Characteristics of and how to maintain a luxury brand

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ACKNOWLEDGEMENTS

During ten weeks we have investigated what characterizes a luxury brand and how to maintain it. We are very satisfied with our results and therefore we would like to thank the persons whom we have collaborated with. Without their dedication and helpfulness, this research would not be possible to accomplish.

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ABSTRACT

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Purpose: We want to identify the factors of how to maintain a luxury fashion brand. To do this, we have to find what characterizes a real luxury brand. We want to go into depth and find the underlying and often invisible aspects within a luxury brand.

Method: According to the deductive process, we started from the knowledge we had before about luxury brands and then searched for relevant theories to the subject. Since the data collection was conducted through an interview and observations, we used the qualitative approach.

Theory: When we began the collection of our theory, we found a number of factors that we considered as relevant to characterize a luxury brand and how to maintain it. The factors that we considered as important were fabric, production, quality, designer, image and identity, marketing, social media, distribution channels and price.

Empirical: In order to collect the empirical data, we interviewed the PR and marketing manager at Group88, Robert Meeder. To reach the empirical saturation we also conducted Internet based observations of the four luxury brands Bottega Veneta, Burberry, Gucci and Mulberry.

Analysis: In our analysis, we analyzed our theoretical and empirical findings from the interview and the observations. Moreover, we analyzed the characteristics for a luxury brand and how to maintain it.

Conclusion: The characteristics of a luxury brand are that the majority has their production in-house and provide high quality, made by an experienced and eccentric designer. The luxury brands have a distinct and clear image and identity. The brands are available in both stores and online shops and their offered products are in the high price sector. To maintain a luxury brand, the involvement and control of fabric, production and quality is essential. The designer must maintain the right appearance, image and identity in every step of the business. Moreover, a combination of different marketing channels is good to use, as it is a way to reach a large amount of people. If the luxury company decides to use social media, the engagement is vital. Regarding the distribution channels, a luxury brand should have an online shop and regular stores. Yet, it is important that the price reflect the products value.

Keywords: Luxury fashion brands, designer, fabric, production, quality, image, marketing, distribution channel, price.
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1. INTRODUCTION

In this chapter will we first present some history and background about clothes, fashion, brands and luxury brands emergence. We will also present numbers to give the reader further knowledge about the subject. Afterwards, we will present a discussion about the problem, a problem formulation, our purpose and lastly our delimitations of this thesis. Lastly, a disposition of the thesis is presented.

1.1 Background

“Mankind is a naked animal at birth” and therefore are clothes primarily needed to protect humans against heat, cold, rain, snow and sunrays. If this was the only reason why people wear clothes, a few pieces would be enough for a whole lifetime. Fashion is more than simply clothes; it has the function of decorating humans and makes her visible among all others. The moment a pleasure of beautifying, desire for something new and dressing up occurs, the purely functional considerations are outweighed within the garment. It has then become fashion.¹ Fashion can be defined in many ways and mean several things to many people. It can be defined as what a specific group of people wear and use during a given period of time. It is human behavior, an art of learning how to combine color, form, pattern and texture for the final effect that is right for the time, the place and the user.² Moreover, fashion is a symbol of society and has continuously been influenced by historical, social, traditional, religious, political, economic, psychological and more recently technological changes. Fashion was before considered as something trivial, but is today too common to not have it in mind. The garments people decide to wear can be seen as a political statement since a certain identity is bought and not only clothes.³ We have lived with fashion all over the years and centuries. It is the inner feeling of every human being to present himself or herself according to his or her perception. Fashion and lifestyle is going hand in hand and through fashion we communicate who we are. What we see gets communicated through the eyes and is translated into words, figures and patterns, which are always changing.⁴

Few topics generate so much talk in business circles as brand and branding. Brands have its roots in the “wild west”, where brands were marks burned into cattle’s hides by ranchers to claim their ownership. The concept of brands and branding has acquired a whole range of new meanings today beyond mere corporate ownership. The discussion of brands and branding must convey a subtle meaning and messages.⁵ Regarding fashion, the first designer who gained status was Charles Frederick Worth. He simply signed each of his creations as they were works of art. He labeled his creations with his own name already in 1871, which lead to that he developed himself as a brand.⁶

The Cretan era has led to the early Greek civilization of the 4th and 5th centuries BC, whose society showed more attachment to luxury fashion. The fashion representation was in the

¹ Lehnert, G. (2000)
² India Fashion Expo. (2005)
⁴ India Fashion Expo. (2005)
⁵ Unity Marketing. (2004)
⁶ Urbanista, (2009)
beginning a reflection of the intellectual judgment and an indication of an individual’s level of education and upbringing. The luxury dimensions were shown in terms of heavy jewelers. Luxury brands central features are the highly recognizable brand identity and the superficial exclusivity among a strong customers patronage, which leads to strong sales. Precious stones, gold, silk and silver are elements that usually are defined as luxury within the fashion industry. Products that have a high aesthetic appeal and value, exceptional quality and are identifiable through a special design, logo or a brand name are considered as luxurious items.

Examples of brands that are characterized as luxury brands are Louis Vuitton, Christian Louboutin, Yves Saint Lauren, Calvin Klein, Hermés, Prada, Mulberry, Chanel, Bottega Veneta, Burberry and Gucci. These brands became transformed from small-sized businesses into billion dollar brands that are accessible on main streets in the cities and in airports. The common feature among luxury brands is that they are highly linked with handcrafted products by superior artisans, advanced design and expensive items, such as leather, watches, champagne and jewelers. At the end of the 1990s it was estimated that there were less than 500 luxury customers in the world. Designers were unable to make the necessary profit that was needed to stay on the market and they disappeared. Some people said that the whole luxury era was over, but many had faith as they stated that it was the fairytale everybody wanted.

Products as perfumes was the starting point in the diversified market and it was followed by other accessories such as, pens, lighters, key rings and watches. High prices, that make the luxury pieces inaccessible to many people, went hand in hand with the rarity and the sophistication. Luxuries remain out of the majority even though it has a wide appeal, but it is mainly the super-rich European consumers who are the purchasers of these brands. It was only accessible for the super elite previously, like royal families and other people in the upper class. In today’s society, there is a significant change in the luxury market and the consumers define luxury in different ways.

The last thirty years, the luxury sectors have grown in a remarkable way in terms of economical facts. Luxury sales are flourishing where there is high economic growth due to the emergence of the new-rich people. Verdict Research calculated that the global market for luxury goods in 2007 was worth around 190 billion Euros. Two years later, the society went into a global economic recession and the luxury giants became shaken as the luxury market slumped, but the sales increased in China and Middle East. Many luxury brands were sheltered from the big crisis and remained on the market. The sales from the Asian markets demonstrated that these consumers are in love with luxury and these growth rates are good

\[\text{Okonkwo, U. (2007)}\]
\[\text{Kristy, W. (2008)}\]
\[\text{Bhat, H. (2009)}\]
\[\text{Kristy, W. (2008)}\]
\[\text{Bhat, H. (2009)}\]
\[\text{Ibid}\]
\[\text{Kristy, W. (2008)}\]
\[\text{Kapferer, J.-N. (2006)}\]
\[\text{Bhat, H. (2009)}\]
indications of high prospects for the luxury groups to take into consideration. While mass fashion labels and retailers felt the effects of the recession as early as 2007, luxury brands were isolated for a bit longer. Those circumstances made 2009 a challenge. Verdict's latest research estimates that the global market for luxury products will be worth about 325 billion Euros in 2012.

Millward Brown Optimor’s, do an annual list of the world’s most powerful brands each year. They perform brand analysis for many different companies and in 2009 they ranked the top ten most powerful luxury brands in the world. They ranked the companies according to their brand value and on the first place Louis Vuitton is found with a brand value on around 14 billion Euros. The company focus on its heritage as a travel brand and it has always helped them to retain its core customers. On the second place was Hermés, which had a brand value on about 6 billion Euros. They focused on their handmade leather bags and on its heritage. The third one is Gucci with around 5 billion Euros in brand value. They started a partnership with Christie’s, which gave it a one-up on its competitors.

1.2 Problem discussion

The designer’s success is measured by his or her ability to create fashionable garments and new ideas that customer wants to buy. The creations must be different from what every other designer has produced, whilst it must keep with the current look and trends. People who have their interests in the fashion industry know the star designers since they very often work for huge luxury companies. Both John Galliano and Karl Lagerfeld are perfect examples of designers whose personal image has helped to transform brands. A dead or dormant brand, whose founder has passed on or ceased to be involved, often needs an identifiable figurehead to incarnate it in the eyes of customers. The luxury brand can be more personal and human when the customers have a face and know the designer in terms of inspiration and background. Companies within the fashion industry who uses a famous designer, for a huge fee, are the main factor that separates a luxury brand from other brands.

The process of creating or selecting a style of fabrics is called fabrication, where the characteristics are important. The choice of fabric is an important aspect for the luxury brands to consider. In order to know what to focus their efforts on, people’s demands of textiles have to be evaluated in an early stage. During the selection of fabrics, both new and used fabrics can be chosen for the luxury items as long as it meets the standards of the designer. New fabrics can also be a source of inspiration to the creations, while the old ones can be used several seasons by the fashion house as it sells well. In some cases, the fashion houses develop their fabrics themselves, while some of the production of the luxury brands items might be placed in a foreign country. Within the production field there are several

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17 Sherman, L. (2010)
19 Sherman, L. (2010)
22 Tate, S-L. (2004)
aspects to take into consideration for the luxury brands, which are the choice of fabric, sketching of styles, samples of the sketches, patternmaking and finally producing. It is the manufacturer who is ensures that the end-products appear like the fashion designer expects them to do. The patternmakers fit the first samples of the luxury items and when the striking perfection is gained, the final products will be produced in the high-qualitative fabrics at the factories. A luxury brand is primarily a product of extremely high quality in terms of material. The consumers’ expectations and tastes are not taken into consideration when the luxury products are planned and designed within the companies. The brands set its own standards and appeal to a hidden desire among their consumers as it challenges them in terms of taste, sophistication and refinement.

The essence of the luxury brands is the identity, which is how the customers perceive the brands and who the brands are in reality. It is also central how the brand wants to be perceived. The brand personality and image can be embraced with the brand identity. Image is the way the brands are seen and exposed to people. By the exposure, people develop a perception in their mind, which creates an interpretation about the brands. The perceived image by the customers and the real brand-image that the brands want to adopt or has adopted may sometimes differ because of misjudgments. The pieces made by luxury brands are highly expensive. For instance, no one would buy a bag for the only reason that they needed one. There are cheaper alternatives for the customers to choose between if that is the case, but beyond the function of a bag there probably is a symbolic value with a luxury branded bag.

When luxury brands are using marketing, they are selling more than the products. The luxury brands attract customers as they get them to believe that it is something special with their items, such as a long way back story and the founder or different creators. There are several different ways to promote a brand. One important aspect is to find the most suitable channel for the specific company in order to not lose the image of the brand. The companies challenge to reach their target group in the best way. If they choose the wrong way of marketing it may not reach the correct customers, which will lead to loosing important ones.

The Social media has totally changed the way fashion conscious people pick up the latest trends within the fashion industry. The general reference when speaking about social media is online platforms and websites, which makes a connection between the industry of fashion and their customers possible. Where positioning the brand online is highly important as relating to specific designers and fashion labels will increase how the network will be used. The social media are not only a marketing strategy in the world of fashion; it also focuses on the fashion behavior of the users in order to define the upcoming trends. The label or the brand will get higher awareness the more open, proactive and social it is in the different tools of social

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24 Tate, S-L. (2004)
27 Daye, D & VanAuken, B. (2009)
media. Through our previous experiences we know that more and more luxury brands are embracing the social media, such as Facebook, mobile applications and YouTube.

Regarding distribution channels, humans are different and have dissimilar opinions of which channel suits them best. The distribution of luxury products and services are mainly through directly owned stores, which are stores that stand alone either in terms of a store or in retail spaces in high-end department stores. Internet is a strategic and new challenge for the luxury brands and it can be a dilemma of which ones the companies should focus on. It can also be a dilemma within the companies of which distribution channel or channels focus on. Some customer appreciates the service in a store and other appreciates quick delivery when purchasing online. To ensure that the distribution of luxury products meets their customers’ expectations it may be important to find the most appropriate channel as it also can be identified as a service.

Luxury brands products are normally defined as outstanding with a high price, but it is not about unattainability as it attracts an exclusive group of social-economic people. Companies within the luxury industry believe that the price is ranked on the fourth place right behind the image, quality and design aspects among customers. Luxury brands are difficult to get for the customers as they are restricted by high prices, high quality and its exclusiveness.

The luxury brands are today perceived as famous and well known, however it is hard to get to know them more intimately. They have several anonymous factors that we want to identify and we believe that the factors mention above is some of them. We want to perform this research since luxury brands are hard to identify, according to previous studies and due to our earlier education. There are several different definitions of what a luxury brand really is such as “products of luxury brands have expectations of having higher quality, finer materials and design, greater exclusivity and higher price.” Luxury brands offer products that are not considered as essential and the items are often very expensive. The definition of a luxury brand is also very individual from person to person since it depends on the level of knowledge within the luxury industry. However, these are the definitions we will refer to when speaking about brands, luxury brands and the luxury industry.

1.3 Problem formulation
We see a problem with defining the core characteristics of a luxury brand and that is the reason for performing this research. There might be a special combination of several factors or perhaps do all factors have to be part of the brands developing process. Moreover, we will hopefully be able to find a common pattern for how to maintain a luxury brands. We believe
that there is something more behind the brands that make them what they are today, which is why we see it as a problem we want to study.

The real luxury brands are struggling with defining themselves to retain the luxurious label that they have. We believe that the factors that have big influence on luxury brands are designers, fabric, production and quality, image and identity, marketing, social media, distribution channels and price. Our view of the mention factors above leads us into the research respective sub questions:

**How to maintain a luxury fashion brand?**

- What characterizes a luxury fashion brand?

1.4 Purpose
Our purpose with this thesis is to identify the factors of how to maintain a luxury brand. To do this, we have to find what characterize a luxury brand. We want to go into depth and find the underlying and often invisible aspects within a luxury brand.

1.5 Delimitations
We will not focus on any companies or brands in other industries than the fashion industry in terms of famous luxury fashion brands. Customers’ opinions are not taken into consideration in the empirical chapter. We will delimit our research to not focus on any other factors than the designers, fabric, production and quality, image and identity, marketing, social media, distribution channels and price. Moreover, we are not focusing on any specific country, as we believe the founded information can be useful for all companies in the luxury industry, independent on where they are located.
1.6 Disposition
Below the disposition of this thesis is presented to give the reader an overview of the different chapters.

Chapter 1
This chapter presents the introduction of the research field for the reader. The research questions are founded here.

Chapter 2
In this chapter, the methodology is presented. The process and decisions made during the thesis are described and motivated.

Chapter 3
The third chapter consists of the theories conducted for this research.

Chapter 4
The empirical chapter presents the collected data from the interview and the observations.

Chapter 5
In this chapter, an analysis of the theoretical and empirical part is presented.

Chapter 6
Lastly, chapter six consists of our conclusions, recommendations and answers of the research questions. Further investigations are also suggested.
2. METHODOLOGY

In this chapter we will describe how we methodologically worked with our thesis. The chapter is based on our problem discussion, problem formulation and purpose. We will start to present the deductive approach and the qualitative methodology. Afterwards, we will explain how we collected our data in terms of theory, interview and observations. Finally, we evaluate the qualitative methodology.

2.1 Approach

How to relate theory and reality is an important and central problem in philosophy, meta-science and in all the science work. There are three concepts that indicate the ways of working when relating the theory and the empirical studies together. These are abduction, induction and deduction. We started from the previous knowledge we had about luxury brands and then searched for relevant theories to our chosen subject, which means that we used the deductive approach. By using this approach our conclusions about luxury brands were based on general and existing principles.

