which appears as logical when it comes to apparel and accessories that are consumed publically. Contradictive, luxury cosmetics that are typically consumed in private, is an apparent trend in the luxury industry. Consumers' are increasingly willing to pay a premium price for quality brand products (Cosmetics Design, 2010), also referred to

as a growing hunger for luxury cosmetics (Euromonitor, 2013). Hence it can be stated that social motivations alone cannot describe the consumption of luxury cosmetics, raising the question of what truly motivates the luxury cosmetics consumption. Nevertheless, the trend of expanding the beauty range among luxury brands to include not only perfume but also make-up and skin-care, enables the consumers' to infuse high- fashion into their daily routines.

Meanwhile, consumers have changed their behavior and started to pay continuously more time on the web (emarketer, 2013). Especially in the Nordic countries, e-commerce is continuously growing. In Sweden, the amount of purchase per person has increased by 31 % since 2010. However, in line with the growing abilities to shop online, today's e-customer has high demands on the online services (Dibs, 2013). The Internet continues to grow as a channel for commerce, but even more so as a twenty-four- hour window display for companies, an easily available source for brand and product information (Svensk handel, 2012). Furthermore, recent studies suggest that women in the age of 18-35 are turning to the Internet to buy their beauty products (Brandbank, 2013). Most of the consumers shopping for beauty products are already involved in multichannel shopping in some way, either in the actual purchase phase or by evaluating the product before purchasing it. Significantly, it has been noticed that women are looking for retailers that work more on closing the perceived gap between the experience of buying beauty products in-store versus online (ibid).

By empowering the consumers with the availability to shop on the web, the Internet has also raised the consumers' expectations on retailers (Chen & Dubinsky, 2003). Luxury retailers have been slow to reach the web and other digital marketing channels, but are now forced to continuously create new innovative digital marketing strategies (Bjorn- Andersen & Hansen, 2011). Even though some luxury retailers claim that going digital is not a strategy for luxury brands (Strugatz, 2012), companies such as Burberry have taken the step towards digitalization, and actually managed to enhance their brand value (The Guardian, 2013). This has pushed luxury marketers to sell their products through e-commerce, as well as integrate physical products with the online sequence (Luxury market outlook, 2013).

The consumer does not place value of the luxury in the tangible product, but even more in the experience itself (Svensk handel, 2012). This means that luxury retailers, even in an online setting, need to communicate and convey an experience that generates enough value for the consumer that will convince them to make the purchase decision online. Hence, an increasing number of luxury companies are acknowledging the importance of how the consumers actually experience their brand, products and services (Euromonitor, 2013). Adding the online aspect to luxury cosmetics further emphasizes the complexity previously discussed, the difference in motivational factors when purchasing luxury apparel and accessories compared to the often privately consumed luxury cosmetics. Combining the recent changes in the business strategies of luxury companies together with women's increased desire to purchase beauty products online, it is evident that a new phenomenon has evolved. In order for luxury retailers to better take advantage of this opportunity, this calls for a better understanding of the consumers' motivations to purchase beauty products online. Therefore, it is important to study the specific aspects of the industry of luxury beauty products, and how it may differ from other, more widely researched fields.

Previously, studies concerning luxury retailers and their online services have mainly concerned the paradox of

sustaining the luxury brand on the Internet (Okonkwo, 2009; Kapferer & Bastien, 2009). Research concerning consumers' motivations to shop online has been emphasized in recent years (Shang, Chen & Shen, 2004; Ha & Stoel, 2012), and this has equally spread to the field luxury research. Liu, Burns and Hu (2013) dedicated their research to comparing the differences in consumers' motivations to purchase luxury goods online or in-store. However, during the conducted literature review, it could be stated that research within the luxury field tend to focus on apparel and accessories - the largest segment in the market, leaving the current trend of luxury cosmetics in the online sequence rather unexplored. It can also be concluded that previous studies lack an in-depth analysis of the factors attached to consumer motivations, often referring to already developed concepts such as convenience or trust. Through the use of a qualitative approach, studying consumers' own perceptions of the topic, we aim to develop a deeper understanding for the underlying concepts and their implications for motivations. Delving further into the trends of luxury cosmetics and e-commerce, combining these two appears to have a great potential. Subsequently, the research of luxury cosmetics in an e-commerce setting is left undiscovered, in terms of how consumers perceive the online setting when purchasing luxury beauty products. Furthermore, according to the authors knowledge there is yet no research concentrating solely on Swedish consumers. With the purpose of exploring how and why consumers' are motivated to purchase luxury cosmetics online, our research question is as followed;

How and why are young women's motivations to purchase luxury cosmetics online influenced by factors in the online sequence?

The results of the study will shed more light on an unexplored field of research, through combining consumers'

motivations to purchase luxury cosmetics with e-commerce. In practice, managers in the luxury industry could utilize the results in order to develop successful online strategies.

THEORETICAL FRAMEWORK

In order to grasp the underlying motivations behind purchasing luxury cosmetics online, our theoretical framework begins with clarifying the concepts of luxury, followed by discussing e-commerce and consumer motivation online. Finally, these fields are combined, leading down to the unexplored theoretical field of luxury cosmetics consumption and consumer motivations online.

The concept of luxury

By tradition, luxury goods have been defined as goods or branded products that bring value and prestige to their owner instead of functionality. Many consumers tend to buy luxury products only for the symbol it generates (Husic & Cicic, 2008). According to a study performed by Miller and Mills (2011), brand luxury equals prestige, has considerable intangible worth, an enduring positive brand image and is a frontrunner in design, quality, status and fashion. Uniqueness is however not significant for luxury brands, although the product could be considered unique in terms of difficulty to obtain or find (ibid). The challenge for luxury brands is to raise exclusivity, brand identity, brand awareness and perceived quality from the consumer's perspective (Phau & Prendergast, 2000). However, the value perceptions of luxury goods are multidimensional and involve social, individual, functional and financial aspects (Wiedmann, Hennigs & Siebels, 2007). According to Nia and Zaichkowsky (2000) the main factor that separates luxury from non-luxury goods are the psychological benefits. In line with this statement, Kapferer and Bastien (2009) acknowledge the social function as the key function in

luxuries, but add that there must be a very powerful personal and hedonistic component as well - otherwise it is categorized as snobbery rather than a luxury. Luxury brands rely on the consumers' that are impressed with the brand's culture and appreciates its world, philosophy and identity (ibid).

As demonstrated earlier, defining the concept of luxury is challenging since it is subjective and multidimensional, as well as dependent on the consumer's mood and experience (Wiedmann et al, 2007). However, many attempts are made: Berry (1994) describes luxuries as desirable objects that bring pleasure and Kapferer (2012) portrays luxury objects as providers of extra pleasure that flatter all our senses simultaneously. From traditionally being considered a traditional conspicuous consumption model, the luxury industry is now considered to be more of an experiential market. Purchasing a luxury product equals purchasing a product that symbolizes value not only to the consumers' reference group, but also to the individual. Hence, the socially oriented consumption of luxury goods is not sufficient for this purpose and should be complemented with the personally oriented consumption type (Wiedmann et al, 2007). According to Wong and Ahuvia (2010) the personal orientation towards luxury brands is more significant for some consumers, who are driven by utilitarian, emotional and symbolic dimensions. A study made by Godey et al. (2010; cited in Wiedmann et al. 2013) that aimed to discover the luxury perceptions among young people, found the results to be coherent with both ostentatious consumption behavior theories and hedonistic consumption theories. The hedonistic connection involves the self-referral among young consumers' when defining luxury, where terms such as "desire", "dream" and "emotional" were used (ibid).

