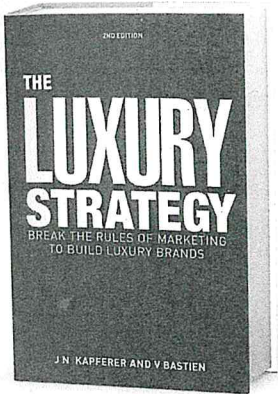


SECOND EDITION



The Luxury Strategy

Break the rules of marketing to build luxury brands

Jean-Noël Kapferer
and Vincent Bastien



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nurtured by the creativity of the objects, their heritage and the distinction of the points of sale, that explain the difference between the cost price and the sales price. Moreover, economic growth, in India, China or Brazil for example, ensures strong financial prospects for those luxury brands that know how to remain so.

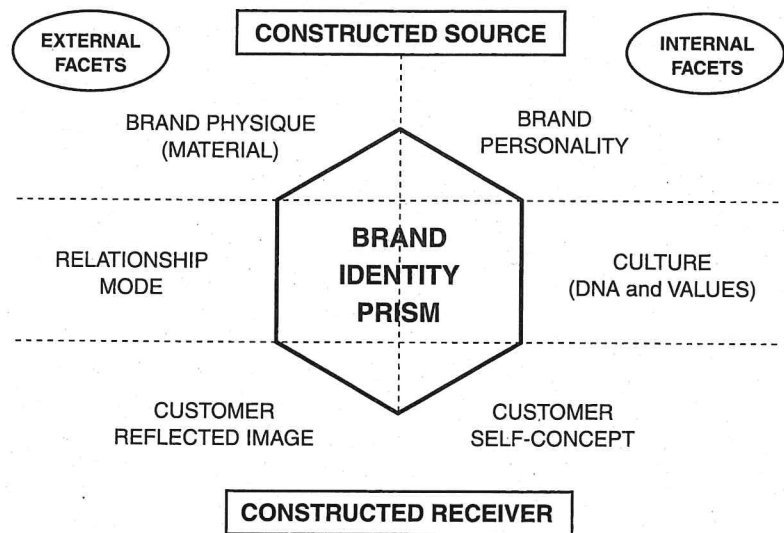
The core of the luxury brand: its identity

In traditional marketing, the brand is defined by its positioning: it aims to be the brand that offers the greatest (the promise or the client benefit) to a certain type of person (the target) in relation to certain competitors (the source of business, the enemy to which you want to be compared). This positioning constitutes the cornerstone of brand management (Kapferer, 2012): it is the lasting angle of attack on the market to take an increasing share of it. This also concerns premium brands.

In luxury, we should not talk about positioning. Luxury brands are powerful identities able to reassure and seduce by the dream they create. They propose a world of its own in which consumers wish to immerse themselves: they open their wallet to get into this world, to be a part of it. The luxury brand cultivates its uniqueness; it prefers to be faithful to an identity rather than constantly worry about superiority over an opponent (its competitive advantage). Even if the client makes the comparison, the brand is not managed by seeking to compare itself to others – like an artist. Do you think that Gauguin sought to compare himself to his contemporaries? They all painted in their own way, according to personal touch. The notion of identity is essential in our modern era where millions of mobile people carve their own social identities through the possession of branded objects or the consumption of branded services that define their extended selves (Belk, 1988).

A brand can only be built through coherence. To achieve this you must know who you are and stick to it. While the creator is at the helm, that person is the benchmark, the source of disruptive creations that mark his or her style and taste. When the creative person is gone, it is necessary to codify the brand identity in order to make it last through time. One of the authors of this book regularly intervenes at this key moment: it is a question of clarifying the identity in order to make it an internal guide, without turning it into a straitjacket.