The advantage with the deductive process is that the starting point was taken from an already existing theory, which also is the foundation in the deductive process. Through the existing theories, the derived hypotheses got tested empirically in terms of an interview with Mr. Meeder, the PR and marketing manager for Group88. As we did not reach the empirical saturation by the interview, we had to expand the empirical chapter by observing Bottega Veneta, Burberry, Gucci and Mulberry. Through the interview and observations, we got the results if our hypothesis could be confirmed or rejected, which increased the reliability for our thesis.

In the inductive approach, the scientists formulate a theory without investigate in any accepted theory before. Instead, the researcher formulates the theory based on the empirical finding. Regarding the abduction, it is a combination of the inductive and deductive approach. When using abduction, the first step is to formulate, through a specific case, a hypothetic pattern that explains the case. Since we collected and formulated our theory through relevant literature, scientific articles, lectures and reports, we did not adopt the inductive approach. Moreover, we neither used induction, nor adopt any specific case. Therefore, we did not use abduction as the process in our thesis.

2.2 Research methodology

Depending on the direction of the research and in what way the reality is studied, there are two different research methodologies to choose between, qualitative and quantitative. What

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38 Hultén, B. (2008)
40 Ibid
distinguishes the qualitative method from the quantitative is that the researcher at all time make current analysis through the whole investigation, which we did.

A qualitative process starts with the problem formulation and then the researchers are supposed to chose a relevant subject respective people to study. Next step is to collect the data, the evaluation process and then interpret the results. Lastly, the results and conclusions are presented. We started our thesis with the formulation of the problem, which led us into our two questions. Then we began to search for relevant material to gain knowledge about the subject. Afterwards, we conducted the interview and performed the observations. We completed our thesis with presenting the conclusions, recommendations and the suggestions for further researches.

The problem discussion and formulation was the fundamental base in the choice of which research methodology used. Qualitative researchers tend to have an open mind for the studies of the reality, which can lead to new, unexpected and thrilling areas that would not have been found if the investigation had been too organized. Our liberty of action would be delimited if we had too defined ideas and theories about the reality in an early stage, as it is the chosen objects’ thoughts that are interesting. The perspectives and preferences of how the reality normally sees differ between the authors and the studied object. Therefore, an interweaving of the theories with the empirical studies was made in our thesis, as it is the interpretations that are the primary factor in a qualitative research. During the whole thesis, we have italicized the words designer, fabric, production, quality, image and identity, marketing, social media, distribution channel and price, where they are first mentioned. This also includes the four luxury brands Bottega Veneta, Burberry, Gucci and Mulberry and the reason for this is to make it easier for the reader to keep the focus.

An advantage with the qualitative approach is that the authors will have a good overview for the whole research field. The process was comfortable for us since we felt that we had control over our thesis. We worked with observations, notes and the recorded interview, which afterwards was transcribed. Since this is very extensive and time required, we had devoted time for this. New relevant ideas and conclusions occurred during the data collections and as the ideas were very important, we documented them through the whole process.

When processing the information within the quantitative research the scientists use statistics. To make this possible the population has to be big. Since we used the qualitative method and only needed one person for an interview, this method was not suitable for our research. It would also be impossible for us to find a big population that could answer all questions about luxury brands. Therefore, we did not conduct this methodology.

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43 Hultén, B. (2008)
46 Ibid
2.3 Data Collection

There are two types of data; primary and secondary. They are based on new respective existing data. Normally, a combination of both is used to have the best results. The information from these data supports each other and strengthened the results. The secondary data are data that someone else have collected for another purpose, but could be derived to our research too. Literatures, articles and reports are some examples that we have used. Through the observations and the performed interview with we had collected the primary data for our study. The questions within the performed interview were based on our purpose as it should gain new data for our specific investigation. Therefore, the same data would not be found anywhere else. Further, our collected data is the theories and our empirical findings, which means that we combined these two data.

Two examples of methodologies that are included in a qualitative approach are focus groups and observations. When using the focus groups, people discuss specific issues with others in a group. Since our specific issue cannot be discussed in group, we are not using focus groups. Regarding the observations, the researchers engage in a social setting to observe and listen. Since our specific issue cannot be discussed in group, we did not use focus groups. We decided to use observations, since we believed that we could find enough material for our research of the four chosen brands on the Internet. According to us, they also characterize luxury brands and therefore we generalize their answers for the whole industries. As the empirical part is supposed to find how it really works and then be discussed, a number of sources were required.

As we neither is studying any specific phenomenon, nor is developing any new theories or concepts, our thesis is not considered as a case study. Regarding the observations, we were observing the four chosen luxury brands online. It is not considered as a case study since not any specific program, person, company or department is observed. We focused on finding general characteristics of luxury brands and how to maintain it. Therefore, we are sure that our research is not a case study. Moreover, as we performed an interview and observations, we are not studying a delimited group, which case studies are based on.

2.4 Choice of respondents

We decided who to interview or not, which means that the choice of respondents is a subjective selection. We determined to include Robert Meeder at Group88 as our respondent in terms of an interview. The reason behind this choice was that we knew Mr. Meeder before from a visit in Copenaghen with the Fashion Management program. His current position as PR and marketing manager at Group88 suited our research as we thought that he could give us the needed answers. Moreover, he is very skilled and experienced; therefore it was an obvious choice for us.

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50 Hultén, B. (2008)
51 Nationalencyklopedin. (2011)
52 Hultén, B. (2008)
2.4.1 Presentation of respondent

Robert Meeder is our interviewed respondent. He has studied International marketing and business in Australia and has worked in corporate banking and communication. Afterwards, he decided to move to Europe where he studied design and got a bachelor degree in fashion design of women’s wear. Later, he graduated with a master degree, which focused on strategic Fashion Management. Moreover, he has developed the Fashion Management program at the Swedish School of Textiles in Borås. Mr. Meeder’s current position is PR and marketing manager for Group88, who covers all the markets in Denmark, Norway and Sweden for the brands of Mulberry, Gucci, Burberry, Bottega Veneta, Armani Collezioni and Dolce & Gabbana. Moreover, he has a wide range of knowledge about the luxury industry through his working experiences from the different platforms, such as magazines, productions, education and retail.\textsuperscript{54} Group88 is a Nordic luxury licensee company located in Copenhagen, Denmark. The company was founded in 1988 by Jan and Sanne Möller and is today one of Scandinavia’s leading luxury companies on the market.\textsuperscript{55} We choose Group88 due to the fact that they are one of the leading luxury companies in Scandinavia. Since the company is performing very well, we decided to include them because of their knowledge and high skills to conduct luxury fashion brands.

2.5 Interview

As the qualitative methodology focus on depth information about the subject, researching interviews are an essential part.\textsuperscript{56} There are different ways to perform an interview, such as through personal contact, phone or online.\textsuperscript{57} As Mr. Meeder is situated in Copenhagen we decided to perform the interview by Skype, since we believe it is better and more personal than e-mail. Skype is an online based company that offers free calls over the Internet worldwide.\textsuperscript{58} To ensure that we covered every aspect within our research, we developed an interview manual, which can be found in appendix A. The questions were adapted to our theory and main questions within the thesis. The interview focused on the aspects that had to be answered, but it either was strict structured with standardized questions, nor completely non-governing as it moved into different directions.\textsuperscript{59} It is important to use simple words, expressions and respect the respondent and it is not permitted to ask any leading questions.\textsuperscript{60} Since we were following our well constructed manual it was not a problem. The interview was not structured as it was moving in different directions. It was possible to ask follow-up questions during the dialogue, which we also did.

A good advice is to record the Interview, listen carefully and be flexible. To get the rich and detailed answers, the interview had to be flexible and adaptable.\textsuperscript{61} Since we did not want to miss any important statement, we decided to record the interview by our mobile phones and complemented it with notes. The advantage with using Skype was that it gave us a good

\textsuperscript{54} Meeder, R. (2011)
\textsuperscript{55} Timmerman, N. (2006)
\textsuperscript{56} Kvale, S. (2008)
\textsuperscript{57} Hultén, B. (2008)
\textsuperscript{58} Skype Limited. (2011)
\textsuperscript{59} Kvale, S. (2008)
\textsuperscript{60} Hultén, B. (2008)
\textsuperscript{61} Ibid.
response rate and excellent control of the samples. Afterwards, when we transcribed our material, new questions occurred. We had decided with Mr. Meeder before if this happened, we could contact him again, which we also did. Moreover, the interview lasted one and a half hour.

2.5.1 The interview implementation and layout
The preparations for our interview were to design an interview manual for Mr. Meeder. This was the guide we followed during the whole interview. We agreed with Mr. Meeder to send the manual two weeks earlier than the interview, as it gave him the possibility to reflect the questions and give us deeper answers. While formulating our manual, we followed our theory to keep the red thread. We wanted to keep it simple for our respondent and asked different questions. To understand the respondent’s answers and background, a good idea is to start the interview with personal questions. Therefore, we started to ask questions about his background, knowledge and demographical aspects. To make it easier for the respondent, a good idea is to avoid questions with more than one issue. We created our manual to only cover one issue at each question, which gave us satisfactory answers. Moreover, we formed many narrow questions rather than a few big ones. We believed that it would give us fuller answers.

2.6 Observations
An observation is conducted for a direct activity, event or situation. When a new perspective is needed, the observations are necessary. An observation also means that the researchers are involved in different activities, observes what is happening and immediately take notes of what is seen. It is a conscious type of work for the researchers as controlling the emotional reaction of what is observed is needed. Since we did not reach the empirical saturation with our interview, we acquired observations of the current situation that Bottega Veneta, Burberry, Gucci and Mulberry has online. We chose these brands since Mr. Meeder talked about them during the interview as good examples of well performing luxury brands. We further believe that these brands have what characterizes a luxury brand, which was the criterion for our decision. Illustrations of their homepages are presented in appendix B to show what we have been observing. As Mr. Meeder is working with the four luxury fashion brands, we also felt confident with the choice since we believe they are four typical luxury brands.

Regarding the observations, they are only performed online and we viewed both homepages of the luxury brands and other related necessary websites. This was example Facebook and fashion shows at YouTube. We followed our theory and the answers from the interview with Mr. Meeder. This information was our guideline during the observations. We took notes of our views of the websites to explain what we saw in a deeper way. Since we needed another perspective, our observations only focused on what we saw and heard. Everything that we

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63 Ibid.
64 Ibid.
saw, we discussed with each other to make the impression more reliable. If we had different or several opinions, we wrote them down and the reason for this was that we did not want to miss any important information. These two views, with different perspectives make the thesis more trustfully, according to us. We did not want to read any information online, since it would have affected our views and emotions, which could have lead to unreliable information. The analysis, the conclusions and recommendations of the empirical research is affected by the choice of observations and interviewee. Therefore, it is an important aspect since the saturation is vital, which we believe we achieved in the end. Beneath, a presentation of our observed luxury fashion brands is given.

2.6.1 Bottega Veneta
One of the leaders within the luxury fashion industry is the Italian brand Bottega Veneta, which is mostly known for its leather goods. The brand was founded in 1966 and includes for example luggage, wallets, shoes and handbags and these items sell the most. The creative director Tomas Maier designs mainly women’s and men’s clothing, but also house wares, watches, furniture, porcelain and jewelry. In the spring/summer collection of 2011 the inspiration was the real life and natural movement.

2.6.2 Burberry
Burberry was founded in 1856 in England by Thomas Burberry. He worked on making new fabrics to use in his goods and developed one revolutionary fabric that was waterproof. This was the first step to the success of the brand. Today, it is known for its very distinct black, red and camel checked pattern, which is also their inspiration. The company is mostly famous for the handbags and coats, but they have other items, such as fragrances and bikinis as well. Burberrys creative chief director is since 2009, Christopher Bailey.

2.6.3 Gucci
Gucci was founded in 1921 in Florence and the production is located in Italy where they design, produce and distribute high-quality luxury goods. Gucci includes handbags, ready to wear, small leather goods, luggage, shoes and fragrances. Today, the creative director is Frida Giannini. Her innovative design is a very personal interpretation and she has kept Gucci’s privileged heritage firmly intact.

2.6.4 Mulberry
Mulberry was established in 1971 in England and the favorite items are the leather agenda and their bags. Mulberry is inspired by the cool of the city and the craft of the countryside and is one of the last luxury brands that have their factory in England. Today, the creative director is Emma Hill.

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67 Bottega Veneta homepage 1. (2011)
68 Colapinto, J. (2011)
69 Bottega Veneta homepage 2. (2011)
70 Designer Fashion Trends. (2006)
71 Jones, D. (2009)
72 Gucci homepage 1. (2011)
73 Mulberry homepage 1. (2011)
74 Rose, H. (2009)
2.6.5 The observations implementation and layout
The observations were performed by viewing different pictures, movies, and campaigns of the luxury brands Bottega Veneta, Burberry, Gucci and Mulberry’s homepages, but also fashion shows and other different social media channels. We observed all mention factors we have used in the theoretical and empirical parts, this to keep the red thread. A high level of involvement was required as we had to focus on what was said, performed and communicated. During the observations, we jotted keywords and took notes to ensure we did not miss any important information, our own interpretations and everything else of interest. During the whole observation process we discussed with each other, to agree on what was observed. If any gap in the information occurred, we went back to the source of the observations and fulfilled what was missing. It was important that we as observers accepted the separation from our normal beliefs to be able to present physically in the new environment. We conducted the observations without any preconceived meanings and separated the material from our own beliefs. Our observations were based on what we saw and heard, and not on what we believed. The notes where then the base to complete the empirical part within the thesis and discussed with the answers from Mr. Meeder.

2.7 Evaluation of our qualitative research
There are different evaluation criteria’s within the qualitative methodology, like trustworthiness and credibility. These criteria’s intends to increase the likelihood of our thesis as it focuses on the measurements performed. The credibility refers to in what extent the conducted research and the used methodologies really focus on and what intends to be investigated. As we developed our interview manual and performed the observations according to our problem formulation, the purpose and the aspects from the formulated theory, we were sure that our questions focused on what we intended to study. A combination of the findings from our observations and Mr. Meeder’s insight on the luxury market field gave us the trustworthy measurements we needed in the empirical part of the research. This resulted in new ideas and knowledge’s.

A high degree of trustworthiness within the research is preferred as it will show that our problem was worth studying. To reach high reliability new studies, independent on each other, have to give the same results. We consider this as possible since we based our thesis on new facts and studies from another point of view. Moreover, the majority of our sources are well updated, since they are maximally a few years old. As the information is recently published, we consider our sources as highly reliable

76 Flick, U. (2006)
77 Fejes, A. & Thornberg, R. (2009)
3. THEORY

In this chapter we will make a presentation of the factors that are relevant for our research. The starting point is the designer and then continuing with fabric, production and quality; since it is where it all starts. Next, we will write about image and identity, which leads us into the marketing, social media, distribution channels and lastly, the price.

Introduction

Through previous investigations, our knowledge and education, we found that the chosen factors are affecting the luxury brands in several ways. The designer gathers inspirations and ideas for the upcoming collection. At the same time it is vital to consider what fabric to use in the products and aspects like quality have to be concerned, before the production starts. The brand must also determine how they want to be perceived in terms of image and identity. Next step is the marketing aspects; identify their target group and decide what channel or channels to use. If the company wants to reach a huge amount of people, an idea is to use social media, as it creates big awareness all around the world. However, it is important to consider the availability in order to keep the exclusiveness as a luxury brand. The next aspect regards the distribution channels, which concerns where the products will be available. Last to consider is the price, as it is the important aspects for the customers. These factors will be our foundation within the theory chapter.