The concept of luxury cosmetics
Kapferer and Bastien (2009) argue that in luxury, hedonism precedes functionality,

inferring that the individual aspect comes before the functional aspect. Adding that cosmetics are identified as one of the main hedonistic product categories (Hume & Mills, 2013), a possible conclusion is that the individual benefit weighs up the functionality in cosmetics, which can explain the consumption of luxury cosmetics. Nevertheless, Kapferer and Bastien (2009) distinguishes premium from luxury using L'Oréal as an example to portray that it is impossible to "trade up" from premium to luxury, especially not through raising the prices of premium brands. Following this logic, one of the so-called anti-laws of marketing developed by the authors is that the luxury sets the price and not the opposite (ibid).

Previous research have argued that the industry lacks the intrinsic product quality characteristics, meaning that there are not noticeable differences between different cosmetic products in terms of quality. Fragrances have previously been categorized as a product of inconspicuous fashion, i.e. fashion products that cannot be seen even though being worn (Hume & Mills, 2013). We assume that cosmetics possess the same characteristics. Chao and Schor (1996) claim that there is strong support for cosmetics being bound to status consumption. The fact that consumers are willing to pay a high price for an expensive piece of make-up rather than a cheap one, even though there is no substantial difference in the quality as such, appears to be a behavior that must be explained by social factors. According to the authors, this is explained by the consumers need to purchase goods that are associated with a certain social standing. Consequently, during the recession, cosmetics have been the only product range that actually increased in the density of sales (ibid). Following this further, an interesting statement was proposed by Hill, Rodeheffer, Durante, Griskevicius and White (2012). According to their study, the role of cosmetics as an important symbolic good amongst women could also be

explained by the *lipstick effect*. Hence, their findings indicated that the underlying motivations to invest in beauty products is that during the economic recession, women tend to invest in products that will enhance their physical appearance and will strategically change their consumer behavior in order to adapt to this. One purpose of female cosmetics consumption is the acknowledgement of the person's identity and to gain admiration of other individuals (ibid).

The concept e- commerce

E-commerce could be defined as the online market for trading business to consumer goods. For the consumer, there are various benefits found in shopping on the Internet. Purchasing goods on the web enables the consumer to compare prices and product features amongst different suppliers, and provides a convenient and time saving way to conduct your shopping (Chen & Dubinsky, 2003). Nevertheless, Cox & Dale (2001) highlight that communication is more difficult when it comes to e-commerce, since it only goes one way. Tangibles are thereby hard to use for measurement, since the customer only interacts with the website. Hence, the authors claim that the consumers cannot have the same opinions about the physical properties of the product in the online sequence. The lack of human interaction in e-commerce means that the experience is judged on another level and standards than in a regular in-store sequence. Communication is instead delivered by text, color, and graphics than of personnel (ibid).

The perceived customer value online has a strong impact on the consumption decision, and whether or not the consumer should choose to purchase the product on the web. Chen and Dubinsky (2003) developed a framework that portrayed the perceived value of the customer in an e-commerce setting, with customer value as the core variable. Hence, it is important to highlight the factors that have an impact on generated perceived value and the

motivational indicators attached to it. Nevertheless, perceived risk is something that is frequently discussed as the main challenge in the academic field of e-commerce. Risk is found to be negatively correlated with the consumers purchase intentions, and affects the perceived value for the consumer (Chiu et al, 2012). The perceived risk can be conceptualized and divided into; financial, performance and privacy risks. In this context, it ought to be noted that the consumer may be concerned about the e-tailers reputation when considering the risks of the transaction if the e-tailer is known for high quality products (Chen & Dubinsky, 2003).

Consumer motivation online

The simplest definition of motivation is to be moved to do something (Ryan & Deci, 2000). Motivation is an important factor to consider since it links individual factors with purchasing behaviors (Wang, Sun and Song, 2010). Ryan & Deci (2000) proposed that people do not only have different amounts of motivation, they vary even in the different kinds of motivations they possess. In *self-determination theory*, the concept of motivation is divided into two different types of motivation; intrinsic motivation and extrinsic motivations. Intrinsic motivation refers to doing something because it is inherently enjoyable or intriguing and seems to appear without any instrumental reasons, but rather for the positive experiences associated with the certain practice conducted. Hence, the intrinsic motivation exists between the individual and the task. Extrinsic motivations refer to doing something because it leads to a certain outcome. In contrast to intrinsic motivations, extrinsic motivations refer to doing an activity for its instrumental value (Ryan & Deci, 2000). Previous research concerning consumer's motivations to shop online has been targeted towards extrinsic motivations, but maybe even more important is to acknowledge the intrinsic motivations of consumers' behavior online (Shang, Chen & Shen,

2005). Concentrating on understanding intrinsic motivations in the online setting could facilitate a comprehension for the invisible factors that would affect the consumers purchasing behavior. Arguing this, the authors examined whether intrinsic motivations can explain the consumer's acceptance of online shopping. Evidence was found that online shopping is not a goal-oriented task, but rather an activity influenced mainly by the consumers intrinsic motivations. Thus, shopping online is not influenced by economic factors, but of the experience and enjoyment the customer felt while shopping online (ibid). Therefore, based on the study reviewed above we can distinguish that the experience the consumer has with the website correlates with her intrinsic motivations to shop online.

Following this further, visible features of the website seems to have a great impact on the consumer experience. When it comes to e-shopping dimensions, Ha and Stoel (2012) examined one aspect of consumers' motives on e–shopping quality in online apparel consumption. They identified four shopping quality factors that have an impact on the consumer's motivation on the certain website: privacy/security, web site content/functionality, customer service, atmospheric/experiential. When shopping for apparel online the consumer places high value on the atmosphere and the experience they gain when visiting the online setting. But even so, it could be concluded that all retail environments online could not be claimed to have the same characteristics. Francis (2007) acknowledges that one size does not fit all when it comes to online retail services. Thereafter, it is important for the area of retail research online to not only distinguish between the differences of industries, but also consumers' motivations towards purchasing certain product categories online. Importantly, it is to be acknowledged that there could be specific attributes attached to the consumer's motivations to purchase luxury goods online in comparison to apparel.

Consumer motivations and luxury consumption online

The Internet is said to be the world's most democratic medium, giving access to everyone anywhere. This has imposed a paradox for the luxury industry; remaining accessible meanwhile maintaining exclusivity and brand value (Hennings, Widemann and Klaudmann, 2012). In contrast to regular physical goods, a luxury brand can be consumed without actually being owned by the consumer, which is enhanced even further by the digitalization of the industry (Radón, 2010). Kapferer and Bastien (2009) argue that luxury brands should never consider the Internet as a distribution channel but as a tool for communication, as Internet reduces the senses and is not experiential enough. The personal human relationship is emphasized as essential in luxury, which further argues against luxury brands being sold online. Two conditions must be fulfilled in order for a luxury brand to sell its products online: correct, personalized identification and multisensory experience. As these functions are not currently enabled but likely to be developed in the future, it is recommended that luxury brands await this revolution. (ibid)

Liu, Burns and Hu (2013) stated that in contrast to previous research claiming that shopping for luxury goods online possesses the same characteristics for shopping for regular goods online, there is evidence that the consumers' motivations differ regarding luxury goods on the Internet. Online luxury consumers are affected by different motivational factors than offline consumers, and there are several reasons for why the luxury consumer chooses to purchase their goods on the Internet. For instance, they all expressed a high level of trust towards the retailer. Trust in this context seems to be an important factor, since the money

invested in these transactions are on the average level higher than purchases of regular goods. There also lies an importance in the availability of comparing prices among different retailers. Nevertheless, there was a common factor that feeling the physical product was less important (ibid).