Identity expresses the tangible and intangible specific characteristics of the brand, those that make the brand what it is, without which it would be something else. Identity is not something that can be bolted on: it is nurtured from the brand's roots, its heritage, everything that gives it its unique authority and legitimacy in a specific territory of values and benefits. It translates its 'DNA', the 'genes of the brand'. It also integrates its know-how and semiotic invariables: the tangible, palpable elements by which it

FIGURE 6.1 Brand identity prism

is recognized, both in the products and in the shops, in the staging or the advertising and communications. The brand is also an intangible: what do you say when you are not talking about products? More than anything else, the luxury brand is an epic tale, carried by its stories: storytelling is its mode of expression.

The identity of the luxury brand thus contributes to building the identity of its clients themselves. This is why the brand must be analysed as a holistic whole: it is a cultural prism for reading the world, for creation. The identity prism (Kapferer, 2012) breaks down the symbolic dimension of brands into their six essential facets, while linking them together (see Figure 6.1).

The summit of the identity prism is that which defines the constructed source, or at least the representation thereof: what are its physical and personality traits?

First, the physical aspect of the brand is the facet that makes it possible to define the family resemblance necessary within the brand: what are the codes, signs, gestures, postures, colours or traits that make up this resemblance? Thus, at a fashion show, we should be able to recognize the Chanel touch, even without the double-C brand: we see the softness and the silky look of the jersey, the classic design, the quality of the often innovative textiles. The more the products have a symbolic, social and cultural function, the more importance attaches to the non-verbal imagery. This is why the luxury brand needs a real chest of symbols, in order to express itself in its own many ways: the camellia, the quilting, the collars at Chanel, for example (Floch, 2004). The physical facet of the brand identity also comprises those iconic products or features that currently underpin its representation: at Yves Saint

Laurent it is black, the dinner jacket, other attributes of masculine clothing adapted to women's style, the perfect cut.

Second, the brand has a personality, when it itself is not a personality. In luxury the brand is often a real living person, a creator: it has a strong personality with character traits. The brand inherits these or constructs them. The brand's personality expresses an anthropomorphic vision of the brand, particularly relevant in the world of luxury, which stems from the creation emanating from a person. How do we describe the brand personality? Through the same character traits as a person (on this subject see Azoulay and Kapferer, 2006). Thus Yves Saint Laurent gave his brand his impertinent, provocative, seductive and inaccessible character.

The next two facets of the brand identity prism relate to the constructed recipient. We will insist on that word 'constructed'. In fact, the brand through its communication does not describe its target, it offers a representation of idealized clients, among whom they may or may not belong. This does not necessarily mean that people are shown in the communication, of course, but that we think of them in the way that the brand expresses itself.

Third, any luxury brand creates value by building a reflection of self offered to others. This is why everyone is capable of describing a luxury brand through the image that they have of its clients (this is what we call 'the reflection', the 'external mirror' of the brand), even if we never see clients in luxury advertising. This is how it works at Porsche: the advertising never shows the driver (unlike Audi, Volkswagen's premium brand). Porsche wishes to leave the client to the imagination, to allow the establishment of a direct affective relationship between the client and the brand, and not disrupt it with the interposition of a third person, however well known. Chanel offers the reflection of an elegant woman, seductive, sophisticated, and yet who loves to attract attention. At Yves Saint Laurent, the reflection is of a woman in command of herself, femme fatale, in competition with men, seductive and inaccessible.

It is often through the reflection that the brand fragments in its representations. Ralph Lauren is characterized by many different product lines, all highly targeted: but each of these targets manifestly belongs to the same family, and adheres to a core of highly recognizable values.

Fourth, the brand is a 'mentalization' – a facet of Kapferer's identity prism, generally translated as a 'consumer's self-concept'. We should talk here of the internal mirror, which may be different from the external mirror (the reflection). How do the typical clients construct themselves via the brand? For example, the mental picture constructed by the Black Centurion Card is to have reached, by your own efforts, a level where you need deny yourself nothing, and where you should be in a position to access everything.