Previously conducted researches show that luxury is back and is here to stay. Everything from cars and watches to perfumes and makeup are considered as luxury as long as it bears a label and conveys a story of its owner. The story should also include exclusivity and breathe abundance which is not part of the everyday.\(^7^9\) The luxury brands must continuously develop new strategies to maintain the exclusiveness.\(^8^0\) However, the traditional definition of luxury regards money and if products are expensive or not, but is being modified due to the changes in the society.\(^8^1\) For instance, in the 80s it was all about the status and the products itself. In the 90s it was more about luxurious traveling and to show that they afford it. Today, during the 20s, people are focusing more on themselves. Luxury has become linked to the physical or spiritual pleasures,\(^8^2\) as self-fulfillment and time are important words.\(^8^3\) Yet, it might be the products that provide the status of flattering glances by others. In the end, luxury serves as a reward for the hard working individuals, which is vital for maintaining their status and position in a hierarchical society.\(^8^4\)

When speaking about luxury products, it is defined as a commodity for which demand raises proportionally as wages in the society increases. The globalization has changed both the audiences and the markets, which is why some believe that luxury is the new normality.\(^8^5\)

\(^7^9\) Blennow, E. (2007)
\(^8^0\) Wallström, M. (2010)
\(^8^1\) Blennow, E. (2007)
\(^8^2\) Wirfält, J. (2011)
\(^8^3\) Pettersson, M. (2007)
\(^8^4\) Wirfält, J. (2010)
\(^8^5\) Blennow, E. (2007)
Furthermore, the luxuries companies are struggling in diversify themselves in terms of authenticity and identity. Overall, the luxury brands must be more active and work with interaction, sustainability and social responsibility. The global market for luxury was appraised to be worth approximately 100 to 150 billion Euros in 2007. Yet, the economy declined due to the financial crises two years later, but in 2010 the turnover of the luxury industry was estimated to 170 billion Euros.

The previous conducted investigations show another shift within the luxury industry, which is gathering valuable brands beneath one roof. Due to the great challenges that the industry faced, the solution was the luxury conglomerates since the portfolio of both young and well established brands could be spread. However, the huge luxury conglomerates are undermining the soul of luxury, as they constantly meet the increased demand. It reduces the level of exclusivity, which is what defining a great luxury unit. Today, the independent brands are few as they are not considered to bear the huge investments that are required for survival. Several of the luxury brands have problems with the Internet. In the real world, it is obvious what luxury is, but on the Internet it is very easy to make a homepage and entitle it luxury. In the beginning, there was only luxury in the display windows, but today several companies have begun to sell luxury online such as art, fragrances, clothes and exclusive property. Regarding luxury from a marketing perspective, an important part of luxury consumption is to communicate messages and affinities to the customers, as the amount of consumables increased.

3.1 Designer

It is useful to be aware of how successful luxury designers began their career. A good idea is to identify their break, get into the chosen field and discover how they became successful. Another interesting aspect is to compare famous designers’ different styles, which were successful at any time and for how long each designer maintained the leadership.

Designing is the process of combining components in different ways to create new products or effects. The design process consists of inspirational elements, such as all forms of art and design, including fashion, architecture, graphic design, painting and sculptures. Behind every successful luxury brand there are often legends in terms of an eccentric designer. Sometimes the designer’s label is more important than the actual piece. It is the designers’ responsibility to supervise their large design teams for their collections, visit the factories, attend the store openings and appear for the worldwide public.

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86 Wallström, M. (2010)  
87 Blennow, E. (2007)  
88 Wirfält, J. (2011)  
89 Blennow, E. (2007)  
90 Wirfält, J. (2011)  
91 Blennow, E. (2007)  
92 Wallström, M. (2010)  
93 Blennow, E. (2007)  
95 Ibid  
96 Herman, D. (2007)  
97 Jones, S. (2005)
When creating new designs and trends, inspiration is gathered from earlier collections and updated to suit current season and the brands identity.\(^\text{98}\) However, what the designers are inspired of differs, but normally they are sensitive to combinations of lines, colors, motifs and shapes. It is the designers own interpretations of the design sources, both the recent and past, which makes the collections special. Travels, nature, architecture and the street scenes are examples of where designers get their inspiration from. Nevertheless, the most important source of inspiration is the fabrics. Sometimes one fabric inspires the whole collection. The luxury brands designers may have been inspired by common sources and similar ideas in their different collections might appear.\(^\text{99}\) Overall, the most important factor for the designer is the customer, since they are the one who buys the products. In the end, it is therefore the customer who set the trends due to their acceptance.\(^\text{100}\)

The assistants or other designers may take over the responsibilities of designing when the founding designer retires. The problem for new designers is to carry on the brands image with a cautious combination of fresh ideas. Some luxury conglomerates have tried to replace their former designers with a new and young one without success.\(^\text{101}\) The luxury fashion industry is primarily about selling an image, so the designer of a fashion brand must be clear about the exact image he or she wishes to present.\(^\text{102}\)

The products that the luxury brands produce are not designed and planned according to the customers’ tastes and expectations. Luxury brands set their own standards and do not adhere to the fashion trends. This challenges the customers for their taste, sophistication and dare.\(^\text{103}\) When designers’ create haute couture they are at the creative top and free from all financial limitations. They carry out the desirable task of creating totally original, unique products and using extraordinary materials that are too costly to produce in a mass volume. Moreover, the fashion designers relationships with the fabrics are the core of the creative process.\(^\text{104}\)

### 3.2 Fabric, production and quality

The *fabric* choice plays a major role in the design process. It is always emerging new techniques, philosophies and principles in terms of production. Therefore, it is important to be updated in this area as a luxury brand.\(^\text{105}\) Furthermore, it is important to have reasonable expectations of how the fabric will behave. A fabric cannot be forced or shaped into a style that is not friendly with its characteristics, both visually and physical.\(^\text{106}\) The physical appearance contains the silhouette capabilities of the fabric and therefore it states which styles the fabrics will succeed in. Regarding the visual appearance, it determines which colors, textures and patterns the fabric can get.\(^\text{107}\)

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\(^\text{98}\) Seckler, V. (2007)  
\(^\text{100}\) Stecker, P. (1996)  
\(^\text{101}\) Frings, G. (2008)  
\(^\text{102}\) Stecker, P. (1996)  
\(^\text{103}\) Herman, D. (2007)  
\(^\text{104}\) Gale, A. & Kaur, J. (2004)  
\(^\text{105}\) Ibid  
\(^\text{106}\) Jones, S. (2005)  
\(^\text{107}\) Stecker, P. (1996)
It is vital to be familiar with the used fabrics and aware of how it will perform during the manufacturing. Moreover, it is important to identify and keep the trends since the fibers are influenced by the changes, technologies, lifestyles and the customers’ values. The designer must know how the fabric will behave when the production is completed and suitable for the required style. Easy-care fabrics within luxury items are what numerous consumers prefer. Therefore, it is vital for the production houses to develop fabrics that will meet the expectations of both the designers and their customers. When buying fabrics it is important to have in mind that large overseas mills often distribute their goods to several agents. The fabrics can end up everywhere, which can make it non-exclusive, since the brands can have the same one. The quality aspect of the fabrics is always kept in mind. However, the luxury brands are using unjustified expensive material, which is not always necessary. Variety and balance are the most attractive factors in terms of fabrics; therefore brands should offer different choices to the customers.

Many things can go wrong with the production of fabrics, which can be difficult to control. Therefore, it is important for the luxury brands to examine all of the fabrics and trims in terms of a quality control immediately when the production is completed. Luxury items are now offered outside Europe as the manufacturers are able to produce high-quality products to affordable prices. The first and last produced garment should be the same and to ensure this, both finished and ongoing garments are inspected. The controllers should seek for poor sewing and check the measurements according to the original specifications. Production in United Kingdom, Europe and the United States is expensive, in comparison to manufacturing in the Far East and in other regions with low salary or heavily subsidized industries. Yet, the production within the luxury industry is often done in-house. It can normally be in the atelier, partly due to the need for fittings and partly for secrecy. The luxury brands are focusing on the art within their pieces and utilize hand-made production as the aim is to produce pieces based on striking perfection. Luxury pieces are one of a kind as they never can be reproduced due to the artisanship.

Great fabrics do not guarantee great quality, which many believe. Luxury products are built to last due to the high quality in the material. The quality of the pieces is a combination of the craftsmanship, materials and finishing of the product. Once the brands have set the quality standards, it is vital to stay consistent every season in order to meet the customer’s

111 Prescott, J. (2010)  
112 Herman, D. (2007)  
113 Stecker, P. (1996)  
117 Jones, S. (2005)  
119 Jones, S. (2005)  
120 Kapferer, J-N. (2008)  
121 Gehlhar, M. (2005)  
expectations. The customers’ expect that the products of the luxury brands are of higher quality, finer material, superior design and greater exclusivity. These aspects lead to a greater refinement and superiority for the brands.\textsuperscript{123} The quality attribute of luxury products are one of the most important factors when the customers chose which brand to buy from\textsuperscript{124}, and not the status symbol itself.\textsuperscript{125} Moreover, quality is often linked to the price and it is decisive when buying clothes. Yet, it is important to reflect on that the price is not an indicator of the quality.\textsuperscript{126} Some luxury brands are even bought because of their good reputation of quality. Luxury clothes are considered as an investment by the designers, which is why qualities of workmanship and fine detailing are important.\textsuperscript{127}

### 3.3 Image and identity

When speaking about image and identity, branding has to be taken into consideration, as it is of major concern for all the involved players in the fashion industry.\textsuperscript{128} Brand positioning is not necessary for the luxury fashion brands as long as they have an identity.\textsuperscript{129} It is important for the luxury brands that the given image and identity is consistent and clear in both visual and verbal communications. The naming and the development process of the products are important in order to keep the uniqueness and recognizability among the customers.\textsuperscript{130}

The luxury fashion houses must stay consistent of their garments as changes are confusing their customers due to previous expectations. However, the established designers within the luxury industry know their customers and how to satisfy them.\textsuperscript{131} The brand name of luxury products is considered as important as long as it is combined with a suitable price, quality and made by a famous designer. Normally the brands are named by the founding designer such as Chanel or Giorgio Armani, but fictitious names do also exists. It is important that the name of the luxury brand fit the image they want to communicate, reflect the mood and the style of the pieces and attract the target audience.\textsuperscript{132}

The communicated messages, such as pictures, images, colors and symbols will give the customers the right interpretation of the certain luxury brand. Furthermore, memorable and confirmative brands that are distinguishable among competitors are necessary.\textsuperscript{133} The goal for the luxury brands is to establish a strong identity that the customers’ prefer, in front of all others.\textsuperscript{134} People fall in love with brands if it stands out of the crowded marketplace and are promising something special.\textsuperscript{135} An image that the majority has within the luxury industry is

\textsuperscript{123} Herman, D. (2007)
\textsuperscript{124} Seckler, V. (2007)
\textsuperscript{125} Omidi, M. (2011)
\textsuperscript{126} Gehlhar, M. (2005)
\textsuperscript{127} Frings, G. (2008)
\textsuperscript{128} Wolbers, M. (2009)
\textsuperscript{129} Pedraza, M. (2010)
\textsuperscript{130} Okonkwo, U. (2007)
\textsuperscript{131} Stecker, P. (1996)
\textsuperscript{132} Frings, G. (2008)
\textsuperscript{133} Okonkwo, U. (2007)
\textsuperscript{134} Frings, G. (2008)
\textsuperscript{135} Wolbers, M. (2009)
that the brands are only a dream for many and affordable for a few segments. Several luxury brands actually derive their status only for a few.\textsuperscript{136}

Some customers perceive themselves different when consuming from a luxury brand as they believe that they participate in a special group and lifestyle. They also feel a signal of affiliation, belonging and a reminder of an identity. Furthermore, the customers believe that everything in the luxury industry is inspiring, feelings of wonder and excitement. However, the opinions between individuals are different. Some humans do define the luxury industry as nonessential and identify luxury items as a desire that is not needed in real life.\textsuperscript{137}

3.4 Marketing
Luxury brands are mixing the different \textit{marketing} tools in order to reach all of their customers.\textsuperscript{138} The marketing activities should be planned well in advance to coordinate with current fashion themes, seasonal displays and stock in the stores. The promotion of a product is shown in terms of visual merchandise, advertising and publicity. How to launch the assortment, in terms of marketing, depends on the image of the brands and the types of garment that are being sold.\textsuperscript{139} Fashion is born only when it has been seen in public. Within the fashion industry, people follow the trendsetters and today the followers can see new styles and trends much faster due to the rapid technology development.\textsuperscript{140} The trends can literally be set in motion from one day to another as the TV, Internet and photos provide anyone of interest to be part of the changes. Through the Internet, the brands are able to combine texts, sounds, graphics and moving pictures on their items.\textsuperscript{141} Since the fashion industry is changing very fast, the designers normally do not create advertising to present their latest design for the public.\textsuperscript{142} New luxury items are considered fashionable from year to year as the styles are always changing.\textsuperscript{143}

Publicity is the free given information to promote a brand and is directly controlled by media.\textsuperscript{144} Through the publicity, messages are sent to the consumers, but it is the editors of the media that decide what to talk or write about.\textsuperscript{145} Famous celebrities are often dressed in luxury branded pieces during huge awards. The reaction of this will probably be that the consumers have that celebrity as a favorite, will buy the items as well.\textsuperscript{146} When a celebrity is photographed while wearing designer pieces, it is worth a fortune in publicity. Many designers loan or donate clothes to the celebrities to use for awards and ceremonies and the competition to dress the superstars has increased. Today, certain agreements between the

\textsuperscript{136} Herman, D. (2007)
\textsuperscript{137} Ibid
\textsuperscript{138} Frings, G. (2008)
\textsuperscript{139} Stecker, P. (1996)
\textsuperscript{140} Wolbers, M. (2009)
\textsuperscript{141} Frings, G. (2008)
\textsuperscript{142} Wolbers, M. (2009)
\textsuperscript{143} Smith, R. (2011).
\textsuperscript{144} Stecker, P. (1996)
\textsuperscript{145} Frings, G. (2008)
\textsuperscript{146} Wolbers, M. (2009)
designers and the stars are formed. The designer provides the celebrity with several pieces if the star agrees to wear one.\textsuperscript{147}

One of the most influential forms of publicity is word of mouth. The customers, who have a great store experience in terms of finding the right product and excellent customer service, are eager to spread the interpretations to friends and family.\textsuperscript{148} The surrounding peoples’ opinions have a major impact on the decisions and are sometimes even more powerful than one’s own perceptions. The people who are involved in the word of mouth communication tend to know each other. Therefore, the information will be more trustworthy and reliable than the information gathered through any other marketing channel. Luxury fashion items are more likely to be bought if some kind of advice is gained before the purchase, preferably from a well-known person with a good style reputation.\textsuperscript{149}

There is another channel when communicating fashion, called public relations. This channel is referring to people in the surroundings, instead of to oneself. To succeed both in a short and long term perspective, public relations is needed for the luxury brands businesses as it focuses on peoples’ perceptions. Promotional events, such as a get-together during fashion weeks, photography and party’s are important ways to introduce new trends or items for the public.\textsuperscript{150}

Magazines have a coveted place to promote trends in today’s society, as it has bigger impact on the audience than many other marketing channels. For the luxury fashion brands it is a great advantage to achieve publicity in a major fashion magazine. Some people even say that it is a good measurement of their success in the luxury industry. It is the fashion magazines who exemplify the different trends that the appeal of fashion is based on. Within the fashion magazines, such as Vogue, Glamour and Cosmo girl\textsuperscript{151}, Elle, W, Esquire and Lucky the purest form of fashion advertising is published with large photos of accessories, clothing, jewelry and shoes.\textsuperscript{152} The trends are often established by the help of the press as they highlight the similarities within the collections. The writers from fashion magazines always attend the opening of the collections during the fashion weeks and take notes based on what the like or not.\textsuperscript{153}

