

Louis Vuitton Brand Audit Project Final Report

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### **Executive Summary:**

In this report one will find an in depth analysis of luxury brand Louis Vuitton. Ranging from competitor/product comparison, to various elements of the brand structure, this report provides insight to the reigning fashion house. It is clear that this brand has earned its way to the top and has no plan on moving. Its parent company, LVMH, has a clear vision and mission of both the group and individual brand of Louis Vuitton. Based on Louis Vuitton's long term success, prestige, and continuous growth, this brand has put themselves on a golden path for even more success and growth.

### **Company History and Background:**

The brand was originally a luxury travel brand, and has kept the ideal that luxury and travel should be a pleasure. Louis Vuitton started as an apprentice working under Monsieur Maréchal at his atelier of the same name, becoming a master craftsman then opened his first workshop. After initial success selling luxury quality trunks to the upper echelons of society, the brand expanded to other locations and developed their craft through innovations in luggage locks (1886). In 1896, the iconic Monogram was created, revolutionizing the look and feel of the Louis Vuitton brand. "A timeless coat of arms, the Monogram is instantly synonymous with the name Louis Vuitton." (Louis Vuitton, n.d.). During the year 1959, as new trends in luggage evolved to softer pieces instead of solid trunks, Louis Vuitton expanded its product lines to include other everyday leather goods such as wallets, city bags, and more. While they are now known for a variety of leather goods and haute couture, travel is still at the forefront of their brand. (Louis Vuitton, n.d.). Their legacy and history across multiple decades allows for status and reputation for quality which appeals to their target consumers.

### **Objectives:**

The objective of this project is to show the advantages and opportunities that Louis Vuitton has over its competitors, as well as to discuss their marketing strategies that have achieved them a place in the global market.

### **Industry Analysis:**

As the world gets more digital and the luxury market demand is growing, Louis Vuitton being the big brand it is could take this opportunity to expand even further on different parts of the world. Before the pandemic, there was a growth around the globe for more disposable income that could be used for luxury goods, which means more opportunity to sell for Louis Vuitton. Status symbols have been becoming more vital as more women enter the workplace in higher positions, as well as with social media, "flexing" and showing off your wealth is very in trend.

Louis Vuitton is known for their luggage with their logo stamped on it. It has become an exclusive “club” for when you are at the airport, it shows status and makes people strive to have that luggage. Because Louis Vuitton is so easy to spot with their logo, it makes people stand out and become walking billboards for the brand and makes people strive to be in that “club.”

Millennials and Gen Z are driving the global luxury fashion market and with that they bring demands and wants for increased technological changes to the industry. (ResearchAndMarkets.com, 2021). We are now, with the internet, looking at global industries with more places able to afford luxury. The next big question for Louis Vuitton, is will they be able to manage their global stage and open the market to more than just the western and East Asian market when they mostly use European designers? Technological changes allow for more opportunities for online shopping, digital marketing, and social media, which drives Louis Vuitton’s distribution channels, shopping experience decisions, and market offerings in order to continue to meet the demands of this target market. The significant combined buying power of the two latest generations will elevate and sustain the sales potential of Louis Vuitton’s target market. This market segment will respond better to a marketing program that is tailored to creating memorable experiences which can be shared on social media. These experiences will resonate more with Millennials and Generation Z, as word of mouth (through social media shares) will influence others in their age group more than any advertisement. According to Better Marketing, “They want to know the experience and have that memorable moment resonate with them, that’s why they’d post them on social media.” (Sudjono, 2021). Louis Vuitton’s pop-up collections and Time capsules generate a lot of social media buzz, including inviting influencers to these events as well. “When they created these events, they made sure that every corner of their walls is Instagramable. This is Louis Vuitton’s way to market their product without the company spending much on marketing itself. They know that word-of-mouth is more important than just campaigning on social media” (Sudjono, 2021). All in all, Louis Vuitton’s target market segment is positioned in a way that will increase sales potential and drive profits in the overall industry when consumer needs are met, and will sustain the brand well into the future.

Louis Vuitton has their quality craftsmanship in all their products, as well as their lengthy heritage and history, to outdo other brands in similar business of products. Among that, their advantages extend to their reputation globally, which not all businesses can say they have achieved. These factors make them very lucrative in the global market, with spikes in the west, as well as places like Japan in the far east. The leading luxury brand prides itself on exclusive, well-made, and unique products that represent high social status and elegance. Its innovation has brought the brand to create more and improved hand-crafted products with its iconic LV monogram. Its establishment based on the craftsmanship of luxury trunks has followed the brand to put their best effort towards their products.