As previously discussed, there are two different motivations, extrinsic and intrinsic, that could also be distinguished in the field of luxury consumption in an online setting. Truong and Mccoll (2011) investigated the motivations of luxury consumers and discovered that extrinsic goals are characterized by the financial success, social recognition and appealing appearance. Intrinsic goals on the other hand included self-acceptance, affiliation, community feeling and physical fitness and health. If the luxury consumer is intrinsically motivated, they tend to look at the actual quality of the product, and its ability to provide self-directed pleasure than whether the product allows the customer to demonstrate conspicuous consumption. Furthermore, purchasing luxury goods as a self-reward may be a powerful way to satisfy one's need for self-esteem. Equally, it ought to be mentioned that if the consumer is intrinsically motivated, she is not affected by a social image or image building opportunities. Hence, those who are intrinsically motivated are not concerned about the image that will be conveyed by their choices (Fredrichsen & Engelmann, 2013). The consumption of inconspicuous fashion products such as cosmetics, are said to have a strong relationship with hedonistic motivations relating to one's self-image and self-esteem (Hume & Mills, 2013). This is of particular interest when analyzing shopping behavior for luxury cosmetics online.

Reviewing the chosen theoretical framework, we distinguish that luxury cosmetics seem to possess some contradicting characteristics. While some studies suggest that they are consumed due to status consumption, others argue that cosmetics is a product category of hedonistic and inconspicuous consumption patterns. Thus, the primary motivation for consumption of luxury beauty products, especially in the online sequence, remains diffuse. Bearing in mind the indications for luxury cosmetics being bound to inner motivations, we obtain a critical view on theories explaining luxury cosmetic consumption solely through extrinsic goals.

METHODOLOGY

The aim of this paper is to understand and interpret the underlying meanings of young women's' motivations to consume luxury cosmetics online, and therefore a qualitative research approach was selected. Important to highlight is the limited definition of luxury cosmetics utilized in this thesis, where only brands that besides cosmetics also have apparel and accessories in their product range, are considered. Examples of such well-known brands are Dior, Chanel, Yves Saint Laurent (YSL), Michael Kors, Burberry, Tom Ford and Marc Jacobs. This limitation was applied partially because of the current trend discussed in the introduction, where luxury retailers expand their range to include cosmetics, as well as to minimize the risk of subjective interpretation among the respondents.

Case study research

A case study was selected for this paper due to its focus on a specific industry - the industry of luxury cosmetics. According to Yin (2003), a case study is further appropriate when a *how* or *why* question is proposed. Furthermore, to be able to make an as extensive research as possible, a triangulation method i.e. a combination of three different methods, developed by Woodside (2003) was applied. Inspired by this approach, the triangulation method in this thesis combined online observations, interviews in the form of focus groups, as well as an analysis of written documents.

The latter included academic journals as well as unscientific reports that were used in order to apply unscientific facts to our findings, leading the researchers to the topic of luxury cosmetics and e-commerce.

Online Observations

Observations were made with a two-folded purpose in order to support the main research method utilized in this thesis, the focus groups. The observations were conducted in an online setting, examining webpages of luxury retailers and their cosmetic product range. The chosen web pages were briefly analyzed in terms of content, design and function for the customer. The purpose of these observations was to understand the online experience as well as the services that the luxury companies offer their online clients in terms of beauty products. Online observations are frequently used as a method of ethnography, recently defined as nethnography (Eriksson & Kovalainen, 2008). In this research however, regardless the resemblance of ethnography, the observations are only used as a supporting primary data collection method.

As we wanted to demonstrate some online stores to the respondents in order for them to discuss them thereafter, we sought to choose as different pages as possible in terms of design and attributes. This argument led us to the choice of following luxury cosmetic retailers' online stores: *Net-a-Portér, Yves Saint Laurent, Marc Jacobs* and *Tom Ford*. Net-a-Portér is an online luxury fashion retailer designed and presented as a fashion magazine, offering over 350 brands including everything from clothing, accessories to fashion books and the recently launched beauty category (Net-a-Portér, 2014; The Business of Fashion, 2013). In the makeup category the latest addition is Burberry Beauty, released 2010 by the iconic British luxury brand with the same name. Burberry Beauty is also available on Burberry's own website as well as on Nordstrom.com (Burberry,

2014). Since *Net-a-Porter's* main focus is not luxury cosmetics, but apparel & accessories, the largest segment in the luxury market, it was interesting to include in our observations. *YSL* was chosen for the observations as it was one of the first luxury designers to develop a beauty line (YSL, 2014) and the only brand analyzed that is available in most physical cosmetic stores throughout Sweden, such as Åhléns, Kicks and Nordiska Kompaniet. Hence, it is the most available brand of the four brands we chose to study. We decided to focus on YSL's own website as online store, as it has unique features compared to the other sites. Further on, *Marc Jacobs* own website was selected since it is one of the newest additions in the category of luxury cosmetics launched in 2013, available at Sephora, in Marc Jacobs stores and on the Marc Jacobs online shop (Time, 2013). Lastly, *Tom Ford* was included due to the exclusive and controversial brand image, along with the fact that the beauty line is remarkably expensive compared to the others. Tom Ford Beauty was launched in 2011 (Elle UK, 2011) and is available at their online shop that will be the object of observation, as well as in selected exclusive cosmetic stores. Overall, the respondents were not familiar with the chosen sites prior to the observations. In the following section they will be described briefly.

Net-a-Portér

The first thing the visitor encounters when visiting the website is images of the latest additions to their range. It is evident that the beauty category is not the main focus, as it is not as highlighted as the other categories on the first page. The Burberry Beauty product information available on Net-a-Portér includes a brief description of the product features, packaging, who it is best suited for (*"Perfect for medium skin tones"*) as well as instructions for use. It also shows other colors available and a shop feature called *"You may also like"* that links to other related products the

customer might be interested in. Each product has detailed photographs, capturing the product packaging, color, texture and pattern.