Advertising is a paid announcement designed to bring the attention of the customer to the brands name and product.\textsuperscript{154} The media itself is very expensive and the creation of the ads cost a great deal as it involves different steps. These steps are artwork, design, photography, copy for scripting or print media and castings, rehearsals and filming for television. This means that advertising is very selective and only made to stimulate an interest in new luxury products.\textsuperscript{155} Advertising was seen as the primary purchase determinant of fashion earlier, but

\textsuperscript{147} Frings, G. (2008)
\textsuperscript{148} Ibid.
\textsuperscript{150} Wolbers, M. (2009)
\textsuperscript{151} Jugoman, V. (2008)
\textsuperscript{152} Wolbers, M. (2009)
\textsuperscript{153} Frings, G. (2008)
\textsuperscript{154} Stecker, P. (1996)
\textsuperscript{155} Frings, G. (2008)
is now challenged by other marketing tools. When reinforcing existing products, rather than newly created ones, advertising is the best tool to use.156

3.5 Social media
Before Internet was available for anyone, people in different reference groups and subcultures met face to face for discussions. Today, shared interested can be discussed and exchanged online, such as on Twitter, YouTube, blogs and Facebook, by people who will never meet.157 Being untouchable, unobtainable and out of reach is what many luxury brands whole existence are built on. For the luxury brands this is an important aspect of their identity and therefore many of them have shied away from the different social media channels as they do not want to be available for everyone.158 The social media have become a valid form of advertising for the luxury brands as the sales in stores, e-commerce and regular traffic to the brands own homepages have increased.159

Previously, it was about keeping people away and developing an exclusive feeling among the brands, which is not the case anymore. The brands are starting to use social media, which is a cheaper alternative to communicate their brands. The social media are not only about broadcasting information for the brands, they have the opportunity to listen to the conversations and take advantage of the feedback and critique by the customers. Both Facebook and Twitter have changed the people’s mass events experiences and the luxury brands industry could adapt this by creating an interest around them, which leads to affinity. The created interest is something that people want to be part of and share with others.160

The publicity luxury brands and branded products gain from the customers’ is high when it is shown in the social media.161 Social media is an important aspect since the luxury industry is embracing it, for example by increasingly streaming live shows on the web.162 Fashion films are being posted online by the fashion brands to share stories, which create an emotional connection between the customers and the brands.163 Many marketing experts believe that the social media is not effective for the luxury brands, which is a misconception.164 However, in 2011, 70 % of the social media campaigns within the luxury industry failed and the reason were a small amount of engagement by the companies. When the luxury brands engage fans and followers, they will gain credibility and influence.165 The next step for the luxury brands to consider is to develop applications for mobile devices as customers today tends to search for information and sometimes even purchase items through the phones.166

156 Stecker, P. (1996)
158 Clark, N. (2010)
159 Strugatz, R. (2011)
160 Corcoran, C. (2009)
162 Urs, E. (2009)
163 Corcoran, C. (2009)
164 Urs, E. (2009)
165 Ransom, C. (2011)
166 Pedraza, M. (2010)
Due to the increased collections of the brands, the messages which are communicated directly to the customers have to be tightly controlled. Today, many of the luxury brands core clients spend a lot of time online. Therefore, the brands should focus on investing more in the social media. A deeper loyalty and dedication to a certain brand will probably be the result of the regular social media visits by the customers. Engaged groups and fans have impact on the revenues and the sales of the brands, as it makes the customer feel closer to them. However, the fashion cycle is not linked with the communication speed online, as pictures, movies and texts are posted a long time before the actual launch of the collection. A tiredness of the pieces can be developed at the time they arrive in the stores. The solution of the tiredness is to give the people what they want exactly when they need it.

3.6 Distribution channels
Distribution is the process of getting the apparel from the manufacturer to each store in the correct quantities, styles, colors and sizes at the proper time. The distribution of merchandise is planned so it is sold through the most suitable stores and the best geographical locations are preferred. Since new customers always are emerging, their expectations in terms of distribution channels must be fulfilled.

Achieving excellence in the distribution process and the sales environment of luxury goods is essential for the success within the luxury industry. When the customers’ expectations are met in terms of convenience, location and product assortment, the channels are the most effective ones. Numerous of the luxury brands are selling their pieces to a limited number of stores to maintain the exclusivity and uniqueness of their brand. An additional task for the luxury brands to take into consideration is the brand protection. Tightly controlled distribution is required to maintain the exclusive feeling that comes along with a luxury brand. If the luxury brands control their distribution, they also control their image. Appropriate stores, proper quality, price and image are necessary for the brands to have in order to attract the core customers. The control of where the luxury products are sold is an important aspect to focus on, as the brand value can collapse if not.

The channel that preserves the best of the brands quality, exclusiveness and prestige within the brand name is the directly owned stores. The reason why many luxury brands open their own stores is to increase and control their image, having complete collections, investigate new ideas, build loyalty of the brand and develop the companies. Through the own stores, the luxury brands are able to sell their products directly to the customers. The luxury brands strive for something new, entertainment and excitement to keep the customers fascinated. High-tech dressing rooms and plasma screens showing entertainment are examples

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167 Strugatz, R. (2011)
168 Corcoran, C. (2009)
170 Godé, P. (2009)
172 Frings, G. (2008)
175 Okonkwo, U. (2007)
of how luxury brands adapted to changed store layout. The atmosphere within the store has to convey the same feeling as the brand located there, otherwise the experience of the brand will be a negative one. The key of success in retailing for the luxury brands are the sales, but also the ability of sales personnel within the stores. When selling luxury products in specialty stores, the personal selling is highly important as it helps the customers to fulfill their needs and wants.

The customers have several options where to find the correct products and ideally for the luxury brands are to have as many distribution channels as possible. However, selling through stores should be balanced with the online commerce. Online commerce opened many doors for the luxury brands on the one hand, as they can reach customers from the other side of the world, but on the other hand the competition among similar brands increased. When combining the regular stores with a highly developed online channel, it will push up the sales as customers tend to spend more money when purchasing online rather than in the stores. One aspect to remember for the luxury companies is that the extra value has to be provided online as well in order to attract and keep the customers. Yet, this can be difficult to provide as it is hard for the customers to get the expected personal service online. Moreover, the special emotion and experience the customers feel when purchasing luxury products is hard to replicate in any online source, as well as the touching of the items.

Selling is the last step in the distribution chain, which takes the garment to the customer. If the companies over-distribute the products they will not be exclusive. Therefore, it is important to be strategic and choose the right alliance. Success in the retailing is a way of measuring the achievement, because it is an indicator of the consumer’s acceptance.

3.7 Price
Luxury brands are in the top end of the fashion market and commands the highest prices. Some of the luxury brands items are made to fit an individual client’s measurement and is ordered from a very small clientele worldwide. These pieces are the most luxurious and expensive ones, as a single garment can be priced between 1000 to 50,000 Euro, and often have an extravagant or tremendous style.

Price is the most important aspect within a purchase for the majority of the customers. The products of luxury brands are made in limited quantities, expensive fabrics and trimmings, which is why the basics costs are higher. The designer must be conscious of the competitors’

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179 Ibid
181 Clark, N. (2010)
186 Frings, G. (2008)
prices since the customer’s will be aware of them too. The price must be fair and reflect the value of the fabric and production style.\textsuperscript{188}

Where a brand is positioned to the customers is normally based on the price and is also an important aspect within the branding strategy. To differentiate the luxury brands from the mass-market, the brands adopt the premium pricing strategy as it emphasizes the high quality, the strength of the brand and the exclusiveness. Customers’ of luxury items expect the prices to be in the premium sector, as they measure the value and position of the brands, according to the prices.\textsuperscript{189}

Factors that influence pricing are the competitor’s prices for a comparable item, the manufacturers recommended price and the supply and demand.\textsuperscript{190} The price of each product must accurately reflect its value and stay consistent every season.\textsuperscript{191} Furthermore, the price is also related to the availability, design content, the demographic of the target group and the quality.\textsuperscript{192} The prices must be balanced between its fair market value and the needs of the brand. Before establishing the prices, an idea is to compare the product lines with similar collections. The price must be kept in mind during the whole design process since it affects the used materials, how intricate the design can be and who will be able to buy it.\textsuperscript{193}

\textbf{Summary}

The behavior, quality, variety and balance of \textit{fabrics} are essential parts\textsuperscript{194}, \textsuperscript{195}. Furthermore, it can be difficult to control the \textit{production}, which is why a quality control of the used fabrics and trims are made immediately when receiving the products.\textsuperscript{196} The controlling aspect is also the reason for in-house production, since many luxury brands utilize hand-made production, which requires secrecy\textsuperscript{197}, \textsuperscript{198}. Moreover, the \textit{quality} attribute is one of the most important factors when purchasing a luxury product. The beginning of the \textit{designers’} career, different styles and for how long the leadership was maintained is some highlighted aspects when speaking about luxury brands.\textsuperscript{199} Inspirational sources for the designer are for instance travels, nature, architecture, the street scenes and the fabrics, but also combinations of lines, colors, motifs and shapes.\textsuperscript{200} What is important in terms of \textit{image and identity} is that the brands are consistent and clear in what they communicate in every aspect of the corporate strategy.\textsuperscript{201} Luxury brands are mixing the different \textit{marketing} tools in order to reach all of their customers.\textsuperscript{202} The tools that are mostly used are advertising, publicity, celebrities, word of

\begin{itemize}
\item \textsuperscript{188}Jones, S. (2005)
\item \textsuperscript{189}Okonkwo, U. (2007)
\item \textsuperscript{190}Stecker, P. (1996)
\item \textsuperscript{191}Gehlhar, M. (2005)
\item \textsuperscript{192}Okonkwo, U. (2007)
\item \textsuperscript{193}Gehlhar, M. (2005)
\item \textsuperscript{194}Stecker, P. (1996)
\item \textsuperscript{195}Prescott, J. (2010)
\item \textsuperscript{196}Gehlhar, M. (2005)
\item \textsuperscript{197}Stecker, P. (1996)
\item \textsuperscript{198}Kapferer, JN. (2008)
\item \textsuperscript{199}Stecker, P. (1996)
\item \textsuperscript{200}Frings, G. (2008)
\item \textsuperscript{201}Okonkwo, U. (2007)
\item \textsuperscript{202}Frings, G. (2008)
\end{itemize}
mouth, public relations and magazines. Moreover, peoples shared interests can be discussed and exchanged online due to the social media like Twitter, YouTube, blogs and Facebook. Important for the brands are to identify who they are in order to minimize the risk of being too available for everyone. What is important to consider in terms of distribution channels are the retailing aspects, such as own stores, the layout of the stores, like high tech interior and entertainment, but also online commerce and the personnel services. The prices of luxury products are higher because of the limited quantities, expensive fabrics and trimmings. Factors that influence the pricing are competitor’s prices for comparable items, the manufacturers recommended price, the supply and demand, but also the value and the quality, design and the targeted audience.

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204 Wolbers, M. (2009)  
207 Jugoman, V. (2008)  
208 Clark, N. (2010)  
211 Jones, S. (2005)  
212 Stecker, P. (1996)  
4. EMPIRICS

In this chapter, we present the findings of the interview with the PR and marketing manager from Group88 and our observations. The structure of this chapter follows the theory, this because it will be easier for the reader to connect both chapters.

4.1 Designer

In the interview with Mr. Meeder he states that the designer is important for a luxury brands success as it is more of a face of the brand. Everyone wants to know who the designer is, where he comes from and what he has done before. The designer is designing together with his team. As long as the design conveys the vision of the designer, other sees the vision and the vision is communicated to the team, the brand has success. Yet, the designer has to be conscious if what he creates can sell and the collection has to be somewhat commercial.214

A good hunting ground for new designers is United Kingdom’s recent graduators. If they show their final collections in an appealing way, the chances are big that the world is viewing them. Very often are an already established designer chosen and the decision is based on their previous experiences and the name within the industry. However, the new designer will affect the luxury brand no matter if it is an already established or a totally new one.215

The inspiration to a collection normally comes from a purchased trend book. A trade agency in Paris produces this book, which is considered as a bible of trends. The book is only produced in a limited edition and every fashion house wants to buy one as it gives them a good insight on upcoming trends. It is developed in relation to social changes, colors and fabrics that are available or will influence the market. Yet, it is the classics that sell the most as it is what that certain luxury brand stands for.216

In an interview on Bottega Veneta’s homepage, Tomas Maier says that what he creates is based on him, but it is for everyone. When he began his career at Bottega Veneta, he started with a very small collection that only focused on handbags. Later, he included a cosmetic case. Maier’s designing and creative process always starts the same, with colors. He gets the inspiration from the colors and then he turn to the material, which preferably are new ones.217

On a video clip on YouTube, Christopher Bailey at Burberry says that his role is to put shine on the work. Burberry has an incredibly passionate, energetic and a devoted design team that is needed to make all work of the collections possible. The starting point within his designs is to find the right story and attitude. Bailey often use YouTube videos as an inspiration when doing the research whether it is for shoots, collections, architectural projects or graphics. Other design sources are sculptures, music, sounds and art, but mainly the weather and its elements.218

In an interview on YouTube with Frida Giannini at Gucci, she explains that she is

214 Meeder, R. (2011)
215 Ibid.
216 Ibid.
217 Bottega Veneta homepage 2. (2011)
218 Burberry Interview, Christopher Bailey. (2011)
inspired by extreme sports such as trekking, parachute or sailing. Moreover, it is important to focus on the formal aspects within the pieces of Gucci, but with new ideas on the suiting. In an interview on YouTube, Emma Hill at Mulberry explains that the main sources of inspiration for the collections are films and books. The book “Secret garden” is one of her main design sources, which is about creating a magical and fantasy world.

4.2 Fabric, production and quality

Mr. Meeder says that it is common that different luxury brands use the same production houses for producing their pieces, but not the same fabric. When decide in what location a brand should produce, it depends on the price, the quality of the fabric and the final control, to make sure that the produced items are good enough.

Regarding Bottega Veneta, all the bags, wallets, belts and shoes are mainly made in leather. Almost all of Burberry’s clothes online are made of fabrics, thoughtful and contains a lot of colors. This complements the remaining assortment such as bags, scarf’s and shoes, since the majority is made of the same fabric, but also leather. Gucci’s bags and shoes online are made of both leather and fabrics. Their ready to wear collection is quite basic in terms of the fabrics. Accessories such as belts, gloves and wallets are made of both leather and fabrics. Some hats are also knitted. On fashions shows, Gucci present a lot of fur and snakeskin. The material of Mulberry’s bags and wallets online contains purely leather that is complemented with their logo in metal. The shoes and accessories have different materials. The clothes are a mix of different fabrics and their belts are made in leather.

Own production, in comparison to outsourced, is ideally for the luxury brands to have as it is controlled by themselves, according to Mr. Meeder. Yet, it depends on what stage and in what position the brands are in. Many luxury brands do also outsource a lot of their production. China and India have for instance excellent factories to produce the items in and they know how to do it on a large scale.

A lot of Bottega Veneta’s products are handmade in-house at the atelier where all the measurements, cutting, fitting and stitching are made. Bags by Bottega Veneta have a unique weaving style, called Intrecciato. Burberry produces functional, innovative and fashionable products in Asia, but mainly in Europe. The production of their products is based on excellent craftsmanship, with innovative elements every year. Many of the leather goods by Gucci are produced at the atelier in Florence by several highly skilled artisans. Every aspect of the
products, such as measurements, cutting, sewing and even the iconic horsebit, is made by hand. The craftsmanship is excellent and the careful attention of details within their pieces is high. Several of Mulberry’s products are manufactured by hand in British factories by skilled artisans, but some are also outsourced. The production of the pieces is based on the high quality and the craftsmanship as all elements, such as stitching and cutting are made in-house.