### **Brand Inventory Assessment:**

#### **Target Markets:**

In terms of demographics, Louis Vuitton's target market consists of middle aged women and men ages 35-80 and fashionable young women ages 18-34 who are "high-income earners, celebrities, fashionistas, and the wealthy", or those who can afford their luxury prices. (440 Industries, 2021). They are particularly focused on Western and European markets, however the brand is rapidly expanding into East Asian countries/markets as well, targeting their high profile, high income upper socioeconomic classes (high net worth individuals). High-income consumers are educated, working in a "high managerial role" with income ranging from \$75,000 - \$150,000 or more. (Feng, 2017). They are very fashionable, prioritize their appearance, spend high amounts of money on luxury apparel/accessories, and value high-quality goods when shopping. Additionally, the target consumers have characteristics of being open-minded, willing to try new things, physically fit in order to improve looks, up to date on trends (actively on social media or other forms of media to stay in touch with social culture), independent, confident, and/or outgoing. (ResearchAndMarkets.com, 2021). These behavioral and psychographic characteristics are prevalent among the younger generations in particular, which is important to note since the brand is now focusing efforts on targeting Millennials and older Gen-Z consumers as they have (or will have) a large amount of buying power.

### **Marketing Programs:**

Given the six IMC criteria, we can confidently say that Louis Vuitton successfully and efficiently markets to their target consumer. For example, by using social media, celebrity endorsements and collaborations, print ads, sponsoring high profile luxury events, and much more, Louis Vuitton meets the criteria of *coverage and conformability* by reaching various audiences within their target. Things like celebrity endorsements show Louis Vuitton's ability to complete the criteria of *contribution*. Furthermore, they are able to clearly portray their brand image of luxury, exclusivity, and prestige, across various platforms and outlets, completing the criteria of *commonality and complementarity*. And lastly, using value based pricing and limiting advertisements to elite publications, events, outlets allows Louis Vuitton to complete the criteria of *cost*.

**Price** - Louis Vuitton's price range is reflective of their high quality items, using a value-based pricing strategy. Given that they produce a large variety of sizes for their leather goods, they have a wide price range. Their "key pouch", a coin pouch less than five inches in length, can be purchased for \$270 (Louis Vuitton, n.d.). Louis Vuitton has also a selection of "ultra-luxurious" leather bags "fashioned from a pantheon of rare and precious skins"(Louis Vuitton, n.d.). These bags range from \$4,100 all the way to \$36,000. Their apparel and various accessories are similarly in a higher price range. This wide price range illustrates how successful the brand has been at creating a diverse selection of products and catering to various consumers and their needs.

**Product** (*Appendix A*)- As for their product mix, Louis Vuitton's carefully crafted leather bags and goods are what they are most well known for. Their leather product offerings include a growing variety of bags, handbags, wallets, luggage, and other accessories. Outside of leather,

they have ready-to-wear lines, fragrances, jewelry, shoes, and other accessories. So while they offer non-leather products, their emphasis and focus is producing luxury leather products. This is a well known and established point, however, could be utilized in reinforcing other value points about the brand. One value point that could be reinforced to consumers is the extensive life cycle of their products. Quality is a given with this brand but in an evolving consumerism culture, longevity of a product is not always considered. Louis Vuitton prides itself on providing consumers with a product that will last years and years, offering repairing and refurbishing services to maintain your product too. Their products can be derived into three main categories: apparel, accessories, and other. It is clear that their inventory consists of a cohesive variety of luxury goods.

**Place** - The physical store environment and experience reflects these same values of quality and integrity. Inside every Louis Vuitton store is an ambiance of timeless and sleek luxury. Different from their black colored logo, their store interiors' use warm neutral tones. Pairing these soft colors with subtle display lighting offers a welcoming environment for customers. It also provides an opportunity for the attention to be drawn to the products and displays themselves. Products are neatly organized and displayed in a minimalist manner to highlight the beauty of each individual product. (Retail Design Blog, 2013). Some stores are adding more extravagant features however to make shopping more of a destination experience. One two story Tokyo, Japan store features a light sculpture that includes "42,000 acrylic resin figurines in various gradations of orange, set in a frame work of aluminium and stainless steel" (Retail Design Blog, 2013). London, England, is home to Louis Vuitton's "townhouse" store. Employing a "store within a store" concept, this expansive store has a glamorous circular glass elevator that encourages customers to make an experience out of their journey through the store (Said-Moorhouse, 2015). Whether a beefed up "destination" store or a classic outlet store, customers will step into an elegant and welcoming environment that delivers timeless luxury. Their "Champs-Elysees [location] is the company's flagship store" and is also their largest store. (Travel France, n.d.). Their "art-deco" style building boasts "five spiral staircases", but is just one of their Paris locations.

**Promotions** - To promote their products, services, stores, and overall brand, Louis Vuitton, employs several techniques. Using celebrities from varying industries in their marketing campaigns, Louis Vuitton takes advantage of each celebrities' status to more easily reach target audiences. Having A-List celebrities promote their products helps to maintain their elite image. Louis Vuitton has a well established target audience of the upper class and therefore markets their brand to reach that audience. Focusing on print media, "the exclusiveness of the Brand is portrayed through fashion magazines that the elite class reads"(MBA Skool, 2021). Being a household name, Louis Vuitton focuses their promotional efforts on maintaining their status rather than achieving status.