[http://www.net-a-porter.com/product/444573/Burberry_Make_up/lip-mist-205-rosy-red]
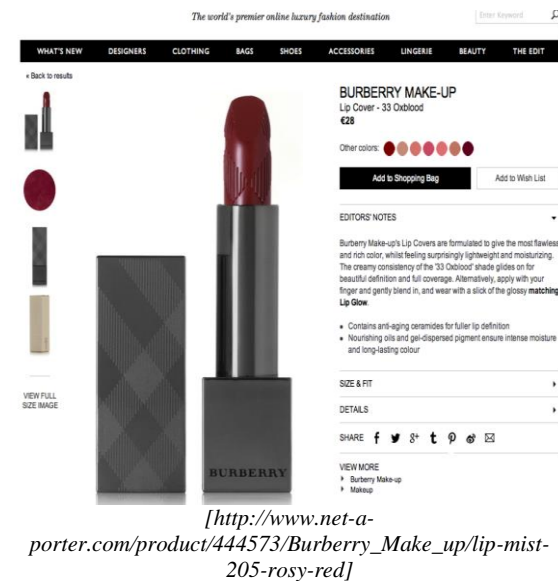
Yves Saint Laurent Beauty

The website is clearly divided into the subcategories *face, eyes, lips, nails* and *accessories*. The first page also shows a "*How to*"-video that describes how to apply different products and offers "*Behind the scenes secrets*". There is also a function called *"Find the right shade"* where one can find the right foundation shade through selecting the complexion that looks most like one's own among 17 pictures of women, and thereafter get a "*perfect match*" recommendation. Besides product feature descriptions and usage instructions, the YSL website also offers a "*Q&A*"-section for each product where customers can ask product-related questions and receive answers from other customers, as well as read product ratings and reviews. There is also the possibility of searching for the right product based on criteria such as "*Matte finish*" or "*Sheer texture*". Moreover, there is an "*Online Exclusive*" section that offers products that are sold exclusively online. Another eye-catching function on top of the page is the search function called *"I desire"* instead of the traditional *"search"*.

[http://www.yslbeautyus.com]
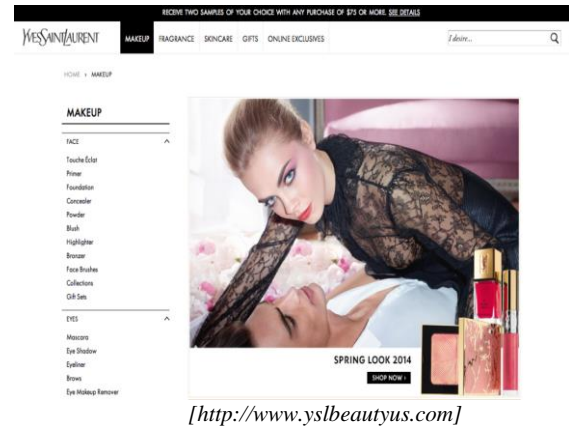
### Marc Jacobs

The first page displays a selection of products from each of the four categories available - *eyes*, *face*, *lips & nails* and *brushes and accessories*. When clicking on a certain product there is basic product information and a sentence describing who the product is made for, an example being "*For the spotlight seeker, the center of attention, and the girl who outshines the rest*". The product pictures both shows the product in its packaging and without, and can be viewed in a full screen mode. At the bottom of the product page there are several links, such as *"We suggest", "View All", "Recently Viewed"* and "*Conversations*", the latter linked to Facebook's social plugin where you can comment or ask questions about the product. The website further enables the customer to sort the products based on *"Most Liked", "Most Commented"* and "*Most Listed*", while some products have been marked with the label "*Staff Picks*".

[http://www.marcjacobsbeauty.com/category/lip.do]
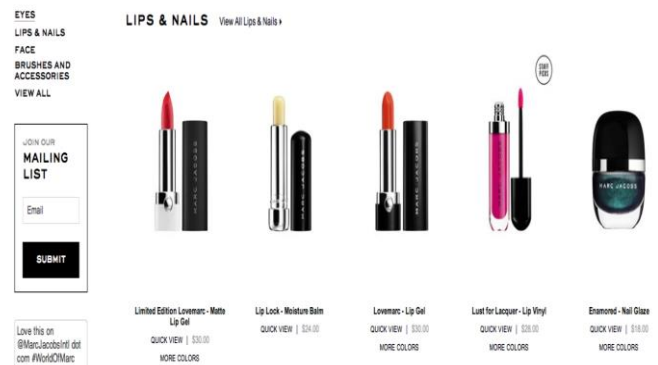
Tom Ford

When entering the site, the first page shows a large picture of a model holding a lipstick from the collection, along with links to the three main categories of the beauty line; women, fragrance and men, where the latter is a cosmetic line for men launched this year. Entering women's cosmetics, it shows all the products in rows of four without any distinctions in subcategories. There are neither any specific search functions shown directly besides on the menu on top of the page when holding the mouse on the *"Beauty"* category. At first there is no product information besides the picture itself, but when holding the mouse on a certain product, its name and price are shown. Clicking on a product, all available colors are shown along with a short description. Compared to the other retailers Tom Ford has very few pictures - although large in comparison, only one picture is shown per product. However, what differs from the other brands is that the lipsticks are portrayed on a model wearing all the different colors, which enables the customers to see how the lipstick shade looks on the lips. Another unique feature is the animation of moving lips shown when holding the computer mouse over a lipstick. On the bottom of the product page there is a link to products *"You may also like"*.

[http://www.tomford.com/women/lips/]
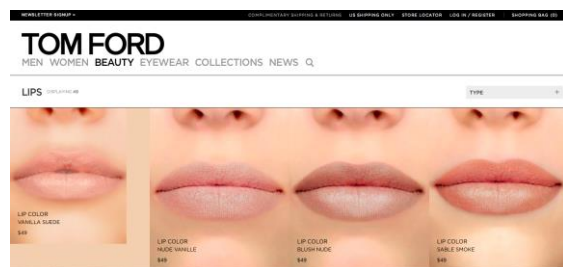
Focus groups

With the aim of this study being to reveal consumer motivations, we conducted focus groups as recommended when seeking perceptions, experiences and feelings among the respondents (Wibeck, 2000; Litosseliti, 2003; Eriksson & Kovalainen,

2008; Bryman & Bell, 2007). Focus groups enable the researcher to gain understanding in *why* individuals feel the way they do in a deeper sense than in the traditional one-to-one interview, since the participants challenge each others views and argue for their standpoint (Bryman & Bell, 2007). The results from focus groups may not be generalizable or representable, but indicative: that is, illustrating a particular social phenomenon (Litosseliti, 2003). In this study a clinical approach was applied to the luxury cosmetics category. In contrast to the exploratory focus group approach, where the purpose is to stimulate the thinking of the researcher, or the experiential approach, where the focus is to observe natural attitudes, the clinical approach in focus groups is commonly used when conducting research about motives for purchasing a specific brand within a product category (Fern, 2001) and was therefore utilized.

The structured and the unstructured focus group approach was combined in this study. This means that the moderator let the dialogue flow more freely in the beginning, by asking introductory open-ended questions. When moving on to the key questions of the interview, the moderator's task was to steer the conversation into a specific topic (Wibeck, 2010). Besides the moderator, an observer was present, documenting and asking relevant follow-up questions.

Respondents

The respondents for this study were chosen on the basis of being young women that usually buy luxury cosmetics and were in the same age category ranging from 23-29 years (Table 1). In line with previous studies stating that women between 18-35 are turning to the Internet to purchase cosmetics (Brandbank, 2013), we found this age-category to be particularly interesting to study. Adding that Swedish consumers increasingly are turning to e-commerce when shopping (Svensk Handel, 2013), along with the age group's strong

future purchasing power, further motivated our choice. The age category was also chosen to assure that the dialogue amongst the respondents would become more open since the respondents could more easily relate to each other. According to Donley (2012) it is important that the respondents in focus groups have at least one thing in common, since the focus group should be more conversational in nature. The respondents were reached out to through the social media platform Facebook, in line with a purposive sampling method. In conjunction with this, they were asked to fill in a pro-forma questionnaire to gather basic information regarding their luxury cosmetics consumption. The purposive sampling method refers to when you collect participants to the focus group based on their ability to contribute to the research aim (Eriksson & Kovalainen, 2008). When using purposive sampling, there is a risk of not including the entire population in your research (ibid). However, the purpose of this study is to concentrate on the population that consumes luxury cosmetics.