Mr. Meeder utter that the quality is really important for the luxury brands as it justifies the high prices, which is also an indicator of the quality. Normally there are some elements of the pieces that are made by hand during the production phase. The quality standards that are needed for luxury brands are everything from the factories and where it is coming from; to sourcing the fabric from fair producers and that the final products are delivered on time. What is important for the luxury brands to consider is to always have the same high level of standards, but also be innovative. The standard depends on the brands, their values and some luxury brands pride themselves on their quality and their traditional craftsmanship, which has not changed over time. Other brands pride themselves on the innovation of the product.

The quality of Bottega Veneta clothes is very thoughtful, since they do not have many details and are quite simple. Their bags, wallets and the shoes are sustainable and suits all occasions. Burberry has many details on their clothes and the fabric is quite thin. Regarding Burberry’s jackets, they are very thorough, comfortable and sustainable in terms of quality. Unlike the belts that are very simple, the bags have a lot of details. Gucci’s clothes are made of rough material and are quite basic with a classic style with few details. The products of Mulberry are overall very sustainable in terms of quality. For instance, the bags are very functional without any complicated details. The only detail is the metal plate with the logo of Mulberry and also different closures of the bag. The shoes and clothes have more details, such as buttons and bows.

4.3 Image and identity

Mr. Meeder says that Image is extremely important for the brands within the luxury industry and all brands are seeing themselves different. The identity that the luxury brands have in general is that they are luxurious, high end, exclusive and have a fantasy dream to sell. Customers’ perceive the luxury brands in the same way as the companies. Humans that are consuming luxury products feel that they are buying a dream. The luxury items is not an artificial need, it is an artificial want. For instance, humans that need a normal functional bag to have belongings in, does not want that. They want a luxury bag, because it fulfills both the

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231 Gucci homepage 3. (2011)
232 Mulberry homepage 1. (2011)
233 Meeder, R. (2011)
234 Bottega Veneta homepage 3. (2011)
235 Burberry homepage. (2011)
236 Burberry fashion show spring/summer. (2011)
237 Gucci homepage 2. (2011)
238 Mulberry homepage 2. (2011)
need and want. In reality the truth is that we do not need any of the luxury brands and their items. The ordinary brands already satisfy our functional needs with their products.\textsuperscript{239}

It is very important to communicate the same image and identity in photos and other marketing tools. Otherwise misunderstandings can occur, since they are supposed to show what the brands stand for. It should go hand in hand with the company’s image. Another important aspect in terms of image is the name of the brand and their products. The actual name of the brand is highly important as it should complement and be thoughtful with what the brand stands for.\textsuperscript{240}

The homepage of \textit{Bottega Veneta} consist of natural and discreet colors such as black, grey and white, whilst the only bold colors are shown on the products. Moreover, the website is anonymous and the available products have a specific style that suits several people.\textsuperscript{241} \textit{Burberry’s} homepage communicates with warm colors. A disadvantage with their homepage is that they show a lot of products and buttons. The products are not for all occasions, as they are in a certain style.\textsuperscript{242} \textit{Gucci} is communicating with warm and light colors, such as gold and beige on their homepage. The homepage is very thoughtful and keeping the red thread, since Gucci logo is maintained in the same colors and layout. It is very classy and easy to understand that it is a luxury brand’s homepage. The homepage have many products available and they are shown in a luxurious way.\textsuperscript{243} \textit{Mulberry’s} homepage is in grey tones and does not as appear professional or luxurious. Furthermore, it does not show any pictures at first. The products are very functional and simple, but there is not any pattern within the products placement.\textsuperscript{244}

\textbf{4.4 Marketing}

It is hard to define which \textit{marketing} channel that is the most effective for a certain luxury brand, according to Mr. Meeder. Through advertising, the brands get the editorial coverage they need and the written as well as the spoken word is important when promote a brand. It is the idea of having the stories out in the societies where people read about the products, which transcends to an awareness among people and hopefully exceeds to sales, that is important. Yet, the luxury values are difficult to surpass through online advertising as it is one of the newest frontiers that the brands have. There is no specific channel that is preferred, but having a combination of advertising, editorials, customer events and public relations, are necessary for the luxury brands. The key is how the brands are presented as well as how the luxury values are communicated.\textsuperscript{245}

Celebrities are important in terms of brand communication and it is the hype around a certain celebrity and the brand that creates a great awareness. Yet, it does not necessarily transcend to sales. The awareness around a brand is always important, but it is the right awareness that

\begin{itemize}
\item Meeder, R. (2011)
\item Ibid.
\item Bottega Veneta homepage 4. (2011)
\item Burberry homepage 2. (2011)
\item Gucci homepage 4. (2011)
\item Mulberry homepage 3. (2011)
\item Meeder, R. (2011)
\end{itemize}
really matters. All publicity is not always good and the problem is that sometimes the products are seen with an inappropriate celebrity, who has bought it instead of being sponsored. The right person with the right product at the right time has the main effect.\textsuperscript{246}

The word of mouth is very important for the luxury industry and it is related to the service and experience. A beautiful looking ad campaign that the brands have spent millions on to develop refers to beautiful, fantastic products and requires a beautiful luxury store for the customers to visit. The last link and element in the purchase process is that the customers should receive a beautiful and luxurious service. Bad service leads to that several people will know about it versus that fewer persons will pronounce it if the service was good.\textsuperscript{247}

The public relations are considered as more important than original marketing for the luxury brands. Fashion weeks are a good way to complete the cycle of relationships with the press. It is also a good way to engage them into the process of buying or where the trends will be. The press is important during the fashion weeks as they are the ones who give the feedback on the collections.\textsuperscript{248}

Another marketing channel that is important for the luxury brands are the magazines. There are different magazine fields for the brands to choose between. Which field the brands choose, depends on what position the brands are in, what they want to achieve and which market they are focusing on. It is the first eight spreads or ads that always are important to be seen in. The first three spreads are particularly important for the luxury brands as it tells on what level they are ranked. Moreover, it is also a good indicator for competitors and readers to get the sense of who is important as it is an unwritten measurement tool for the brands success.\textsuperscript{249}

On \textit{Bottega Veneta’s} homepage they promote themselves through collaborations, special projects and their catalogue. The catalogue follows their theme of the homepage and it is also often updated.\textsuperscript{250} On \textit{Burberry’s} homepage, the summer and spring campaigns and the latest fashion shows are published.\textsuperscript{251} \textit{Gucci} refers to their social media on their website as a marketing channel. Moreover, they have added pictures of celebrities that have used their products during awards. Catalogues and ad campaigns are published on the homepage in different categories, such as children, woman and “Gucci-timeless.\textsuperscript{252} \textit{Mulberry} has posted information about them from the fashion week in London and also some pictures of their campaigns.\textsuperscript{253}

4.5 Social media

\textit{Social media} has a big influence within the luxury industry. Mr. Meeder means that it is a way to put the company available for a huge amount of people. Therefore, it is vital to present the

\begin{itemize}
\item \textsuperscript{246} Meeder, R. (2011)
\item \textsuperscript{247} Ibid.
\item \textsuperscript{248} Ibid.
\item \textsuperscript{249} Ibid.
\item \textsuperscript{250} Bottega Veneta homepage 1. (2011)
\item \textsuperscript{251} Burberry homepage 4. (2011)
\item \textsuperscript{252} Gucci homepage 2. (2011)
\item \textsuperscript{253} Mulberry homepage 4. (2011)
\end{itemize}
channel in correct performance and context. Social media is also a way to extend the brand, but the company keeps also the brand wide open. A danger when using the social media is that the brand can be over communicated. The boundaries are very small between being available and over communicate through the social media. Were the line is drawn is therefore vital to have knowledge about. Yet, the brands miss the opportunity for the immediate effect and awareness of the brand if they do not use the social media. Moreover, the social media channels should be cheaper to use in theory for the brands compare to regular marketing.  

YouTube is a very useful and great channel as it is a good tool to link, ad and upload important information. The luxury brands are using it to post relevant videos, fashion shows and campaigns to communicate. Regarding the mobile applications for Android and Iphone, a lot of the luxury brands are using them. The applications are an excellent tool and it is easy to communicate through it. It is hard competition online; therefore it is important to give awareness of the brands in terms of relevant information.

All feedback from followers that the brands receive in the different channels is good, but it is important to take in consideration from whom it is coming from. For instance, if it comes from a person that is not their real customer, it may not be that important to consider. If the information comes from their core customers it is vital to listen to their critique and feedback and afterwards make the needed changes. Another benefit with social media is that it is a good tool to get different numbers and reports. Through the comments, they get an indicator of what their followers think about their pieces. Thanks to the social media, people got greater awareness and brand has better accessibility, but it is not only benefits with it. To not lose the exclusive feeling when using social media, it is important to utilize it in the right way.

It is a good idea to show the products online before they are in stores. Yet, the brands have to be cautious since everybody will be able to see it. The companies leave themselves open for everybody and that includes people who can develop fakes. It is easy for these businesses to copy the luxury brands items, since they get all important information. 

Bottega Veneta has their own account on YouTube where fashion shows and other linked videos are posted. The brand has also an official Facebook page with 50,458 “likes” and on the wall they ask feedback questions. There is information available about the brand, the business and other related links. However, the brand does not have applications for mobile devices available. Burberry has their own account YouTube where videos of their events, campaigns runway shows in different cities and interview with the designer are posted. They have 6,089,194 “likes” on Facebook and their wall contains of questions to the followers. The information available is about the brand, its history and the heritage, but also

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254 Meeder, R. (2011)
255 Ibid.
256 Ibid.
257 Ibid.
258 Bottega Veneta YouTube Channel. (2006)
259 Bottega Veneta Facebook page. (2011)
260 Burberry YouTube Channel. (2011)
other related links. The brand does not have an application for mobile devices. Regarding Gucci, they have their own account on YouTube, but do not post much. They have 4367,198 “likes” on their Facebook page where they ask questions on the wall and receives loads of likes and comments on what is published. The information available is about the brand, the company, their designs and other related links about the business. Gucci have an application for Iphone and Ipad, which is for free. Mulberry does not have an own YouTube account, but other has posted videos, fashion shows and campaigns of it. The brand has 36,462 “likes” on their official Facebook page, where the wall is a mix of comments and likes on posted pictures and questions from both the brand and their followers. The information that is available on Facebook is about the brand, their products and further related links. Moreover, they have an application for Iphone.

4.6 Distribution channels

The most vital distribution channel is the store as the face to face conversation and human contact is important, according Mr. Meeder. In terms of revenue are as many channels as possible good to have, but the balance of it is important. If the brands open up another store, they have to make sure that the location is right, that they do not over saturate the market and not only focusing on one geographical region. Yet, they cannot deny the online channel as it is about the accessibility and when the brands have a domain, they have a domain. The online channel and the stores are equally important.

The exclusive feeling is hard to keep if the luxury brands have too many distribution channels. For this reason, many luxury brands try to make every store experience special for the customers. Yet, the brands traditionally want to keep the level of exclusivity in every store where the layout and high tech interior plays a vital role. For the customers it is about the experience lifestyle and they want to enter a beautiful store where all the senses are stimulated.

To show the products in every angle when selling online is important as the sizing and fit causes the most problem for the customers compared to in a store. Through videos, ad campaigns and photos of celebrities wearing the products, they integrate the customer with the brand. Some people even enter a certain brand’s store and try the items on, but go online to purchase the product in order to save approximately ten to twenty Euros. A complicated aspect for the luxury brands when selling online is the customer service. In a store, the service provided from the staff and the post service support is better compared to online, which also will take much longer time. The staff within a store is also considered as promoters as they often wear what the store offers. However, what is important is the whole lifecycle of the

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261 Burberry Facebook page. (2011)
262 Gucci YouTube Channel. (2011)
263 Gucci Facebook page. (2011)
264 Gucci homepage 2. (2011)
265 Mulberry YouTube. (2011)
266 Mulberry Facebook page. (2011)
267 Mulberry homepage 4. (2011)
268 Meeder, R. (2011)
269 Ibid.
product, not only the selling part. The greatest competitors for many luxury brands are those who are based online. The competition did grow even more due to the online commerce, but also peoples’ awareness about different brands. The brands still rely on the stores and the main part of the customers buys luxury items from a store.\textsuperscript{270}

\textit{Bottega Veneta} sells their products online. To maintain the service, they have a personal shopper available. The personal shopper assists with everything in order to make the shopping experience easier. They have several stores all around the world, which often are located in the big cities. Every concept of the stores is designed by Tomas Maier to keep the brand signature.\textsuperscript{271} To increase the level of service online, \textit{Burberry} have a live chat available, were it is possible to ask questions and receive answers immediately. Besides this, they also have an ordinary e-mail address. Moreover, they have stores all around the world.\textsuperscript{272} It is possible to purchase online on \textit{Gucci’s} homepage and they provide e-mail assistance, which answers everything. Gucci have stores in Africa, Middle East, Asia, Australia, Central America, Caribbean, Europe, North America and South America.\textsuperscript{273} \textit{Mulberry} has a team available 24 hours a day, seven days a week who answers both urgent and simple questions regarding the online aspects. This is to provide the required service. Regarding Mulberry’s stores, they are located in Europe, Asia, Middle East, North America and Oceania.\textsuperscript{274}

4.7 Price
The reason why the \textit{price} is higher within the luxury industry depends on several factors. Mr. Meeder states that it can depend on for example the products quality, time, exclusivity, image of the products and the company. In general, it is the price that characterizes a luxury brand. Moreover, the luxury brands do not mass produce like the ordinary brands does. The price affects the customers purchase a lot. The majority, 80 \% of the customers, views at the price first and then determines if they will purchase the product or not. The remaining 20 \% do not believe that the price is any issue. A part of the supply and demand affects the price within the luxury industry. Furthermore, the customers expect the prices to be higher of products from luxury brands. When the brands decide the final price, it is important to consider factors like costs for production, limited material and craftsmanship. The design of the products affects the price. Luxury brands are using craftsmanship when producing their products, which makes them very unique. Handmade products cost a lot to produce and are time-consuming. Therefore, the more handmade the products are, the more expensive they will be.\textsuperscript{275}

It is very important to consider the competitors prices. Sometimes the luxury brands purchase each other’s products to view and carefully analyze. They evaluate the products and search for what makes each brands customer to a shopper. All luxury brands tend to hire a shopper who

\begin{thebibliography}{99}
\bibitem{x} Meeder, R. (2011)
\bibitem{y} Bottega Veneta homepage 4. (2011)
\bibitem{z} Burberry homepage 2. (2011)
\bibitem{aa} Gucci homepage 4. (2011)
\bibitem{bb} Mulberry homepage 3. (2011)
\bibitem{cc} Meeder, R. (2011)
\end{thebibliography}
performs this. The companies are doing this to improve themselves, but also keep being updated among the competitors.\textsuperscript{276}

The final price for the product is always kept in mind during the producing process. It is important to define what sells. The prices tend to rise every season and sometimes the luxury brands overprice the basic items, according to their production costs. However, higher prices will give the brands a certain status. Overpricing was common a couple of years ago, but less today. It is more common today that the luxury brands make value for money, but still it is hard to define. The brands, who give the most value for money within the luxury industry, are based on their exclusivity, limitation and their choice of material. Overall, the luxury industry does not give value for money.\textsuperscript{277}

Regarding the price information, one bag from all the four chosen luxury brands has been observed. The bags are ranged in the high price class. On the homepage of \textit{Bottega Veneta}, no prices of the products are shown and therefore were items from a reliable online shop observed. The most expensive bag is “Black oversized clutch satchel”, made in a limited edition of only 150 pieces and costs about 1,990 Euros. The bag is relatively small without any specific details.\textsuperscript{278} On \textit{Burberry’s} official homepage the prices are shown on all products. In the high price range is “Large python tote bag” placed and it costs approximately 2,911 Euros. The bag is quite big, spacious and made of snakeskin without major details or advanced design.\textsuperscript{279} On \textit{Gucci’s} homepage, they show their products together with the prices. One of Gucci’s most expensive bags is the “Gucci 1973 medium shoulder bag with double G detail”, which costs approximately 9,740 Euros. This bag is a shoulder bag in crocodile leather with a flap and snap closure.\textsuperscript{280} Regarding \textit{Mulberry}, the big and spacious bag “Bayswater” is placed in the high price sector, as it costs 1,090 Euros. The design is very simple and timeless, the material is leather and the bag has no complicated details.\textsuperscript{281}

\textsuperscript{276} Meeder, R. (2011)
\textsuperscript{277} Ibid.
\textsuperscript{278} Strictly Pursenal, Bottega Veneta. (2011)
\textsuperscript{279} Burberry homepage 3. (2011)
\textsuperscript{280} Gucci homepage 5. (2011)
\textsuperscript{281} Mulberry homepage 5. (2011)
5. ANALYSIS

In this chapter, we analyze our empirical findings from the interview and observations, together with our theoretical chapter. We will analyze what characterizes a luxury brand and how to maintain it. Moreover, we have decided to structure the analysis in the same way as the theoretical and empirical chapters to maintain the red thread.