No matter budget or luxury, practically every modern successful brand has some sort of social media presence; Louis Vuitton is no exception. For this brand's target market customer, social media is very likely to play a key role in their daily routine and life. Keeping up with

trends, friends, and exploring options for their next glamorous vacation, the target consumer can be found frequenting social media. Furthermore, social media allows for celebrities to publicly endorse the brand through posts and campaigns. Utilizing high profile celebrities, these endorsements will allow the brand to maintain their prestigious image. Louis Vuitton can be found having an active social media presence on Facebook, Twitter, Instagram, and Youtube.

We believe that fashion focused magazines, but only those of higher caliber/prestige, would be a place to expect Louis Vuitton advertisements. This is because Louis Vuitton is a luxury *fashion* brand, and therefore will want to maintain its presence in the fashion world. By having advertisements in upscale fashion focused magazines, they not only maintain their presence, but also their brand image of luxury and prestige. By limiting their print presence to only periodicals of high status, they more easily reach their target consumer, one who is likely to mostly consume print media of similar high status. As stated earlier, they are frequently featured in renowned magazines like Vogue, Harper's Bazaar, and Elle.

We think that Louis Vuitton advertisements can be found at upscale sporting events for similar reasons to social media and prestigious magazines. Events like Wimbledon and the Monaco Grand Prix are examples of luxury sporting events. They are considered luxury because they are held in glamorous locations and include A-list spectators. Furthermore, this class of sporting events can be included as part of the elite upper class lifestyle of the target audience. The exclusivity of these events helps promote the exclusive nature of the brand as well. In addition to the FIFA World Cup, as stated above, Louis Vuitton also has a history of sponsoring yacht and motorsport races (Manokaran, 2021). In 2016 they were the main sponsor of "The Louis Vuitton America's Cup World Series Oman", with their iconic logo on the tips of many of the racing sails (America's Cup, 2016).

### **Brand Elements:**

**Memorability:** Louis Vuitton's iconic 126-year-old monogram logo can be easily identified to their luxury products. The logo first appeared in 1896 as it was placed on Vuitton's designer bags worn by well known actresses and celebrities. Since the first appearance of the logo, Vuitton has taken many steps to create a brand that is more accessible and now works with current trends. In 2017, Louis Vuitton started to work with Supreme and together they created the well-known red backpack and hoodie collaboration designs that sell for tens of thousands of dollars today.

**Meaningfulness:** Since the establishment of the brand, Louis Vuitton has been known for creating well crafted luxury items. In the 19th century, owning Louis Vuitton luggage was a status symbol, but also a great product to own from how well the bags were made. The luggage bags were made to be waterproof to protect the consumers' items as they traveled. The brand has created meaning for itself, by starting on luxury trunks for travel and continuing to make traveling bags in new and innovative ways. From there the brand has marketed this look on travel to be used in their marketing as well, "For Louis Vuitton, traveling is not simply moving from a place to another, but an entire emotional and experience" (Bensoussan).

**Likeability:** The consumers of Louis Vuitton find the brand element aesthetically appealing. Not only this but, the consumers enjoy the status symbol of the product. The iconic logo is also simple to understand whom it belongs to and very recognizable with only two letters that are the initials for the brand. The brand has been a staple of the higher social status and has been timeless. The light and dark brown patterned logo Louis Vuitton bag is a staple of the brand that all is easy to recognize.

**Transferability:** Being a luxury brand that is globally recognized, it is more than easy for Louis Vuitton to transfer between places around the world. In fact, in order to market to more places, the brand titled specific celebrities who can interest people around the world global brand ambassadors like BTS and Hyeon Jong. Being that the brand is also a non-meaningful name that can be applied most places also makes it eligible for transferability.

**Adaptability:** Unlike many brands that have not been able to relate and change according to trends and technological advancements, Louis Vuitton has achieved this. A great example refers back to their collaboration with Supreme, a popular lifestyle brand that targets a younger demographic. Vuitton also changed their adaptability by collaborating with video game company, Square Enix. Together they launched a video of a Final Fantasy XIII character, Lightning, modeling Vuittons's latest retail collection. Vuitton continued to target younger demographics by also designing the League of Legends Trophy Cases. Not many other luxury brands have gone as far as Louis Vuitton has to reach new audiences and the younger generation for its attention.