The common rule of thumb is four to six focus groups (Morgan, 1996); the number selected for this study was four, including a pilot focus group, which served the purpose of testing if the original questions were liable. The number of respondents per group reached from four to five, which was based on previous studies that concluded that this is the maximum amount of participants in order to keep the conversation flowing and for everyone to get their saying (Wibeck, 2010). Striving for a diverse dialogue, the groups were mixed amongst respondents who bought luxury cosmetics online and those who purchased their luxury cosmetics in-store. According to Morgan (1988) in Borgeaul et al. (2014) it is important to not end up with a group that is so similar that there is no room for debate. Hence, the focus groups were mixed in terms of purchase behavior as well as familiarity; some of the respondents were already familiar with

each other while some were not. This was a good mix, seeing that people can feel comfortable with having an acquaintance on set, but not entirely falling into the same roles they play in their ordinary life (Wibeck, 2000).

TABLE 1. Focus group respondents.

Conducting the focus groups

An interview guide was developed prior to the actual interviews. In line with Halkier (2008), combining an informal conversational interview with an interview guide that consists of a number of questions we aimed to cover in order to support and structure the interview, allowed the conversation to start openly while ensuring that the respondents covered the desired topics through structured questions at the end. This technique is helpful when trying to get the respondents to have a free dialogue on a very specific topic.

Moreover, the focus groups were held in the living room in one of the researchers apartment, which made the atmosphere informal and made the respondents feel more comfortable. The physical environment plays a crucial part in how the focus group will function and is important to consider when using focus groups as a qualitative method (Wibeck,

2000). The focus group interviews lasted approximately one and a half hour each.

The questions asked focused on the respondents consumption behavior regarding luxury cosmetics and the value generated by it, their purchasing behavior regarding e-commerce, and their motivations to buy luxury cosmetics online. Furthermore, the respondents were asked how they perceived the brand in the online sequence, and their opinions on important features that ought to be included on the retailer's website. Performing online observations prior to the focus groups allowed us to better prepare for conducting the same observations with the respondents later on. As the moderator showed and explained certain functions and encouraged a discussion, this ensured that the respondents' discussed all unique attributes of the online stores. Hence we gained understanding of the respondents' online behavior through observing their reactions to the different brand sites and their functions.

Analysis and interpretation

In this study, the concept of grounded theory was used as a guideline to evaluate our research, since it is according to Eriksson & Kovalainen (2008) often used as an analytical tool. Grounded theory refers to both the method and the end result of the research process and aims to develop new concepts and new theories. The new theory should be emerging as a process, as a result of an empirical analysis. Gibbs (2007) concludes that grounded theory is a well-used tool when coding and analyzing material. Coding is an analytical process used to identify passages of text following the same theme, and linking them into a code (ibid). The coding of the material for this study was meant to organize and detect patterns and themes amongst the data retrieved.

In order to gain insights from the data, all the group sessions were recorded with a mobile phone recorder and the content thereafter carefully assessed. After each focus group, insights and reflections were discussed and written down. The material gained from the focus groups was thereafter transcribed and coded in a separate document. Due to the fact that the focus group interviews were held in Swedish, the interviews were freely translated to English by the researchers. The results from the online observations in the focus groups were mainly used to observe the respondents' reactions and attitudes towards the different attributes of the chosen retailers online stores, to be utilized in our analysis. However, due to the extensive amount of data, and the purpose of identifying specific themes regarding the motivations of luxury consumers, the coding was left open, since it allowed the researchers to more easily identify new clusters of themes. When coding in an open procedure, the text is read reflectively with the purpose of identifying relevant categories (Gibbs, 2010). Coding of the focus group material was kept in coherence with the research question and aim.

Quality

The quality of the study was assured throughout the whole research process, through the use of the triangulation method. The academic literature as well as the unscientific documents were critically revised, which further helped ensure the validity. As for the online observations and the focus groups, there were two researchers thoroughly analyzing the data retrieved, which made the results of the analysis more reliable. According to Wibeck (2010) the trustworthiness of the research is dependent on the interpretation of the observed data; hence a lot of energy should be put into analyzing the results. It is also considered a benefit if there is more than one individual analyzing the material, since it eliminates the risk of subjectivity. The respondents can have the tendency to only respond as they feel is socially accepted, which was prohibited by the moderator making everyone feel

comfortable as suggested by Wibeck (2010). Divergent thoughts were further encouraged by the moderator who in the introduction explained the importance of expressing one's thoughts, especially contradicting ones, as these may represent other young women in the market that are not present. The privacy of the respondents was ensured through altering their names.

EMPIRICAL FINDINGS

In this chapter, the data retrieved from the conducted focus groups and the online observations are presented and analyzed. Delving from patterns found in the empirical results, five main factors that had an significant impact on young women's motivations to purchase luxury cosmetics online were identified; *Luxury cosmetics - a treat for the self, Online incentives, Visual stimulation a necessity, The tailor made experience* as well as *Need for confirmation.*

Luxury cosmetics - a treat for the self

When discussing the motivations for purchasing luxury cosmetics in general, both in-store and online, a recurring issue was that the respondents' actually consumed luxury cosmetics because they believed that the quality was better than other non- luxury brands. Below, Sarah explains why she prefers luxury cosmetics:

> *"It's many years of quality, it's genuine.. You know it's good, and it's going to stay good" (*Sarah 26, In-store shopper)

Other than quality, the perceived beneficial characteristics of luxury cosmetics were; a way to treat oneself and infuse luxury into ones daily routine, as well as the packaging designs that were referred to as unique and beautiful. Luxury goods are traditionally not acknowledged for their functionality, but for the prestige and social value they bring for its owner (Kapferer & Bastien, 2009; Husic & Cicic, 2008; Chao & Schor, 1996; Tungate, 2009).

An interesting observation in all focus groups was that the feeling of luxury

seemed to be permeating the whole purchasing process, from the store shelf to ones own bathroom cabinet; the product, the service, the packaging, the atmosphere as well as the actual unpacking and usage of the product. This was equally important for the women that shopped in-store online and for those who preferred shopping online. A common factor for online shoppers of luxury goods is that the physical product itself is less significant (Liu, Burns and Hu, 2013). Luxury consumption is often linked to hedonism, where cosmetics have been acknowledged as one of the main hedonistic product categories (Hume & Mills, 2013). The way that the women described and discussed luxury cosmetics was often through referring to emotions linked to self-directed pleasure, not putting any emphasis on showing off their products to others.

> *"It's that certain feeling...you can't see it.... It's the feeling of everyday luxury when you're wearing a lipstick from Chanel" (*Julia 29, Online shopper)

> *"For me it's not so much about others seeing that I'm walking around with a branded bag from a certain shop...It's more about the feeling I get when I come home and unpack"* (Anne 23, In-Store shopper)

We further moved on to discuss the luxury experience in the online sequence. Online and offline consumers are said to possess different motivational factors, especially evident for luxury goods on the Internet (Liu, Burns and Hu, 2013). There were split opinions about whether the "feeling" of luxury when shopping cosmetics in-store was maintained and equally motivating online. Although many of the women that shopped in-store claimed that the feeling of luxury would be decreased in the online sequence, the online shoppers in opposite felt that online shopping for luxury cosmetics enhanced the feeling of luxury as it enabled them to bring home the atmosphere.