5.1 Designer

The designer is important for a luxury brand's success. Designers’ different styles can be compared, but also identify what were successful and why are some ideas. We consider this as vital since the designers can learn from each other, both in terms of mistakes and success. They can also get ideas and inspiration from each other for upcoming trends. A legendary and eccentric designer is often behind every successful luxury brand. Sometimes the designers’ label is more important than the actual piece. Because of this, we believe that it is very important to choose the right designer for the luxury brands. It would be an advantage if it is an already known designer with a good reputation. Moreover, we believe that the designer should be adaptable and reflect the company and its value.

The decision of which designer to choose is based on their previous experiences and the name. Very often are an already established designer chosen. However, the new designer affect the luxury brand no matter if it is a totally new or an already established one. To carry on the brand’s image with a cautious combination of fresh ideas is the problem for new designers. We believe that recent graduated designers might have an eager to begin their career and think in a new way compared to already established ones. It is always taught new innovations and influences that can be useful for the company. Moreover, we think it is vital for the luxury brands to consider what kind of designer they need in order to maintain and develop the business.

What the designers’ are inspired of differs a lot. We believe that the inspiration is a crucial part within the design, as it will be what the luxury company delivers in the end. Tomas Maier from Bottega Veneta gets inspiration from colors and Christopher Bailey from Burberry is inspired by YouTube videos. Frida Giannini from Gucci gathers her inspiration within extreme sports and Emma Hill from Mulberry from a book. As the inspiration source is very various, we interpret this as individual from designer to designer, which we think is good. This may lead to different collections, trends and the options will be wider. Therefore, it

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282 Meeder, R. (2011)
284 Herman, D. (2007)
286 Meeder, R. (2011)
288 Ibid.
289 Bottega Veneta homepage 2. (2011)
290 Burberry Interview, Christopher Bailey. (2011)
291 Gucci Exclusive Interview, Frida Giannini. (2009)
292 Mulberry Interview, Emma Hill. (2010)
will be easier to find what the customers search for and fulfill their needs. Another interpretation about the different inspiration sources are that it is a bigger challenge for the luxury brands to find a designer who complement their communicated image.

Another inspiration source is the trend book that a trade agency in Paris produces. Since the book is produced in a limited amount, every fashion house wants to purchase it because a good insight on the upcoming trends will be gained. Similarities in terms of design might appear in the different collections, since designers may be inspired by common sources and related ideas. Regarding the trend book, the trends must appear somewhere and it can be the reason why something becomes fashionable, since several luxury brands gets inspired from the same things. If the luxury brands then produce similar collections, we do not believe it is any problem. Instead, the competition will increase, which is a good aspect as the luxury brands and the designers have to generate excellent items.

5.2 Fabric, production and quality
For the luxury brands, the choices of fabric have a vital role throughout the whole design process. We believe that luxury brands keep this in mind when deciding what fabric their products should have. This because of the appearance of the products has to be great and satisfy the expectations. Another interpretation of the brands high involvement in the fabric choice is due to the knowledge, which will also show that they are professional. We mean that this knowledge is needed since customer might want to know more about the fabrics. Moreover, it is common that luxury brands use the same factories, but not the same fabric. We think there is a risk for the brands to use the same production houses as their chosen fabric might end up at a competitor. If this is the case, it may lose the special feeling for the customers, since they not are alone with the fabric.

The final shape of the products is vital to consider for the brands before deciding what fabric to use. The reason for this is because the fabric cannot be forced into a style that is not friendly with the visual and physical characteristics. We do not see this as a problem since they are involved in every decision. We do also believe that the productions’ level of control and awareness will increase, which will make the company more aware and confident.

All of the chosen luxury brands use mainly leather, but also silk and other fabrics for their products. This means that the brands are balancing their product lines with variations of fabrics. It is important to keep their image in the fabric. Changes can make the core customers confused as they know the brands current fabric and will not accept any new. The quality of the fabrics do we believe is the most vital factor for the luxury brands. This

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293 Meeder, R. (2011)
296 Meeder, R. (2011)
297 Jones, S. (2005)
298 Bottega Veneta homepage 3. (2011)
299 Burberry homepage 1. (2011)
300 Gucci homepage 2. (2011)
301 Mulberry homepage 2. (2011)
because they expect the fabrics to behave in a certain way and that their final product gets the right shape. Moreover, we think the customers expects the fabrics to be of a higher quality as the products comes from a luxury brand. All the brands are using fabrics and leather as material\textsuperscript{303}, \textsuperscript{304}, \textsuperscript{305}, \textsuperscript{306} and it can be seen as unjustified material\textsuperscript{307}. However, as the luxury brands are in the premium brand sector, where this exclusive and expensive material is more acceptable to use, we do not see it as unjustified material. Leather is on the one hand a sustainable fabric, as we believe it last longer due to the good quality. On the other hand, it does require a lot of care by the customers, which they do not want to perform\textsuperscript{308}. However, Mulberry’s collections consist of leather\textsuperscript{309}, which we think make the brand more attractive and exclusive than if only fabrics were used. Gucci’s ready to wear collection is based on basic fabrics\textsuperscript{310}, which we believe is due to the simple way of making changes. As the final garments should be both innovative and balance a range of classics\textsuperscript{311}, we mean that the brands should not deny using basic fabrics because of the luxury appearance.

Regarding the production, luxury brands either outsource or make their products in-house\textsuperscript{312}. We believe it is more suitable for the luxury brands to use own production because of the control aspects. However, we believe this requires more work and employees within the luxury brands. When the luxury brands decide how to produce, it is important that they identify in what position they are in before\textsuperscript{313}. Knowledge about is needed if questions like time, material or costs appear. If the company is highly involved they can easily answer, which seems professional. It is important to examine all fabrics and trims since problems can occur during the production phase\textsuperscript{314}. We share this opinion, as we believe there can be problems for the brand if they deliver a collection that may not have fulfilled the required needs. Since luxury brands are senior and professional, we consider this as implicit. Moreover, this is not any problem for the luxury brands that using in-house productions as they already have the control.

The art within the pieces and utilized hand-made techniques is what the production in-house focuses on for the luxury brands\textsuperscript{315}. Regarding Gucci, the leather goods are produced at an atelier in Italy\textsuperscript{316}. Burberry produces their products in Asia, but mainly in Europe\textsuperscript{317} and some of Mulberry’s products are manufactured by British factories\textsuperscript{318}. We can see that the location of the productions varies. Burberry and Mulberry do not produce in-house, but they have

\textsuperscript{303} Bottega Veneta homepage 3. (2011)
\textsuperscript{304} Burberry homepage 1. (2011)
\textsuperscript{305} Gucci homepage 2. (2011)
\textsuperscript{306} Mulberry homepage 2. (2011)
\textsuperscript{307} Herman, D. (2007)
\textsuperscript{308} Frings, G. (2008)
\textsuperscript{309} Mulberry homepage 2. (2011)
\textsuperscript{310} Gucci homepage 2. (2011)
\textsuperscript{311} Stecker, P. (1996)
\textsuperscript{312} Ibid.
\textsuperscript{313} Meeder, R. (2011)
\textsuperscript{314} Gehlhar, M. (2005)
\textsuperscript{315} Kapferer, J-N. (2008)
\textsuperscript{316} Gucci homepage 2. (2011)
\textsuperscript{317} Burberry homepage 2. (2011)
\textsuperscript{318} Mulberry homepage 1. (2011)
production in the countries that are considered as expensive in terms of production costs. We interpret this as they do not want to produce everything in the low cost countries since they want to deliver products that are of high quality and keep their good reputation. We construe that there can be a problem with outsourced production since the manufacturers have to maintain the right image of the brands. However, we believe that the choice of production locations depends on what luxury company it is. A lot of Bottega Veneta´s products are handmade,\(^{319}\) also Burberry´s\(^{320}\), Gucci´'s\(^ {321}\) and Mulberry´s.\(^ {322}\) As all of the four observed luxury brands are using craftsmanship, we ask ourselves if it is vital. Moreover, we do believe that the feeling of exclusivity, quality and luxurious will increase when the customers’ know it is handmade.

The production is placed outside Europe when the luxury brands outsource, as the manufacturers are able to produce high-quality products to affordable prices\(^ {323}\). For instance, China and India do have excellent factories to produce the items in and they know how to do it on a large scale\(^ {324}\). Manufacturing in the Far East and in other regions are less expensive, compared to production in United Kingdom, Europe and the United States, due to the low salaries or heavily subsidized industries\(^ {325}\). We interpret this as a cost issue, but also an issue in terms of transportation. About the transportation, we do believe that it is beside the costs aspects, important to follow definite times such as delivery. Moreover, it is known that production in Far East and regions with low salary or heavily subsidized industries are cheaper regarding the production costs. However, we ask ourselves about the production conditions in these countries. We mean that the manufacturers’ perception has to balance the brands required quality standards. As the luxury brands have good reputation in terms of quality, we do believe that the location within the production is vital to evaluate.

Great fabrics do not guarantee great quality, since the quality of the pieces is a combination of the craftsmanship, materials and finishing of the product\(^ {326}\). If the detailing is badly executed it can lead to lower quality of the final products no matter if a fabric of great quality is used, according to us. However, some elements of the luxury brands pieces are made by hand during the production phase, which means higher quality\(^ {327}\). We believe that the higher quality only will be gained if the whole process from sketching to delivery is well conducted. Furthermore, it will also show that the brand is professional, which is what their customers expect them to be\(^ {328}\). Our interpretation of this is that the luxury and exclusive feeling around the brands will increase, due to hand made products. People are aware of that hand made products are time consuming, which increases the level of exclusiveness.

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319 Bottega Veneta homepage 2. (2011)
320 Burberry homepage 2. (2011)
322 Mulberry homepage 1. (2011)
324 Meeder, R. (2011)
325 Jones, S. (2005)
327 Meeder, R. (2011)
328 Herman, D. (2007)
The price is not an indicator of the quality, but the quality is often linked to the price\textsuperscript{329}. We believe that great fabrics, with high quality costs a lot for the luxury brands to produce, which is why their final products are quite expensive. However, another interpretation is that the customers know what they get when buying luxury products, which is why they do not questioning the prices. Moreover, we do not believe that the price is an indicator of quality since the price is based on more than the actual fabrics used, like working hours, brand image and detailing. Burberry clothes contain a lot of details\textsuperscript{330}, which decreases the quality aspects as they easily can drop off. Still, the detailing is a way for the luxury brands to be unique and exclusive with their styles, which is why we believe that they must have high quality standards every season.

Bottega Veneta, Gucci and Mulberry are all creating basic products in terms of detailing\textsuperscript{331, 332, 333}, which is seen as sustainable. We believe that the customers prefer functional, yet simple products, with high quality above very trendy items with a lot of details, due to the long lasting usefulness for several seasons. We mean that the design never will be more important than the quality of the products, but updating the products is needed to keep the luxurious exclusivity of a new line every season. Moreover, we believe that the luxury brands always strive to improve and be innovative in terms of research and development departments, since the quality is the most important factor when the customers chose which brand to buy from\textsuperscript{334}. Some customers even buy luxury products because of their good reputation of quality\textsuperscript{335}. Yet, we construe that costumers care more about the label as they tend to have high expectations of the quality on products from the luxury brands. Therefore, we believe it can be a problem if the brands not meet their quality expectations in the end. The standards are not only based on the quality of the final product, it is everything from the fabric production until the products reach the stores\textsuperscript{336}. Therefore, we think it is important for the designers to have a tight control on every step in the process to make sure that the produced products follow their identity and communicate the same value of the brands in terms of quality.

5.3 Image and identity

Branding has to be taken into consideration when speaking about the luxury brands image and identity\textsuperscript{337}. Yet, all brands are seeing themselves different and it is individual how they are perceived\textsuperscript{338}. As the actual building of the brand is the first step of how the brands are communicating to the surroundings, we interpret this as highly important for the brands to consider since the red thread of the image have to be kept. Gucci maintain their logos in the
same colors and layout on their homepage in a thoughtful way\textsuperscript{339}. We believe that they keep it like this due to their identity, since changes might confuse the customers as it not confirms their image of the brand. Furthermore, the general image that both the luxury brands and their customers have is that they are luxurious, high end, exclusive and selling a fantasy dream\textsuperscript{340}. However, as long as the luxury brands have an identity, positioning of the brand is not necessary to perform\textsuperscript{341}, which we agree on since the luxury brands are in the premium sector of fashion brands. We believe that they somewhat already have gained certain identity among people, but the identity might differ depending on their own preferences.

The image and identity of luxury brands should be both clear and consistent in every aspect of the business strategy\textsuperscript{342}, to make sure that the same image and identity is communicated\textsuperscript{343}. We believe that there are many advantages for the luxury brands, such as recognizability and curiosity among new customers, if they are doing well in communicating who they are. Since the homepage of Bottega Veneta does not stand out in terms of colors\textsuperscript{344}, it is considered as very anonymous, which we interpret goes hand in hand with their brand image. Moreover, we think that the brands will gain certain status, since a clear concept show that they are professional, aware and unique of whom they are. Yet, the image can be damaged since many brands are based on anonymity, exclusivity and out of reach according to us. We mean that the brands have to find the balance and identify the borders between what is enough or not in terms of invisibility. Moreover, it is important that the name of the luxury brands fit the image they want to communicate, reflect the mood and the style of the pieces and attract the targeted audience\textsuperscript{345}. It should also complement and be thoughtful with what the brand stands for\textsuperscript{346}. This, we interpret as highly important for the luxury brands to consider, as an unattractive and ordinary name would not give the brand the luxury status. The brands name also creates a jealousy and a desire among other people, who can be enthusiastic to have the similar branded product, according to us.