**Protectability:** Due to the popularity and demand for the Louis Vuitton logo, it is one of the most counterfeited luxury brands today. Unfortunately, because LV's products often have repetitive patterns, it is easier to make counterfeits as they look like recent purchases. Louis Vuitton has a page on their website, going into detail about their "Zero-Tolerance Policy" on the illegal replicas of their items, "Following its respect for creativity and protection of intellectual property, Louis Vuitton has a zero tolerance policy to counterfeiting. Preserving the creativity and the rights of designers, artists and brands is vital to their long-term survival" (Louis Vuitton). From there, the article continues to emphasize the hard work of the designers and workers who create the products, to substantially dissuade people from counterfeiting products. The article continues to avidly push their work of fighting counterfeit products through legal procedures that have led to the termination of many auctions and websites.

### **Brand Mantra and Brand Secondary Associations:**

The brand's mantra is "Inspired by the past, we make the future" (Bensoussan). The vision of Louis Vuitton's parent company, LVMH Group, includes "four fundamental values": "be creative and innovative, deliver excellence, cultivate an entrepreneurial spirit, and be committed to positive impact" (LVMH). "These four imperatives inspire excellence and



constitute the pillars of [their] performance and long-term success” (LVMH). The Louis Vuitton mindset includes ideals of legacy, audacity, savoir-faire, adventure, and possibilities, encapsulated by the statement “WE NEVER STOP DREAMING. WE CRAFT NEW REALITIES.” (Louis Vuitton, n.d.).

### 1. Other Brands:

- Alliances: Louis Vuitton primarily partners with well-known visual artists to collaborate with the brand on bags and other fashion accessories.
  - i. Supreme x Louis Vuitton - This collaboration was unique since it was a prime example of borrowing needed expertise and leveraging brand associations. Supreme was able to have products of a higher price point and borrow the reputation Louis Vuitton has in the luxury goods market while Louis Vuitton could strengthen their image as urban and modern by delving into the streetwear market with a dominant brand in that field.
  - ii. Yayoi Kusama x Louis Vuitton
  - iii. Jeff Koons x Louis Vuitton
  - iv. Stephen Sprouse x Louis Vuitton
  - v. Takashi Murakami x Louis Vuitton
- Extensions:
  - i. ArtyCapucines Collection (2019)

### 2. Places:

- Country of Origin:
  - i. Paris, France - Since Paris is known as one of the major fashion capitals of the world and potentially the home of luxury fashion, brands associated with the city gain a level of legacy and prestige, as well as a reputation for high-quality goods.

### 3. People:

- Endorsements: The brand chooses a variety of endorsers ranging from athletes to singers to actors.
  - i. Chloe x Halle
  - ii. Emma Stone
  - iii. Jaden Smith
  - iv. Naomi Osaka

### 4. Things:

- Events:
  - i. FIFA World Cup (since 2010) - “Louis Vuitton has partnered with FIFA since 2010 to develop pieces that encompass the spirit of the sport, ranging from monogram soccer balls to a World Cup trophy case.”
- 3rd Party Endorsements:

- i. The brand gets mentions from third party endorsements particularly in renowned fashion magazine publications such as Vogue, Harper's Bazaar, Elle, and more.

### **Brand Personality:**

*(Appendix B)*

We used sophistication and excitement as examples for LV, but competence could also be used to describe the LV brand and line of products. If there was to only be one overarching trait, it would be sophistication due to its reputation of being upper echelon and very expensive to get. It holds a status and people know that. Within the upper class of products, LV could easily be described/ marketed as other personalities due to its presence in mainstream culture and society, such as excitement or competence.

Having multiple personalities can sometimes conflict with each other. Having a brand that is both sophisticated as well as rugged is a hard thing to market, for example. Choosing what personalities to match up and use in your marketing is important to keep things consistent. Having more than one personality you are known for can make the product and branding stand out even more from other products. LV manages to communicate multiple personalities to their consumership through clear brand signals and marketing. Letting your products speak for themselves and selling the brand's reputation is one of the ways their marketing stays clear and communicates the personality of the brand.

### **Brand Architecture:**

*(Appendix C)*

Louis Vuitton is one of 75 brands and houses under "French luxury conglomerate" Moët Hennessy Louis Vuitton, aka LVMH. Louis Vuitton joined the Group in 1987, and is surrounded by a growing number of luxury and designer brands within and outside the fashion industry. Its status and membership in this group provides valuable connections across several industries and helps to amplify the brand's luxury image.

This brand has done well to maintain their designer and luxury images over the years and keep up with the fast paced evolution of trends. Their ability to stay relevant and have a loyal following demonstrates their success as a brand. In terms of revitalization, it isn't really necessary as they have an established mix of fashion goods to supplement their leather products. Their continued success and status as a top tier luxury brand also points to no need of revitalization.

As for Louis Vuitton's brand/product matrix, LV has no sub brands, as it is owned by Moët Hennesey Louis Vuitton, which is a result of a merger by the two brands; Louis Vuitton, the fashion house, and Moët Hennesey, a wine and spirits company. They most recently obtained Tiffany Co in 2021, and other brands, such as Bulgari in 2011. They have many avenues based around shopping for luxury/non vital items. Other companies may even surprise you, like

Sephora and Fendi. Louis Vuitton, the brand currently as we know it, is still separate from these other brands and keeps a clear image mainly using leather products/accessories and other items unique to the Louis Vuitton Brand. So the brand/product matrix would be a straight line with only LV and their various products.