> *" – You can't deny that when entering a store, there is a certain feeling that you*

don't get from home sitting in your couch, regardless of how nice the couch is! No matter how nice the webpage is, you don't get the same experience." (Maya 25, In-store shopper)
– Really? Well I guess both are luxurious in their own way, but I think that it's more luxurious to sit in your bathrobe and pajamas and order an insanely exclusive lipstick from the couch." (Julia 29, Online shopper) "

Online incentives

What became evident during each focus group conducted was that shopping luxury cosmetics online required an incentive, an additional benefit of some kind that motivated the consumer to purchase her products online rather than in-store. According to Chen & Dubinsky (2003) online shopping allows the consumer to save time and to compare prices and product features amongst different suppliers. Although these benefits were also briefly mentioned by the respondents in the focus groups, they were more referred to as convenient than time saving as it allows one to shop anytime of the day. As for the endless information available online, it was more common to read product reviews and about new product releases, than to compare prices and product features; some respondents even claimed that they seldom read the product descriptions. Instead, they rely on product recommendations, referrals and reviews from other shoppers. This is exemplified by one of the respondents:

"I tried out a new website a friend recommended not so long ago. The day after my order I got a text message, saying that I could retrieve my package. It was such a nice surprise that I got my product delivered so fast, and they even included a voucher in the package!" (Hanna 25, Online Shopper)

Receiving free product samples was frequently mentioned as a positive motivational factor, as well as being able to buy products from a brand that is unavailable in physical stores in Sweden. Buying a product online from a brand that

is also available in-store required an added value that can motivate the purchase. Furthermore, receiving something unexpected such as a discount voucher or an additional product enhanced the value of the purchase. Chen and Dubinsky (2003) acknowledge the perceived value of the customer in the online sequence. Since the perceived customer value online is correlated with buying intention, it is important to understand what is perceived as value for the online shopper and to acknowledge these incentives as explained below.

"I think that you need to know before ordering that you will receive something extra, a fragrance test or anything else.. Something that adds value and makes you want to make the click" (Nathalie 26, In-store shopper)

"If I would buy a Dior foundation online for example, the packaging should be something extraordinary. There has to be an experience in retrieving your package, something has to be compensating for the loss of the physical experience you gain in-store. It still has to be a treat!" (Anne 23, In-store shopper)

A common issue was the perception towards online shopping as a constant trade-off between service and/or experience or price and/or availability. By this the respondents meant that when shopping online they chose to "sacrifice" the service and experience they traditionally would get in physical stores, but instead received a better price or were able to buy products that were not available in-store. It was interesting that most of the in-store shoppers declared that the incentives given online were not enough to persuade them to purchase the product online rather that in-store. There was negativity expressed in regards to that if the product was bought online it usually felt more insecure as the product match is not guaranteed. A frequently mentioned example of this was ordering a foundation that does not match one's skin tone. Hence, the service online becomes a risk that according to Chiu et al (2012) is negatively

correlated with buying intentions and affects the perceived value. Delving further, it appears as if consumers require compensation for the lack of service online through other incentives such as a cheaper price, online- exclusive brands and free samples with purchase. This is illustrated by one of the in-store shoppers:

> *"In order to compensate for the lack of expertise online, the price should be lower. Otherwise, I wouldn't consider it an alternative; I would rather buy the product in-store."* (Lena 25, Online shopper)

Visual stimulation a necessity

During the interviews it was found that the visual stimulation in the online sequence was crucial when it came to making the actual purchase decision. The images, i.e. how the products were displayed, the colors and shades, as well as the package design were stated to be almost more important online than in-store. According to Ha & Stoel (2012) an online consumer places high importance on the atmosphere and the visual experience the website generates. The online observations concretized that the visual cues determined whether the product was appealing or not as exemplified by Lisa below when viewing Marc Jacob's online store:

> *"I don't feel that the makeup feels so exclusive, due to how the website looks like. If you compare it with other websites such as YSL, this looks kind of boring... I would probably buy these products in-store because it does not look fun here at all."* (Lisa 25, Online Shopper)

When asking about the important features that the website needs to possess in order to be appealing, a frequently upcoming topic was that the website had to stand out in some way, in order for it to be differentiated from the competitors. This could be a sign of the lack of differing intrinsic product qualities cosmetics are said to have (Hume & Mills, 2013), thus the emphasis on distinguishing luxury cosmetics from regular cosmetics is put on the appearance and experiential features of

the website. Moreover, during the online observations, the functionality of the website, i.e. how easy it was to navigate, had a seemingly large impact on whether the consumers were motivated to buy or not, mostly in terms of impulsive shopping. Wang et al. (2010) confirm that a positive experience online could enhance the consumers' intrinsic motivations. As the respondents were navigating through Tom Ford's website, they immediately got impressed by the website's design, which made them want to pursue clicking. Especially the lipstick simulation gained a lot of attention and admiration and was praised by the women while exploring it:

> *" – Wow!* (Elisabeth 26, In-store shopper)
> *– That's a ten!* (Joanna 25, Online shopper)
> *– That's SO cool!* (Julia 29, Online shopper)
> *– Neat! The dream-lipstick..*(Caroline 28, Online shopper)
> *– Oh, this is so cool! There is a woman that bites herself in the lip when you place the computer mouse over her mouth!!* (Joanna 25, Online shopper)
> *– This feels very Tom Ford-ish!* (Elisabeth 26, In-store shopper)"

In this discussion, we also detected signs of the brand coherence positive influence on motivation. A recurring subject amongst the focus groups was the fact that the website had to visually represent and be coherent with the luxury brand's image. A paradox for the luxury industry is the accessibility contra maintaining exclusivity and brand value (Hennings, et al. 2012). It was found common that the respondents brought the in-store brand image to the online sequence. If they did not find the website and the visual portraying of the products to match the brand image, it discouraged them to make a purchase from that particular website. If the retailer had not been operating in the luxury segment before, this issue was even more important.

> *"When I open the website, I want to get that 'WOW'-feeling - what an exclusive website with a cool design! I think that this happens when the layout is coherent with the brand I like. It feels wrong when the website looks*

like a cheap Zalando-page, and you're selling Chanel?!" (Nathalie 25, Online Shopper)

This was particularly apparent when some of the respondents were discussing Marc Jacobs during the observations, they did not feel that the website was trustworthy and loyal to the brand, and were therefore not as eager to buy from their website. Luxury products are more than anything linked to the brand (Phau & Pendergast, 2000) and must therefore be true to the brand image even in the online sequence. In an e- commerce setting, the consumer evaluates the e-tailers previous reputation when making a purchase decision (Chen & Dubinsky, 2003). Luxury online shoppers usually express a high level of trust towards the retailer (Liu et al, 2013). The trust the women expressed towards the online retailer was related to how well the visual features portrayed the brand. Beneath are some reflections on the websites after the observations:

"They [the luxury brands observed] feel a bit too similar. When you walk around in the store they are so different, but when you look at the website they are so alike.. I don't get the same "oh wow this is Marc Jacobs"-feeling. They all look the same." (Lisa 25, Online shopper)

"I think it is boring that everything looks the same online. I couldn't see anything that would make the products special on Marc Jacobs website, I was expecting something new and fun.." (Clara 26, In-store shopper)

The tailor-made experience

When the consumer makes a decision whether or not to purchase the specific good online, the perceived customer value plays a large impact on the decision (Chen & Dubinsky, 2003). During the online observations, it became apparent that personalized features on the retailer's website were highly valued and had an affect on the decision to buy the product online. Examples are features such as '*You may also like*'- i.e. recommended products for the customer, on Net-a-Portér (Net-a-Portér, 2014), or *'Find the right shade'*

where the customer could get the perfect match for their foundation on YSL Beauty (YSL, 2014). Also direct e-mails with special offers based on the customers most frequently purchased items, conveyed an image that the services were individually designed just for the specific customer. This goes in line with Kapferer and Bastien's (2009) theory that in order for the luxury consumer to relate to the brand online, one of the most important things is to include a personalized identification. This was even an area that the respondents felt could be further enhanced, in order to increase their shopping. In the citations below, some of the respondents describe their positivity towards tailor-made service solutions online.

