

**THE EFFECTS OF PERCEIVED LUXURY VALUE ON PURCHASE INTENTION
AND THE MEDIATING ROLE OF CUSTOMER ENGAGEMENT WITH SPECIAL
REFERENCE TO ONLINE FASHION RETAILING INDUSTRY IN WESTERN
PROVINCE IN SRI LANKA.**

N. S. Sanjeeva^{1,*} and J.D.T. Madhusanka²

^{1,2}Department of Marketing Management, Rajarata University of Sri Lanka.

**Corresponding author (Email: Sachinthasanjeeva21@gmail.com)*

ABSTRACT

This study investigates the impact of perceived luxury value on purchase intention, with the mediating role of customer engagement, in the online fashion retail industry in the Western Province of Sri Lanka. Customers in this industry have not fully identified the perceived luxury value of products, leading to a potential gap in their purchase intentions and engagement with luxury fashion brands. Perceived luxury value, encompassing the financial, functional, individual, and social dimensions, significantly influences consumers' purchase intentions. A deductive research approach was employed, engaging in a quantitative survey of 384 respondents who frequently shop online for fashion items. Data were collected via a structured questionnaire from online fashion retail consumers, using non-probability sampling and cross-sectional data. Data were analyzed using SPSS software, employing techniques such as regression, mediation, and correlation analysis. The findings reveal a strong positive relationship between perceived luxury value and purchase intention. Additionally, customer engagement played a crucial mediating role in enhancing the effect of perceived luxury value on purchase intention. The study emphasized the importance of fostering customer engagement as a strategic approach to leverage perceived luxury value to increase purchase intention. Online fashion retailers can apply these insights to strengthen their brand positioning and boost customer loyalty in highly competitive markets.

Keywords: Perceived luxury value, purchase intention, customer engagement, online fashion retailing, western province, Sri Lanka.