### **Competitor Analysis:**

*(Appendix D, Appendix E)*

Louis Vuitton competes with other high end brands in the luxury fashion industry such as Gucci, Chanel, Prada, and more. Vuitton has a distinct brand to its name with its LV Monogram that is used in most of its products, as it is a large part of its brand. With this being said, its competitors Gucci and Chanel also have their own iconic monogram that is easily recognizable. While it is not used as a pattern as frequently as Louis Vuitton, it is a large part about what makes their brands so iconic. Gucci has also become very recognizable in today's pop culture from investing in the younger generation's fashion statements and sustainability. Chanel on the other hand has developed their brand through making fashion history with the "Little Black Dress" and high fashion shows. The Competitor Analysis is important to keep in mind while creating a marketing plan for Louis Vuitton's brand and importance to fashion design.

Louis Vuitton caters to exclusivity, not shying away from five or even six digit price tags. It is well known that their products exude supreme quality and are well worth the price. Their notoriety favors a pull strategy, reeling customers in with the upscale selective appeal. They do offer lower priced items, however, still on the luxury spectrum. Offering many personalization options and friendly customer service, they prioritize customer satisfaction.

### **Brand Inventory Assessment:**

- 1) Consistency of Brand's Use - Looking at their products, a lot of them use the same pattern and the same fabric. If someone doesn't like one design, they don't like many products and other designs. Louis Vuitton is very French in design and process and doesn't rely on foreign trends, so it's not always marketable in every country in every market. Collaborating with a variety of designers/brands from other countries would be a great tool to expand Louis Vuitton's global market. Nonetheless, Louis Vuitton does a phenomenal job at keeping a consistent brand image. The brand's products keep a great image of the brand despite what product it is and if it is a collaboration product. For example, in the Louis Vuitton x Off-White Collection, the NBA Multicolor Messenger bag was able to have the color block aesthetic while incorporating the LV monogram pattern to assimilate it into the Louis Vuitton brand.
- 2) Overexposure of Brand in market/product categories - The consequences of overexposure of a brand can be detrimental. In a research study done by IAB Europe, they found that when a consumer watches an advertisement "two to three times" they are "+6%" more aware of the brand (IAB Europe, 2022). However, if the ad is replayed "more than four"

times to the consumer it can have a “-3%” impact on their brand awareness (IAB Europe, 2022). Louis Vuitton may experience this phenomenon, due to its iconic monogram pattern that is often used on many of their products. The brand is known for its tradition and ode to french design, however it might be too much of an overexposure to consumers if innovative designs are not often displayed by the brand.

## **Brand Exploratory:**

### **Market Observation:**

Louis Vuitton is widely considered the world's most valuable luxury brand. (Danziger et al., 2017). Consumers think of Louis Vuitton as urban, high-end, fashionable, chic, and expensive. (Roth, 2021). Consumers have the strong mental belief that wearing Louis Vuitton has a brand-added value of being seen as expensive, high-quality, and therefore exclusive. "For example, Louis Vuitton is perceived as much more expensive than it actually is ... Louis Vuitton enjoys the best ratio between perceived exclusivity and entry price," concluded Exane BNP Paribas, confirming its "positive overall opinion" of LVMH. " (Reuters, 2016). The brand has the highest perceived quality out of studied luxury brands with customers saying that it is "expensive but worth it", which allows the brand to maintain exclusivity in a profitable way. They are master craftsmen, which is valuable to consumers in today's age of cheap mass production. Their products are well-made which sets them apart and further emphasizes their reputation as high-quality and high-value.

### **Customer Brand Awareness and Association Assessment:**

*(Appendix F)*

Going along with the reputation of being seen as urban, chic, and modern in consumers' minds, images of citylife, nightlife, and street style are often associated with the brand. (Roth, 2021). These images are reinforced by the brand's choices for key brand associations (particularly collaborations and co-branding). Additionally, due to their expertise and popularity in leather goods, Louis Vuitton is often associated with the image of handbags. Lastly, the brand's monogram is an iconic strong image for consumers to recognize the brand as the print has stayed consistent over time through multiple collaborations and across a variety of products. Their brand associations in regards to other brands (whether that be large corporations or personal artist brands) are unique and curated to add something new to the brand's products. They are instant collector items and are usually produced so they are considered extremely exclusive and limited edition. (R., 2021). To go a step further, they often not only partner with artists for product collaborations, but also to create installations to showcase the new products or to celebrate the collaboration. (Petras, 2019). Their brand association with the city of Paris is shared by a plethora of other luxury brands such as Chanel and Yves Saint Laurent, which makes it one of the less unique brand associations.