"It would be nice to get some recurrent service in terms of a personal encounter like "so nice that you are shopping again with us Hanna". That kind of service and consideration would make me buy more stuff." (Hanna 24, Online Shopper)

"In some online stores you can directly chat with the make-up artist and ask "I'm a brunette, what lipstick would you recommend for me?" and they will respond to you instantly. It is important to easily be able to get advice." (Julia 29, Online Shopper)

Furthermore, the respondents discussed that the most needed feature when purchasing for example lipstick or eye shadow online was the ability to visually see the different shades on different skin tones and eye color, in order for them to decide if the shade was right for them. The respondents were always trying to relate to the models appearing on the websites, and negative reactions could be noticed if the website did not feature anyone they could identify themselves with. According to Hume and Mills (2013) if these products are consumed in an inconspicuous fashion, they are bought for the purpose of enhancing the self-image of the consumer. Nevertheless, it ought to be mentioned that the women agreed upon that the websites

should not be made too personal. Linking their purchases and preferences of products to social media such as Facebook, was considered negative by all respondents. As illustrated by the excerpt below, buying luxury cosmetics online is as previously mentioned a treat for the self that is not aimed to be shared with others:

> *"I get terrified when I see something connected to Facebook. I don't want people seeing if I comment on something. For some things it's ok, but for makeup I don't have to express myself. It's personal." (Joanna 25, Online shopper)*

Need for confirmation

In almost every topic discussed we detected a common issue - the respondents insecurity and need for confirmation. They were in many aspects insecure of their own knowledge and their abilities regarding luxury cosmetics. This was acknowledged both for the in-store as well as for the online shoppers. Interestingly, this was also noticed in the two respondents who work with cosmetics on a daily basis and are educated in the field. Delving further, the respondents were highly dependent on others in terms of recommendations, confirmations and opinions. Getting confirmation was mentioned as the step prior to the actual purchase decisions both online and in-store. This was even detected during the online observations, where the respondents continuously searched for something that would affirm their choice of product:

> *"That kind of service [online chat with beauty experts] would make me shop more. Since I tend to be a bit insecure with making decisions, I want someone to help me make the decision: 'You should have this one!'"*
> (Elisabeth 26, In-store Shopper)

A lot of discussion involved the confirmation one usually would get in-store by the personnel. In comparison with the online sequence, it was apparent that confirmation was more important to gain in physical stores:

> *" – I often buy without googling the product. Not always, but if the personnel says 'this is awesome', then I'll buy it. I can be spontaneous when it comes to that.* (Elisabeth 26, In-store shopper)
> *– I've never been in the store asking 'can you find something for me', because I've always known already, kind of like; 'I've read about this one what do you think?'. I never let them decide everything. I have my own idea but I want them to confirm it.* (Julia 29, Online shopper)
> *– Yes, sometimes you just want the confirmation! Like when I was supposed to buy the Helena Rubenstein concealer, I had read about it and even tried it and I thought it was really good. But the women in the shop didn't think I should buy it! And I wanted it… so it was really important for me that she would just say, maybe even lie; 'It looks so good on you!'. My colleagues had recommended the product so it would have been good if she just closed the deal, but she didn't. So I went home and ordered it online.* (Joanna 25, Online shopper)*"*

Kapferer and Bastien (2009) emphasize the personal human relationship as essential for luxury goods. However, communication is difficult online due to the lack of human interaction, and consumers cannot as easily build perceptions regarding the physical properties attached to the product (Cox and Dale, 2001). The dialogue above illustrates the strong need for confirmation in-store, regardless of the consumer's familiarity or knowledge of the product prior to purchase. The respondents did not need the same type of confirmation in the online store; hence the threshold to order became lower. They would use other methods to seek the desired confirmation, mainly through relying on reviews, visual portraying of the product and product recommendations. Cox and Dale (2001) explain that communication online is delivered by text, colors and graphics instead of by personnel. The purchase decision online is thereafter not as dependent on the personnel input. When going into the topic of their shopping behavior regarding other product categories online such as clothes, the need for affirmation was not as strong as in the

case of cosmetics; the respondents were more secure in their decisions. This need for confirmation was particularly attached to cosmetics as a product category. Hence, luxury cosmetic products online seemed to be judged based on other standards than confirmation from personnel in physical stores.

DISCUSSION

With the aim of understanding young women's consumption behavior regarding luxury cosmetics online, our research question was to discover how and why their motivations were influenced by factors in the online sequence. This was revealed through our five motivational factors mentioned in the empirical findings above. Beneath, these will be discussed in two overarching themes: *Luxury cosmetics and intrinsic motivations* and *Revealing the luxperience*.

Luxury cosmetics and intrinsic motivations
Previous research has emphasized extrinsic motivations, such as social status, as the main motivational factor in luxury consumption (Wiedmann, Hennigs and Siebels, 2007). However, luxury cosmetics seem to possess multidimensional benefits and motivations for its user. Our results led us to question existing theories since it appears as if luxury cosmetics are not solely bound to status consumption as claimed by Chao and Shor (1996), but rather to intrinsic motivations. According to Troung and Mccoll (2011) the intrinsically motivated consumer tend to look at the actual product quality and its ability to provide self-directed pleasure, rather than whether the product enables the consumer to demonstrate conspicuous consumption. The women in our study consequently referred to luxury cosmetics as better in quality, which underlines the intrinsic characteristics of luxury cosmetics. This is further strengthened when considering cosmetics as an inconspicuous consumption category (Hume & Mills, 2013), meaning that it

cannot be seen when worn and is even consumed in private. Considering that the women in our study did not put any significance in the branded bag itself, but rather emphasized the importance of buying luxury cosmetics in a private setting, we speculate that the feeling of luxury is enhanced in one's home. Adding that sharing luxury cosmetic purchases and preferences on social media was considered negative by all women in our study means that they are not concerned by the image that will be conveyed by their choices. Hence, they are intrinsically motivated, aligned with the theory developed by Fredrichsen and Engelmann (2013).

As our findings show clear signs of the purpose of luxury cosmetics consumption being to treat oneself, rather than being a status symbol, luxury cosmetics as a product category is strongly linked to hedonistic self-directed pleasure regardless of being bought in-store or online. Self-referrals such as "desire" are linked to hedonistic motives according to Godey's theory (2010; cited in Wiedmann et al 2013). During our online observations we found that YSL called their search function *"I desire"* (YSL, 2014)*,* which could be interpreted as a sign of retailers recognizing that luxury cosmetics is linked to hedonistic motives. We thereby oppose the theory of the lipstick effect by Hill et al. (2012), claiming that luxury cosmetics is consumed mainly to gain admiration from others, as our findings show no indication of this whatsoever. We speculate that this could be evidence of women's motivations not only being restricted to seeking admiration and status, but rather to treat oneself with something special even during hard times.