Many have luxury items as a dream, as it is only affordable for a few\textsuperscript{347}. We believe that the brands have to keep their exclusivity and only be available for a small segment, otherwise they would not be considered as luxurious. Many products of the luxury brands are in high prices, but still affordable if the customers save up some money, according to us. Still, it would be considered as luxurious for them, since they probably have saved money for a long time. Burberry’s and Mulberry’s homepages are not professional\textsuperscript{348, 349}, which we construe is due to the lack of luxurious communication and their messy respective cold impression. The lack of luxurious feeling on their homepages do we believe can be a reason for their customers to leave the homepage. They do not meet their expectations of luxury brands

\textsuperscript{339} Gucci homepage 4. (2011)
\textsuperscript{340} Meeder, R. (2011)
\textsuperscript{341} Pedraza, M. (2010)
\textsuperscript{342} Okonkwo, U. (2007)
\textsuperscript{343} Meeder, R. (2011)
\textsuperscript{344} Bottega Veneta homepage 4. (2011)
\textsuperscript{345} Frings, G. (2008)
\textsuperscript{346} Meeder, R. (2011)
\textsuperscript{347} Herman, D. (2007)
\textsuperscript{348} Burberry homepage 2. (2011)
\textsuperscript{349} Mulberry homepage 3. (2011)
homepage, since they do not look professional at all. Gucci is communicating warm and light colors, such as gold and beige on their homepage, which keeps the thread of the brand and the label. According to us, Bottega Veneta and Gucci are those brands who are communicating luxury and their offerings in the best ways on their homepages. We also feel that the identities of the brands are transmitted to their homepages. Moreover, the luxury items is not an artificial need, it is an artificial want, which we do not need in the reality. We share this opinion as we do not need the luxurious products, since similarities are available in affordable prices too. The luxury items do we think can create an addiction based on the perceived image, which will not be fulfilled until the certain product is in the hand of the customers. This addiction do we consider is created by the marketers of the luxury brands products, since people gets a feeling of connection to the brand due to the marketing.

5.4 Marketing
All publicity in terms of marketing is not always good. We believe that it creates awareness among the luxury brands, this independent if it is good or bad publicity. We do not believe that people consider all publicity as trustful and therefore they create their own opinions as people chose what to believe in. Famous celebrities are often dressed in luxury branded pieces. The customers, who have a certain celebrity as a favourite, might buy the items as well. This does not necessarily transcend to sales, but the celebrities create a great awareness. We share our views with the latest opinion, since we think that their core customers buy the products if they want it, this independent of the celebrities. Yet, we believe that the ones who get influenced of the celebrities are only the ones who are dreaming of the luxury brands, but never buy them anyway.

Regarding word of mouth, the service and experience are important and if it is excellent provided, customers are eager to spread the word to friends and family. We share this opinion, since we believe that word of mouth has a major impact as we trust on our loved ones. Therefore, we believe that it is important to satisfy everybody, this includes the people besides their core customers.

Public relations are needed for the luxury brands businesses as it focuses on the peoples’ perceptions. Photography and party’s are important ways to introduce new trends or items for the public, but also promotional events, such as a get-together during fashion weeks. We interpret this as important and a way to keep the awareness among people. However, all brands have different ways of doing things and communicate. We interpret this as essential to identify the most suitable events, as the most important in the end is to reach both the core and the new customers.

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350 Gucci homepage 4. (2011)
351 Meeder, R. (2011)
352 Ibid.
354 Meeder, R. (2011)
355 Ibid.
357 Ibid.
359 Meeder, R. (2011)
There are different magazines fields for the brands to choose between. We construe it as vital to identify in what field the brands should be placed. The luxury brands should reach their core customer, but as marketing aspects they are always searching for new ones. Achieving publicity in a major fashion magazine is a great advantage for the luxury brands. We consider this as another way to create awareness among people; therefore it is good to achieve the publicity. Some people even say that the luxury brands success can be measured according to the publicity in magazines. However, we do not share this opinion. We ask ourselves how the publicity in a magazine can be a measurement of the success. When the magazines publish the luxury brands, the brands can only achieve that certain magazine´s opinions and not the readers. We do not know how the readers perceive the messages and that is the important in this case.

Te creation of the ads and advertising in itself is very expensive, since it involves different steps. All observed brands have several different ads on their homepages such as catalogues and campaigns. We believe that it is mainly the core customers who are visiting the homepages of luxury brands, since they want to be as updated as possible on the latest trends. Due to this, we think it is good that the luxury brands are communicating their advantages. For instance, when celebrities are using the products and advertising about fashion weeks it will give some awareness among the visitors. Yet, we believe that the visitors view more on the offered products than the advertising.

5.5 Social media
Many luxury brands build their existence on being untouchable, unobtainable and out of reach within the social media. Overall, we see social media as a benefit since the luxury brands can receive several advantages from it. The regular marketing tools should be more expensive to use for the luxury brands compared to the social media channels. Yet, several social media campaigns within the luxury industry have failed and the reason were a small amount of engagement by the companies. The luxury brands will gain credibility and influence when engaging fans and followers. We consider the engagement as vital; if they are only doing it mediocre it is not any idea to use it at all. As the luxury brands are perceived as professional, we believe that the customer has huge expectations of them. Therefore, a small amount of engagement do we believe can lead to dissatisfaction and seem unprofessional.

The brand can be extended due to the social media. This is an opinion we share, since it is a way to reach the current customers, but also new ones. Another advantage is that the brands

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360 Ibid.
361 Jugoman, V. (2008)
362 Ibid.
364 Bottega Veneta homepage 1. (2011)
365 Burberry homepage 4. (2011)
366 Gucci homepage 2. (2011)
367 Mulberry homepage 4. (2011)
368 Clark, N. (2010)
369 Meeder, R. (2011)
370 Ransom, C. (2011)
371 Meeder, R. (2011)
can be updated all along. They are available and reachable, which we believe is expected. It is vital to present the channel in correct performance and context\textsuperscript{372}. We interpret this as the company has to present the social media channel according to their image, otherwise the customers can get confused. A danger when using the social media is that the brand can be over communicated\textsuperscript{373}. To some level we agree with this, as all information is not always necessary and therefore the information can be perceived as overloaded. Moreover, an excellent communication tool is the applications for smart phones that many of the luxury brands have created\textsuperscript{374}. We believe that the applications for both Androids and Iphones are vital for luxury brands to have. We construe that the majority of their core customers have a Smartphone and therefore appreciates the information available through the applications.

Luxury brands can take advantage of the conversation, feedbacks and critiques published in social media by the followers\textsuperscript{375}. It is vital to consider where the information is coming from, but the overall feedbacks from followers are good\textsuperscript{376}. Therefore, we ask ourselves if they are embracing the feedback, as it is so many different opinions from several followers. Moreover, we wonder how they can analyze it, as they must know who the feedback is coming from. Another aspect that comes to our mind about the comments from the followers is if they are honest. It is easier to express opinions behind a computer, especially bad critique. A question that emerges is if they only want to feel closeness in terms of affinity more than leaving honest comments.

The four brands that we have observed are available on Facebook and have published information about themselves\textsuperscript{377, 378, 379, 380}. As Facebook is a worldwide social network, we consider this as an important choice if to use it or not, due to feedback and numerous of visitors. Moreover, all the observed brands except Mulberry have their own accounts on YouTube where they post both own and other videos about the brands\textsuperscript{381, 382, 383, 384}. We consider YouTube as a complement to the other marketing channels, since it is hard to define who have published the videos. This, we do construe will lead to distrust among people.

5.6 Distribution channels

The exclusive feeling is hard to keep if the luxury brands have too many distribution channels\textsuperscript{385}. We agree with this opinion and construe that the planning of the distribution process as highly important, since the exclusivity and perfection in every stage of the brands has to be kept. The channels are the most effective ones when the customers’ expectations are

\begin{itemize}
\item \textsuperscript{372} Ibid.
\item \textsuperscript{373} Meeder, R. (2011)
\item \textsuperscript{374} Ibid.
\item \textsuperscript{375} Corcoran, C. (2009)
\item \textsuperscript{376} Meeder, R. (2011)
\item \textsuperscript{377} Bottega Veneta Facebook page. (2011)
\item \textsuperscript{378} Burberry Facebook page. (2011)
\item \textsuperscript{379} Gucci Facebook page. (2011)
\item \textsuperscript{380} Mulberry Facebook page. (2011)
\item \textsuperscript{381} Bottega Veneta YouTube channel. (2006)
\item \textsuperscript{382} Burberry YouTube channel. (2011)
\item \textsuperscript{383} Gucci YouTube channel. (2011)
\item \textsuperscript{384} Mulberry YouTube. (2011)
\item \textsuperscript{385} Meeder, R. (2011)
\end{itemize}
met in terms of convenience, location and product assortment\textsuperscript{386}. Since Bottega Veneta, Burberry, Gucci and Mulberry have stores located worldwide; they are available for their customers\textsuperscript{387}, \textsuperscript{388}, \textsuperscript{389}, \textsuperscript{390}. Moreover, as many channels as possible are good to have in terms of revenues, but the luxury brands have to watch the balance of it\textsuperscript{391}. We agree that there have to be a balance of the numerous channels that the brands have, since an over distribution can damage the brands identity. This, because we believe that the customers want to be unique and do not want everyone to have similar products, which can be the case if the brands is too available due to the distribution channels. However, if the luxury brands control their distribution, they also control their image\textsuperscript{392}, which is important as the brand value can collapse if not\textsuperscript{393}. We believe that the overview and control of the company can be limited due to too many channels and therefore it is vital to choose the right ones.

The luxury brands reach worldwide customers due to the online commerce, but the competition among similar brands increased as well\textsuperscript{394}. The online commerce should not be denied by the luxury brands as it is about the accessibility for the customers\textsuperscript{395}, but it should balance the sales through stores\textsuperscript{396}. Today, we believe that the customers expect the luxury brands to have an online store in addition to the ordinary stores. Since the e-commerce is a worldwide channel, we also construe that it will reach both core customers and new customers. Another advantage is that the online store is open every hour of the day, all days. We believe it is necessary to have an online shop as a complement to the ordinary luxury stores, since some customers might not be able to purchase during the stores open hours or are situated far away. We interpret that the biggest disadvantage with online commerce is the complexity of identifying the actual appearance of the products. The luxury brands are aware of what they offer and how they present it online, which is why pictures of the pieces and videos of the garments are published. However, we believe that as the customers are paying a high amount of money when purchasing, they would prefer to have seen the product in reality before. Therefore, we construe that rather too much information than too little is preferable.

The sizing and fitting causes the most problem online for the customers compared to in a store\textsuperscript{397}. We agree that finding the right fit and sizing is the hardest part online. Yet, we believe that it is not such a big problem due to the pictures and videos. The pictures we construe will give the customers certain depiction of how the pieces appears on the body, which is necessary since the service from personnel cannot be provided online in the same way as in a store. However, Bottega Veneta, Burberry, Gucci and Mulberry are providing

\textsuperscript{386} Okonkwo, U. (2007)  
\textsuperscript{387} Bottega Veneta homepage 4. (2011)  
\textsuperscript{388} Burberry homepage 2. (2011)  
\textsuperscript{389} Gucci homepage 4. (2011)  
\textsuperscript{390} Mulberry homepage 3. (2011)  
\textsuperscript{391} Meeder, R. (2011)  
\textsuperscript{392} Frings, G. (2008)  
\textsuperscript{393} Okonkwo, U. (2007)  
\textsuperscript{394} Solomon, M & Rabolt, N. (2004)  
\textsuperscript{395} Meeder, R. (2011)  
\textsuperscript{396} Frings, G. (2008)  
\textsuperscript{397} Meeder, R. (2011)
online personnel to answer all types of questions regarding online purchases\textsuperscript{398, 399, 400, 401}. The online commerce do we think will fulfill their customers’ needs and wants immediately, even though the products are out of stock in the stores. Yet, they have to be patient enough to wait for the delivery, which can be delayed due to uncontrollable aspects, such as weather or locations.

The majority of the customers purchase from a store, which is the most vital distribution channel for the luxury brands to have due to importance of the face to face and human contact\textsuperscript{402}. Success in the retailing is a way of measuring the achievement, because it is an indicator of the costumer’s acceptance\textsuperscript{403}. We agree that the face to face and human contact is important, since the customers are paying somewhat for the service as well. We concur that the stores always will be the first choice for the customers where to buy luxury products, since it will give them a special experience. We do not consider retailing as an indicator of the customer’s acceptance, as they have the possibility to purchase from other channels too. Regarding the luxury brands retailing, we think it measures their success due to the whole store and shopping experience, but also due to the exclusive feeling that comes along with luxury brands.

What is essential for success within the luxury industry is to achieve excellence in the distribution and the sales environment of luxury goods\textsuperscript{404}. To reach new customers, we believe that this is vital to consider as they are harder to convince than the core customers. Appropriate stores, proper quality, price and image are necessary for the brands to have in order to attract the core customers\textsuperscript{405}. We do not fully agree to this since their core customers have created a relationship with the brand. The relationship will continue to grow and we mean that the brands have to make several mistakes before the core customers’ change their perceptions of the brands. Moreover, the level of exclusivity in every store should be kept and the layout and high tech interior plays a vital role, since it makes every store unique\textsuperscript{406}. Every store concept of Bottega Veneta is designed by Tomas Maier to keep the brand’s signature\textsuperscript{407}. Furthermore, keeping the customers fascinated by showing something new, entertain and exciting in the stores is what the luxury brands strive for\textsuperscript{408}. The store environment we interpret as one of the most important factors to create in an interesting way, since it is what the customers expect. The interior have to communicate the same image as the brands itself, which is why the level of exclusivity and uniqueness has to be kept. The technology within the stores we believe is a way of interact the customers with the brands in another way, but also to keep them longer in the stores. However, we do not agree that every store should have an individual and appearance, since it might confuse the customers if the brands signature is
not visible enough. We believe it is more important to show common signatures that are obvious and reflect the brands image. The key of success in retailing for the luxury brands are the sales, but also the ability of sales personnel within the stores as they assist the customers in order to fulfill their needs and wants. The staff within a store is considered as promoters since they often wear what the store offers. We interpret that the sales is the key of success for the brands, but the sales can increase more due to professional staffs who assists the customers. Moreover, we agree that the sales personnel are the best promoters of what the brands offer, since the customers see the pieces on a human and not only on the hangers. We mean that the appearance of the products differs a lot depending on how it is shown for the customers.

5.7 Price

The products of luxury brands are made in limited quantities, in more expensive fabrics and trimmings, which is why the basics costs are high. Moreover, the reason why the prices are higher within the luxury industry depends on several factors, such as the quality of the products, time, exclusivity and the image of the brand. We interpret that the reason for higher prices within the luxury industry depends on the whole process that seems to be based on aspects which is more expensive in itself. However, we ask ourselves if these aspects fully justify the higher prices. Furthermore, price is the most important aspect for the majority of the customers and it affects the purchase. Since the prices are in the high price sector, we understand that the prices affect the buying behaviour of the customers. Nevertheless, how the customers position the brands is normally based on the price, since it is the price that characterizes a luxury brand. We construe that those customers who have a limited amount of money and really want the branded product itself, will not be satisfied until they get it. We mean that the exclusive feeling that comes along with the luxury items will be as highly important as the pieces. Therefore, the statuses of the brands weigh a lot in the purchase decision.

The price must be kept in mind during the whole design process, since the final price is important to consider due to the costs for production, limited material and the craftsmanship. We agree on this since there can be a problem if the brands realize that the final price will be too high for the targeted audience. The prices have to balance the used material, its quality and the sustainability, since a complicated material easily can be damaged. However, luxury brands are in the top end of the fashion market and commands the highest prices and the customers expect the prices to be higher on products from luxury brands.

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410 Meeder, R. (2011)
411 Jones, S. (2005)
412 Meeder, R. (2011)
413 Jones, S. (2005)
414 Meeder, R. (2011)
416 Meeder, R. (2011)
418 Meeder, R. (2011)
brands. We interpret that the luxury industry gives a special emotion and creates a curiosity among people, which is why the prices are tolerable. The Bottega Veneta “black oversized clutch satchel”, was made in a limited edition of only 150 pieces and cost about 1,990 Euros. The high prices do we also consider as an indicator of limited quantities, since huge amount of products decreases the costs and will lower the prices of the final products. Moreover, we believe that people are willing to pay a higher amount of money when purchasing from a limited edition due to the feeling of uniqueness.