Louis Vuitton's Customer Based Brand Equity Pyramid demonstrates the positive experience that their consumers have towards the brand. Vuitton invokes a feeling of importance and class, while knowing that the product was made with the utmost care and precision. The brand's success is largely attributed to these consumer responses to its products and marketing.

## **Recommendations:**

### **Branding Strategies:**

Two areas in which we recommend Louis Vuitton consider applying their brand extension strategy would be luxury hotels and home goods. In terms of hotels, an expansion into this category would appeal to the brand's target customer (who is a fashionable traveler with a high level of income) and would fit in nicely with Louis Vuitton's motto of travel. (*Brand Extension for Louis Vuitton*, 2018). This would be a significant endeavor since it would be the brand's first foray outside of a physical product, however, we believe that it wouldn't be untenable since the brand has extensive experience in creating luxury spaces. Some examples of this would be the multitude of pop-up stores, installations, and more events the brand has showcased in the past. In creating a luxury hotel, the brand can also utilize or sell their own travel-based products within the rooms as well as create more products for that line. This endeavor could also be an opportunity for more collaboration (forming more partnerships and brand associations) and to implement more experiential marketing. Contrastingly, an expansion into luxury home goods would allow for the brand to delve into another area of their target consumer's life. Ideally, the brand could create home products and furnishings that fit the lifestyle of the consumer, appeal to the brand motto of craftsmanship, and leverage the brand's considerable expertise in leather goods. The brand already has the capability to create quality leather products as well as other types of goods therefore it would be fairly easy to apply that to a sector of home goods such as upholstery and furnishings. If executed correctly, expansion into these two categories would allow the brand to create more brand equity, competitive advantage, and increase profitability significantly.

### **Brand Marketing Programs:**

We think the brand should make improvements through its marketing strategy by leaning into the brand's message to travel luxuriously, to open itself up to promote itself in more global markets, and offering limited and quick opportunities for discount bags to include more audiences. By leaning into the message of traveling with luxury, Louis Vuitton has the opportunity to create a message where you can only be traveling in luxury when you are using Louis Vuitton (*Brand Extension for Louis Vuitton*, 2018). Partnering with travel associations would be very beneficial to the brand's association to vacations and travel in the future. This would also be a great investment, due to the increase in traveling after COVID-19 restrictions. According to NPR, rental vacation homes have been booked 32% more and hotel occupancy is up 70% in 2021 (Diaz). Louis Vuitton should also open itself up to more promotions in different countries as well. In 2019, LV had a booming business in Japan where the majority of Japanese women owned a Louis Vuitton bag (Bhasin). It became a staple. Vuitton "owns 15 flagship stores and around 40 boutiques inside department stores throughout the country" (Lachqar). Louis Vuitton has the opportunity to do this in many other countries if they decreased their focus on Japan and applied it to other countries. Lastly, while Louis Vuitton prides itself on being exclusive to only high class target audiences. It would be helpful to the brand to have very short

discount sales or to embrace reselling bags to people who are in a slightly lower income bracket may be able to afford a bag and be able to encourage people in their bracket to buy a LV bag (Bhasin). This may persuade consumers to save money to buy a bag or consistently keep up with the LV's marketing to receive a discounted or resold bag. These would instantly increase the brand's audience loyalty. Not only this, but this would increase the level of market that the luxury brand would hold, as the reselling industry for luxury products is growing about four times faster than regular luxury industry (Beauloye). This could create an even bigger dynasty for LV!

### **Secondary Associations:**

With the tremendous success of the Louis Vuitton x Supreme collaboration collection, we recommend the brand leverage and create secondary associations to foray further into the luxury streetwear industry. This could include more partnerships with organizations such as the NBA, WNBA, or an Olympic national team. We believe that collaborating with these organizations who have a global presence in particular will elevate the brand on a worldwide level while maintaining the brand reputation of high quality and high standard products. Other secondary associations that would be essential to leverage would be with high-quality hotels and reputable publications for the luxury lifestyle and travel industries. As previously mentioned, the hotel and lifestyle industries work well with the ideals of Louis Vuitton, especially the focus on luxury travel. Partnering with luxury hotels such as the Ritz will appeal to Louis Vuitton's current target audience and future generations of the jet-set. This would be an easy association since Louis Vuitton already has hotel products within their product line, which can be included in the guest's room or available to purchase in a hotel's lobby. 3rd Party Endorsements from reputable travel publications such as Architectural Digest, Travel + Leisure, and Condé Nast Traveler will also increase consumer response and knowledge of Louis Vuitton as a luxury travel brand. This type of association can bring attention to and speak on the quality and value of their lines of travel-related goods, which can influence consumer buying decisions.