Revealing the luxperience
Gathering the motivational factors from our empirical findings we further detected a "luxury journey", hereafter referred to as *luxperience*. We found that the *luxperience* permeates the whole purchasing

experience, from entering the website to the bathroom cabinet and actual usage of the product. Similarly, Wiedmann et al. (2007) emphasizes that the luxury industry should be considered an experiential market. Enabling the consumer to purchase luxury cosmetics from their living room couch narrowed the distance and brought home the *luxperience.* Ryan and Deci (2000) state that the intrinsic motivation can be found in the positive experience when conducting a task. The positivity expressed towards the online *luxperience* therefore supports the intrinsic motivations attached to luxury cosmetics consumption.

To further explain the *luxperience* we distinguish its main components: brand coherence, visual stimulation and the feeling of exclusive and personal experience. Despite that the physical appearance of the online store is different, it is still expected to strongly reflect the brand image and to differ from competitors on the market. Phau and Pendergast (2000) argue that to raise exclusivity and brand identity is one of the main challenges for luxury goods. Hence the visual stimulation and design is utterly important, as it is what the consumers' encounter when shopping online. It is important for the consumer who shops luxury online to feel valued and unique even without human interaction. The *luxperience* should optimally be customized for every customer visiting the website. Being able to relate to someone on the website is appreciated, for instance a model wearing the product or a product review written by another shopper.

Shang et al. (2004) found that shopping online is not as motivated by economic factors, as it is by the enjoyment and experience that the consumer undergoes while shopping online. Our results suggest that this is only applicable if the experience is enjoyable enough to compensate the economic aspect. The anti-law developed by Kapferer and Bastien (2009), that the luxury sets the price and

not the opposite, could explain why the luxury cosmetics shoppers perceived a trade-off between the service and/or experience and price and/or availability when shopping online. The in-store shoppers felt that shopping luxury cosmetics online was not as luxurious as in-store; hence they traded the luxury experience for a better price or brand availability. On the other hand, the online shoppers felt that the experience online enhanced their feeling of luxury, because it enabled them to have a *luxperience* anywhere, anytime.

Even though Cox and Dale (2001) argue that communication in the online sequence is difficult and Kapferer and Bastien (2009) emphasize the human relationship in luxury, we state that the luxury cosmetics consumer has learned to interpret other features on the website. Features such as product reviews, recommendations and visual portraying are powerful enough to replace the need for confirmation from in-store personnel. Consumers' desire for confirmation imposes a paradox for the previous statement that luxury cosmetics consumption is driven by intrinsic motives, as the intrinsic motivation only exists between the individual and the task (Ryan & Deci, 2000). Confirmation gained from personnel thus interferes with this, since a third party influences the motivation to purchase. However, as mentioned above the luxury cosmetics online shopper has learned to interpret other features that replace the need for confirmation, which implies that the paradox is more valid for in-store consumption and is less obvious online.

Chen and Dubinsky (2003) stated that customer value is the core variable in the online purchase decision. Our results indicated that incentives are crucial to persuade the consumer to shop online, as she continuously searches for added value to justify her purchase. This is particularly evident for luxury products and brands that are available both in-store and online.

Nevertheless, the luxperience online can act as an incentive and bring value to the consumer.

Our study advocates the experiential character of luxury similar to Wiedmann et al (2007), but propose that the experience is even more crucial in the online sequence. Well-designed visual components, tailor-made service features contribute to the online experience that will persuade the consumer to continue shopping and can compensate for the lack of human interaction.

CONCLUSION

In conclusion, our study suggests that consumption of luxury cosmetics online is more bound to intrinsic than extrinsic motivations. Despite that there appears to be multidimensional benefits and motivations attached to luxury cosmetics, our study indicates a consistent connection to self-directed pleasure. The online *luxperience* compensates for the lack of human interaction and tangible attributes and is vital for motivating the consumers to shop their luxury cosmetics online. Recognizing that the luxury cosmetics consumer needs incentives to shop online, the *luxperience* can equally motivate the consumer if the online sequence is enjoyable enough. We found that several components of the *luxperience* had a vital impact on the motivation; *brand coherence*, where the website design and functionality should match the exclusive brand image and differ from other brands; *the visual stimulation* which needs to inspire the shoppers to make a purchase despite the possible risks; and the feeling of *exclusive and personal experience* where online services and features are personalized for the consumer. Although the women in our study showed a strong desire for confirmation prior to purchasing luxury cosmetics in store, they utilized other methods to compensate the lack of confirmation in the online sequence. Reviews, product recommendations and visual portraying of the product could

equally decrease their insecurity and motivate the consumer to purchase luxury cosmetics online, despite the risks. We recognize that in-store consumers do not have the same *luxperience* online, since they have not learned to interpret the features of the online sequence as the online shoppers. Finally, considering that extrinsic factors are not as influential and shopping luxury cosmetics online is a private matter - from the motivations and *luxperience* to the actual product usage, we conclude that the online sequence further connects the intrinsic motivations to luxury cosmetics consumption.

Implications

The aim of this article is to reveal the consumers' motivations regarding luxury cosmetics consumption online. By intersecting the unexplored field of luxury cosmetics and e-commerce from a consumer perspective, we concluded that intrinsic motivations appear to be more powerful than extrinsic in luxury cosmetics consumption online. This article contributes to the theoretical implications of both consumer behaviors online as well as the field of luxury cosmetics, by introducing the concept of *luxperience*. Through contributing with a new way of viewing the luxury industry online as an experiential field, we can better understand what motivates the luxury consumer in the online sequence. The findings of this study can be applied to other luxury industries and should be more emphasized in research involving luxury goods.

As the luxury industry is claimed to not be compatible with the Internet, we state that this study sheds light on its opposite. Despite that luxury goods are usually consumed to convey a message to others and enhance one's image, it became apparent that luxury cosmetics is a private experience, making the product category suitable for e-commerce. Luxury cosmetics illustrate that it is still possible to maintain the luxury in the products as well as in the brand image, through enhancing the digital

service experience online. In order for the consumer to be motivated to shop online it is essential for the management to acknowledge the perceived benefits of the online sequence. The successful online implementation of the complex product category of luxury cosmetics also indicates that other luxury industries with complex products such as jewelry or watches can be adapted online.

Limitations and future research

The limitation of this study is the focus on the Swedish market. The geographical restriction needs to be considered as the Swedish market is characterized by its highly developed usage of online services. It can be discussed whether this is a possible effect of the concentration of physical vendors to larger cities in Sweden. Another aspect that ought to be mentioned in terms of constraints is the limitation to the increasingly important beauty segment within the luxury industry. Therefore other segments of the industry were not considered in our study, neither were the potential risks of counterfeiting. Considering the choice of method in this study being online observations and focus groups, the results are not generalizable but indicative.

With this said, future research could utilize our findings on a larger sample or even across cultures. This is of particular interest given that e-commerce is a subject of rapid change and development; hence, continuous research is necessary. Lastly, the concept of *luxperience* sets a foundation for future research concerning consumers' luxury experiences online.

Acknowledgements

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