The most luxurious and expensive items are those who are based on orders from customers and are made to fit the individual client’s measurements, which often have an extravagant or tremendous style. The more handmade the products are, the more expensive they will be. Items that have been ordered from customers do we think the brands have to produce in-house. The pieces is probably hand made by skilled artisans, as it must have the right fitting and detailing according to the customers expectations. We believe that there are some advantages when creating pieces ordered from customers, which are the publicity of the brands and by surrounding people, the uniqueness and exclusivity of the products. We construe that these kind of haute couture pieces are highly expensive, but the certain customer are willing to pay. This because they receive the items exactly the way they want it.

Overpricing of luxury products was very common a couple of years ago, but today is it more about making value for money. We interpret that luxury products are more about the label itself, than the actual pieces according to the production costs. Customers perceive the labels of the brands as a higher value than the prices; therefore they are willing to pay. However, we do not believe that the prices of outsourced items are fair according to the production costs. Many products do not cost nearly as much to produce as the retailing price that the customers pay. Therefore, we consider that the label is more important for the customers than the price.

Factors that influence pricing are the competitor’s prices for a comparable item. Sometimes the luxury brands even buy each other’s products to view and carefully analyze. We believe it is necessary for the luxury brands to compare their prices with other luxury brands. Yet, it is not always possible to compare with other luxury brands since a certain brand can have a higher value then the rest, even though they are considered as competitors. Both Mulberry and Burberry have big and spacious bags, without any complex details or advanced design and costs about 1,090 respective 2,911 Euros. The material used is rough and sustainable, which is why the quality is considered as high. We interpret that the bigger the bags are, the more expensive they will be. Yet, we also think that the material used in the bags affects the price, since it is considered as long lasting and appropriate for several seasons.

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420 Meeder, R. (2011)
421 Strictly Pursonal, Bottega Veneta. (2011)
424 Meeder, R. (2011)
425 Ibid.
427 Meeder, R. (2011)
428 Mulberry homepage 5. (2011)
429 Burberry homepage 3. (2011)
The prices of luxury products must be balanced between its fair market value and the needs of the brand[^430]. Yet, the price of a luxury branded product is not a measurement of their success[^431]. Gucci’s “1973 medium shoulder bag with double G detail” is a quite small bag, but costs approximately 9,740 Euros[^432]. We agree that the prices of the products have to balance the market values and the need of the brands, since that is what the surroundings sees. Moreover, we interpret that even though the brands have expensive products, it does not mean that the brands are succeeding. We believe that the prices are high due to the long way back history, the original detailing and people interpretations of the brands today.

[^431]: Meeder, R. (2011)
[^432]: Gucci homepage 5. (2011)
6. CONCLUSIONS

In our final chapter we will present the foundations of our conclusions. We will combine our conclusions with the recommendations for luxury brands, this to keep the focus for the reader. Lastly, we will present the suggestions for further research in the area of characteristics of and how to maintain luxury fashion brands.

6.1 Answers of the problem formulation

We intend now to answer our research questions after analyzing several factors that we believe affect the characteristics of a luxury fashion brand and how to maintain it. We will begin to respond the sub question, since we need an answer of this before it is possible to answer our main question.

**What characterizes a luxury fashion brand?**

We have found that luxury brands have a designer who is experienced, eccentric and famous and every inspirations source differ among them. It is the inspirations of designers that are the foundation of the company’s products. Moreover, we found that it is hard to define exact what fabric to use since all luxury brands have different focus and image. For instance, Burberry is focusing on its English heritage while Bottega Veneta focuses on their Italian style. We can evaluate that the major part of the production within the luxury brands is made in-house. Therefore, luxury brands provide a high quality of their products, as they are thoughtful, well made and sustainable.

We can see that luxury brands communicate their image and identity in a distinct, clear and consistent way and the name creates a desire among people. Moreover, it is difficult to classify a certain image and identity within luxury brands, since we believe that it is very individual from company to company. Regarding the marketing channels, we have found that luxury brands are using all investigated terms, but implement it professional and differently. However, very often they are promoted for free, both good and bad. In terms of social media, we cannot find anything that characterizes luxury brands. Regarding the distribution channels, luxury brands have stores available worldwide, which are complemented with online shops on their homepages. The high prices are natural within the luxury industry since luxury products are made in limited quantities, which makes them unique. Moreover, the materials used within the products are expensive and the production process is time requiring.
How to maintain a luxury fashion brand?

We have found that it is vital for luxury fashion brands to have a designer that can maintain the right appearance of the brand on the products. Regarding the inspirations, we believe that it is important to consider. To maintain the uniqueness within a brand, we believe that designers have to invent new designs. The variations among the designers’ inspirations lead to different designs and collections within luxury brands products. Moreover, we believe that matching the collections according to the trend book is needed. This to make sure that they follow what will be considered as fashionable and do not miss any important upcoming trends.

We believe that it is vital that the fabric is based on the final appearance. Therefore, the goal and structure of the final piece must be clear from the beginning. Moreover, a level of high involvement in terms of fabric choice is needed. We believe that it is necessary to have knowledge and awareness about fabrics that luxury brands are producing in. To minimize the risk that the used fabric will end up by the competitors, we believe that luxury brands must high the control of fabrics. This will also maintain the feeling of exclusiveness, as the customers know that the fabric is unique. We believe that the fabric have to communicate the brand itself, be of high quality and have timeless design. To make this possible, material that are long lasting and sustainable, such as leather have to be used, which we can see in many products within the industry. To continue with the control aspects, we believe that it is best for luxury brands to have the production in-house. It leads to comfortableness within products as they get familiar with all elements during the process. Moreover, they can see possible mistakes on the product and solve them immediately. If luxury brands decide to outsource some of their production, we believe that the decision of where to produce has to be carefully deliberated as it is of major concern for the final items and the image of the brand. We consider that the whole process have to be well performed to reach high quality that is required as a luxury brand, no matter what kind of product it is. This means that luxury brands must have strict control of every item’s element, such as sewing and detailing. Overall, quality should go hand in hand with long lasting products. Since handmade products means higher quality, we believe that luxury brands should invest more in that. Moreover, it will raise the level of uniqueness and exclusiveness as it is not mass produced.

Regarding the image and identity, it is important to keep the red thread in the communication. Luxury company’s image must remain in the same way in everything they are doing, such as homepage, products and stores. This leads to awareness among their customers and creates in intimate connection to the brand. Therefore, we believe that luxury brands should ignore big changes that do not follow their image and identity as it can damage the brand and confuse their core customers. Furthermore, we believe that the balance between visibility and invisibility is of major concern for luxury brands to maintain the exclusiveness and uniqueness. It creates addiction of the products among customers.

We believe that a combination of the different marketing channels publicity, celebrities, word of mouth, public relations, magazines and advertising are needed for luxury brands. The reason for this is that luxury brands will reach all kind of people worldwide. By using the
different tools of promoting the brand, it will create a consciousness among people which we think is necessary. We believe that luxury brands should utilize all publicity they can receive. It is as a good way to achieve promotion for free and reach new customers. This is independent of good or bad publicity.

*Social media* do we believe requires a high level of engagement by luxury brands, both in terms of provided information and the availability. We think they should ask themselves about how accessible they should be. If the companies do not engage, we perceive them as unprofessional and therefore suggest that it is better to not use the social media. We consider it as important to be updated in these channels since it creates awareness among people worldwide. However, the channels are overloaded with information and communicate several different messages. Luxury brands are everywhere on the Internet, which makes it difficult to identify who the information is coming from and if it is trustfully. Therefore, we think luxury brands must increase the rate of control and minimize the amount of information drastically. It is better to provide less information of importance rather than much unnecessary. Moreover, we think that feedback and critique from the customers on the social media are irrelevant since the luxury brands do not analyze or take it into consideration. We are convinced that they are not listening to all feedback, since it is so much.

Regarding the mobile applications, we see this as a huge opportunity for luxury brands to utilize and receive benefits. It is better to invest in this, than the already existing social media channels, since we consider those as overloaded with information. Customers that have downloaded the applications are interested of the certain brand, which is why the uploaded information will be perceived as personal.

In terms of *distribution channels*, we consider an online shop available on luxury brands homepages as vital. However, the customers miss the personal contact and service when purchasing on the Internet. Since these are essential parts within the luxury industry, we believe that it is important aspects to complement for the company. Therefore, an idea is to develop a live chat since it may appear questions regarding the purchase, where a quick answer is required and appreciated. Moreover, movies and detailed pictures from different angels are needed to make the purchase decision. Overall, it is better to give more detailed information about the products rather than too little. We understand that purchasing from the stores of luxury brands weigh the most due to the total shopping experience of the customers. It is both the total shopping experience and the branded products that the customers are paying a large amount of money for, but also the exclusive feeling. Therefore, we think that luxury brands have to develop stores with exceptional layout and hire highly skilled personnel to satisfy all the needs, wants and expectations. Regarding the availability of the store, we believe that too many stores will lose the feeling of luxury. Therefore, it is important to consider the location aspects.

The *prices* of luxury branded products do we think should maintain being high. We mean it is necessary since the whole process of developing the products is expensive. It also creates an exclusive feeling and special emotion among the customers. Yet, we believe that it is vital to make the prices fair due to the developing costs and not overprice the products. Moreover, the
actual labels can higher the prices even more due to the eagerness of having the products. The high prices limit the amount of purchasers and that leads to a feeling of uniqueness. However, we do not see the competitors’ prices as vital for luxury brands to consider in terms of their own pricing. Instead they should focus on that their pricing is fair due to the developing costs, but we do not mean that the luxury companies should ignore the competitors’ prices.

6.2 End notes
During the ten weeks that we have conducted this thesis, we gained huge knowledge about the luxury fashion industry. Moreover, we have identified what is characterizing a luxury brand and how to maintain it. Therefore, we had the ability to answer our main questions and purpose. For the future, we found ourselves gaining a lot of benefits by performing this thesis in terms of the deep knowledge about luxury fashion brands.

6.3 Further research
- By carrying out this investigation, we find it interesting to perform other researches about luxury brands, but in other angels. One suggestion is focus on more and other aspects than those we are presenting above. This will probably give a broader view depending on what is supposed to be studied.

- Since this research is based on the answers from the interview and our observations, we did not include the clienteles’ thoughts. Another interesting research to perform in this field is therefore either to include or focusing on customers opinions about luxury brands.

- Another suggestion is to focus the investigation on how luxury brands implement the social media channels. This factor is still quite new, which means that there are a lot of factors that are not defined yet.

- A further investigation that we suggest is to focus only on the marketing perspective of luxury brands. Luxury brands are using several marketing channels and it could be interesting to define what messages works or not among the customers.

- An aspect that was developed during the process with this thesis was to maintain the same purpose, but investigate it in another perspective. Our suggestion is to compare the luxury fashion industry with the mass fashion industry. We believe that the questions will be answered in another perspective.

The mention suggestions for further research are worth to take into consideration. The knowledge that we have gained during this thesis is what characterize a luxury fashion brand and how to maintain it, which we consider is important to identify.
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APPENDIX A

Interview guide

Personal questions

1. What kind of educational and working background and experiences do you have?
2. What is your current position?
3. What kind of knowledge do you consider that you have about the luxury fashion industry?
4. How old are you?

Designer

1. How ruling are the designer in terms of the luxury brands success?
2. Is it important to have a face of the designer to relate to?
3. How do you think a new designer affect the luxury brand?
4. How do you think new designers are chosen for existing brands?
5. How do luxury brands find inspiration in what to design and how?

Fabric, production and quality

1. Is it possible that the used fabric can be the same in other fashion industries?
2. How do the luxury brands think when choosing production in terms of location and quality?
3. How important is the quality?
4. Are luxury items always hand-made?
5. Do you think hand-made products means higher quality?
6. Do you think own production or outsourced production is best for the luxury brands?
7. What quality standards are necessary for a luxury brand?
8. Is it vital to always stay in the same standard for the luxury brands?
9. Is the price an indicator of the quality?

Image and identity

1. Are the image and identity important for the luxury brands?
2. What image do you think the luxury brands have about themselves?
3. What image do you think customers have about the luxury brands?
4. Do you think people who are consuming luxury products feel that they have a special image and identity?
5. Are there any similar characteristics in terms of image and identity among the luxury brands?
6. Do you consider luxury products as an artificial need?
7. How important is it to communicate the same image and identity in photos and other marketing tools?
8. How important is the actual name and product for a luxury brands image and identity?
9. What do you think are the biggest differences between luxury brands and ordinary brands in terms of image and identity?

Marketing

1. Which is the most effective marketing channel for a luxury brand?
2. Is marketing through celebrities effective?
3. Is all publicity always good?
4. Is word of mouth important in the luxury industry?
5. How important is magazines in terms of marketing?
6. Which magazines are the best to be published in?
7. Would you say that publishing in fashion magazines are a measurement tool of a luxury brands success?
8. How important are the public relations for the luxury brands?
9. Are fashion weeks important?
10. How can a luxury brand plan promotional activity, such as fashion shows, in the best way?

Social media

1. Have social media big influence on the luxury industry?
2. Is it important to be updated and engaged in the social media as a luxury brand?
3. What do you think luxury brands miss if not using social media?
4. Do you think there is any social media channel that is better than others for the luxury brands?
5. Is it important to listen to the critique/feedback from the followers/consumers in the social media?
6. Do you see any other usage of the social media channel than only a marketing tool?
7. Do you believe that luxury brands will/should develop an app for Iphone and Android?
8. In what way do you think social media have changed people’s opinions about the luxury brands?
9. Do you think the exclusive feeling among the luxury brands has decreased due to social media?
10. Is the unlimited accessibility, which is the result of the social media emergence, good or not by the luxury brands?
11. Is it cheap to use social media for the luxury brands as a market channel?
12. Is it important to involve the customer in terms of social media?
13. Do you think it is a good idea to show the products in the social media before they are available in the stores?

Distribution channel

1. Which are the most/less important distribution channels for a luxury brand?
2. Which channel is the best in terms of revenue?
3. What is important to consider when choosing distribution channel as a luxury brand?
4. Are there any problems with the different existing distribution channels for a luxury brand?
5. Is it good to have many or few different channels?
6. Is it difficult to maintain the exclusive feeling that luxury brands have if they have many different distribution channels?
7. Is the layout and high tech interior of the store important when attract the customer to the store?
8. Do you think the competition among luxury brands increased due to online commerce?
9. Do you think people got greater awareness about the luxury brands due to the online commerce?
10. Where do you think customers shop luxury items the most?
11. Which is the hardest part when selling online compare to in a store?
12. What do you think is necessary for the luxury brands to provide online in terms of showing the products the best way?
13. How important is customer service in store, phone and online?

**Price**

1. Why is the price higher in the luxury brand industry?
2. Is it the price that characterizes a luxury brand?
3. How much do you think the price affect the purchase of a luxury product?
4. How much does the supply and demand affect the price?
5. How much does the design affect the price?
6. Do you think that the customer expect higher prices in the luxury industry?
7. Do you think a higher price will give the brands a certain status?
8. Do you think it is important for a luxury brand to consider the competitors price?
9. What aspects are important to consider when deciding the price?
10. Is the price always kept in mind during the whole design process?
11. Is the price consistent every season on the updated products?
12. Is the price fair in the luxury industry according to the value and quality of the products?
APPENDIX B

Illustrations of the observed luxury fashion brands

Bottega Veneta homepage

Burberry homepage