### **IMC:**

We recommend an Integrated Marketing Communications strategy consisting of methods of advertising that would intrigue consumers by noticing the elegance and high class look of the products. We recommend that Louis Vuitton advertises its products through Print/Web Advertisements and Sponsored Events. The intended message of our marketing communication would be to demonstrate the quality and versatility of our products. We would be presenting how we are able to work with different brands and designers to extend the look of our brand while also delivering classy and high-status products.

Print/Web Advertisements will relate to the message of the brand, by approaching our audience that is up to date with technology. The consumers will be able to receive our advertisement, by being interested in brands and products that are similar to ours. We will also be sponsoring our products to those who are interested in traveling often or in high-value and well hand-made accessories. Sponsored Events with Collaborating brands will relate the message of

the brand to consumers by being able to create new and innovative products that extend the reach of Louis Vuitton. Creating new designs will help the brand be able to try and experiment with new designers to see where the brand will be able to go in the future. More consumers will also be able to try Louis Vuitton with adaptable and timeless designs even with collaboration products. For example, our hangtag design (*Appendix G*) includes the brand's signature Monogram which is easily recognizable to consumers. The icons on the tag references the brand's expertise in travel and leather goods while the information included would reflect Louis Vuitton's key ideals of quality and value, as well as the product description itself.

The desired response from consumers would be to increase customer engagement. We want our consumers to be able to respond to our advertisements to understand what our target audience is looking for. For example, Print/Web Advertisements may be displayed on social media where our audience can like and comment on what products they are interested in or may not have interest in. These advertisements may also appear in magazines for other audiences who may not use social media to be able to engage with the brand. We are looking to also persuade our target audience to buy our products, by reminding them of the status symbol that comes with owning our products. We are sure to inform them of the high measure of care and thoughtfulness the brand puts into each product. Ensuring that the money that is being used to purchase the product will be used wisely to purchase the bag. We are looking for a positive response from the customer where they feel comfortable and reassured to buy our product, knowing that it will be worth the money and be able to provide them with a higher status symbol that they may be looking for.



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### **Appendix A- Louis Vuitton's Product Hierarchy**

Apparel	Accessories	Other
<ul style="list-style-type: none"> <li>• <b>Ready to Wear</b></li> <li>• Shoes</li> <li>• Personalization</li> <li>• Fashion Shows</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Small Leather Goods</b></li> <li>• <b>Bags</b></li> <li>• Belts</li> <li>• Sunglasses</li> <li>• Scarves/Head Wraps</li> <li>• Jewelry</li> <li>• Watches</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Travel</b></li> <li>• Fragrances</li> <li>• Other: (such as art pieces and other tinier projects.)</li> </ul>



## **Appendix B - Brand Personality**

<b>Sophistication</b>	<b>Excitement</b>
<b>Upper Class</b> Affluent Glamorous Good Looking	<b>Imaginative</b> Unique Exciting Spirited
<b>Charming</b> Good Quality Appealing Clean	<b>Up to Date</b> Independent Contemporary Trendy

**Appendix C - Brand/Product Matrix**

Brand	Products		
	Apparel	Accessories	Other
Louis Vuitton	Ready to wear	Small bags/leather goods	Travel and fragrances

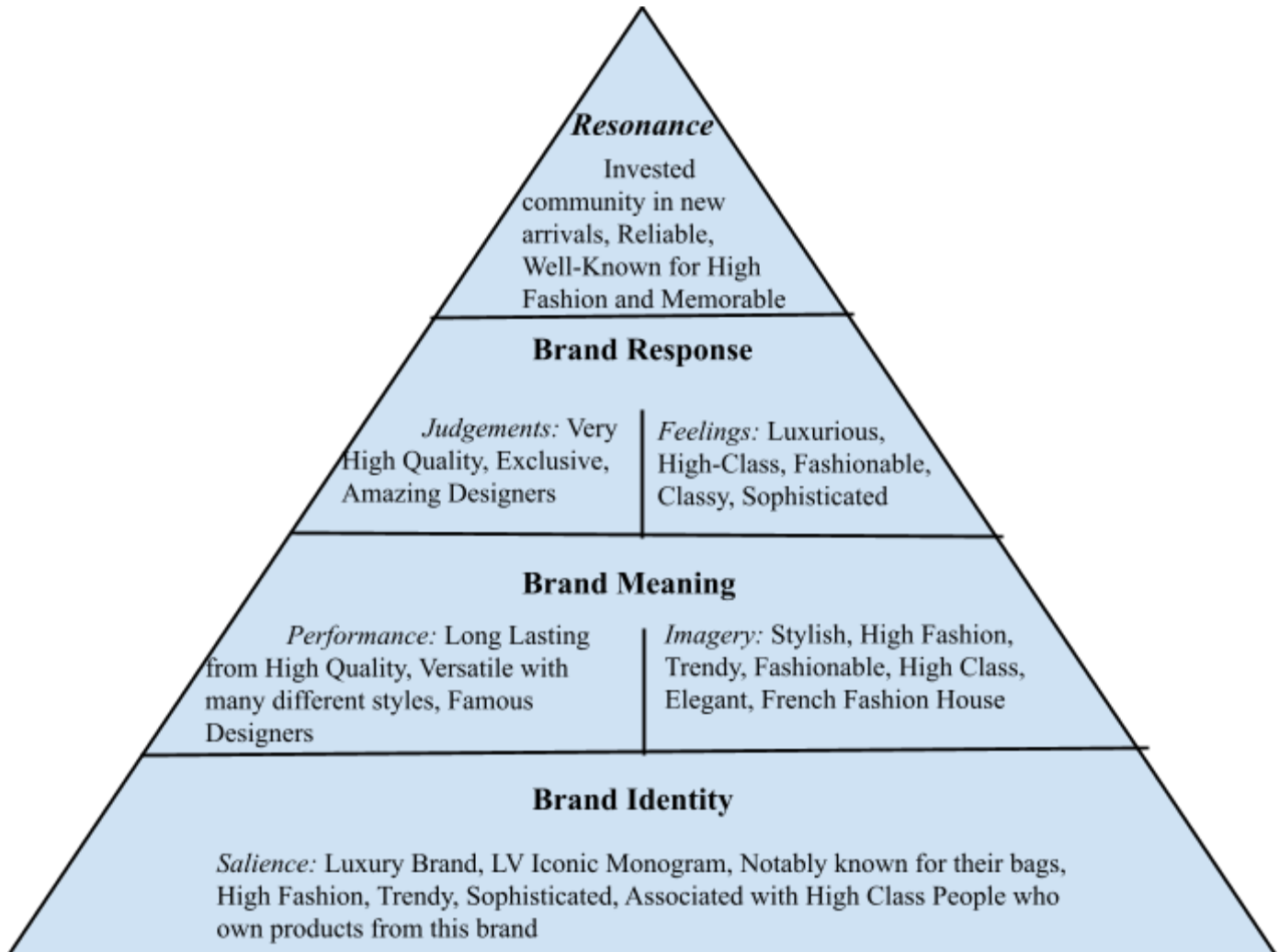
### **Appendix D - Competitor Analysis, POP, and POD**

	<b>Competitor Analysis in Comparison to Louis Vuitton</b>	
	<b>POP</b>	<b>POD</b>
<b>Gucci</b>	<p>Made it a point and a goal of theirs to captivate its consumers by following trends</p> <p>Partnering with other popular brands like North Face, Supreme, BMW, and more in order to reach a wider variety of audiences.</p> <p>Their brand is easily recognizable with its iconic monogram</p>	<p>Gucci has focused part of their marketing strategy on the emerging adults of the world due to the hardship of getting young people invested in luxury brands.</p> <p>Gucci has started to pave the way for luxury brands to become more sustainable. The brand has started to use wool rather than other fabrics for its ready-to-wear collections as a sustainable alternative.</p>
<b>Chanel</b>	<p>Rich french history and culture towards its origin in its brand</p> <p>Their brand is easily recognizable with its iconic monogram</p>	<p>Chanel specifically puts a lot of effort to promote their brand through exhibition fashion shows</p> <p>Chanel is known as a trend setter themselves for creating revolutionary, timeless pieces like the “Little Black Dress”</p> <p>Chanel focuses themselves on a Feminine and sophisticated brand mainly catered towards women.</p>
<b>Louis Vuitton</b>	<p>The iconic monogram is easy to spot and recognizable</p> <p>Products designed with rich french history and culture</p> <p>Often partner with popular brands like Supreme and Off-White</p>	<p>Brand was established and focused on creating luggage accessories to travel more efficiently</p> <p>Focus marketing on its handmade goods and peak completely handmade quality for its price</p>

### Appendix E - Competitor Analysis, Marketing Plan, and Strategies

	Objectives	Strategies
<b>Louis Vuitton</b>	Represent Luxury and Exclusivity. Uniqueness. High Price equals High Value.	Uses celebrities and their social media to give an air of unattainability, as if they are peak luxury. They make products that are easily recognizable as LV to stand out from other companies. Creates goods at peak quality and keeps that reputation as trustworthy products.
<b>Gucci</b>	Sustainability. Balanced Assortment. Inclusivity yet Exclusive.	Carbon neutral and uses wool. Sells both trendy products and legacy products. Despite being luxury and high priced, they market to everyone (Male and Female, Young and Older).
<b>Chanel</b>	Exclusivity and Feminine. Promotion and Widely Distributed. Wide Portfolio.	Markets to the high class and mainly targets women. Hosts and sponsors shows to show off the brand and products. Uses a variety of channels to give access to people buying the products. Large and diverse list of products beyond apparel.

## Appendix F - Brand Awareness and Associations



## Appendix G - Hangtag