Each luxury brand offers a self-concept to its followers: this is less a question of luxury in relation to others (the reflection) but of 'my intimate relationship with luxury'. Thus the mentalization of the woman who is a follower of Yves Saint Laurent is: 'I don't need a logo to affirm me or to gain

power: I feel sexy and seductive.' At Chanel it would be: 'I am exceptional because I wear Chanel, elegant, classic and modern.' At Ralph Lauren: 'I have access to American distinction, made up of power and class.'

The two intermediary facets of the brand identity prism are relationship and culture.

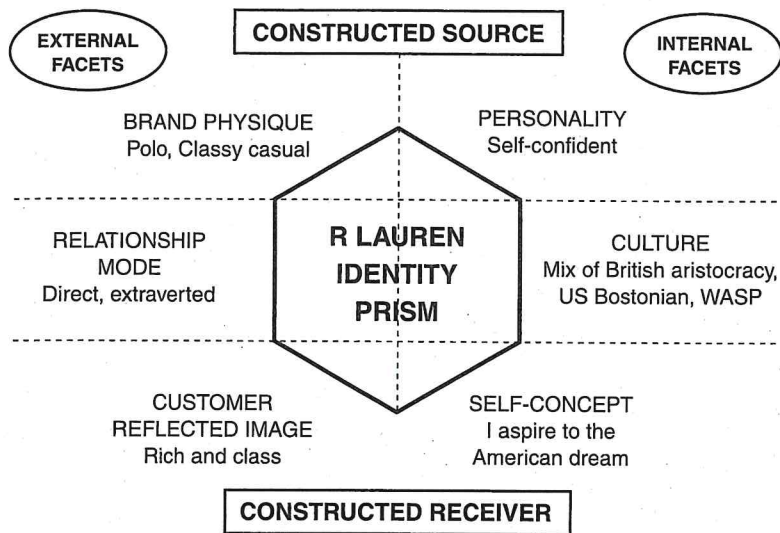
Fifth, it is through the 'culture' facet that the luxury brand creates a cult and develops proselytes. This is the soil of its deepest values, which it venerates and respects more than anything, religiously. For us, this is the essential facet of the identity of a luxury brand. Too often we define the values of the brand on the surface, through encompassing and international words such as romance, classicism, elegance, Italianness, or yet the values of the upper bourgeoisie for Chanel. In order to properly manage the brand over time, however, it is necessary to dig deeper. What is the brand's essence, which nurtures its renewed and reinvented inspiration? Thus, Ralph Lauren chose polo as its symbol: besides being an aristocratic sport, one of the few that remain today, what is the symbolic significance of polo? What does 'being Italian' mean? Beyond the simplistic stereotype, how does Prada's innate Italianness differ from that of Ferragamo or Gucci?

In order to know its cultural underpinnings, we must closely examine all of the brand's identity signs. For example, who are the three women on the Nina Ricci logo? What is their hidden meaning? You do not answer these questions by interviewing clients in Mumbai or Buenos Aires or Paris. The identity is the source of the creative act over time: we should therefore ask ourselves what Mr Ricci saw in this well-known symbol, the roots of which go back to the pre-Grecian mythology, to agrarian pagan cultures: these three Graces are fairies. What therefore is the value system of the only brand in the world symbolized by the three fairies of mythology? Is not the essence of Nina Ricci to be the initiation into femininity?

Sixth, as for the 'relationship' facet of any brand, it defines the nature of the relationship installed between the brand and its recipients. Thus Chanel liberated women, and Yves Saint Laurent gave them power: it lifts them up and causes them to be affirmed.

It is the conjunction of all six facets that defines identity and singularity, and also weaves the fabric of emotional connections with clients, to the point that some of them become proselytes, ambassadors, or in any case devotees. To create fanatics or ambassadors in each country, it is necessary to attach them to the deeper meaning of the brand, and to its creative manifestations (rather than solely the pride of exhibiting the sign or the logo). Through its identity, rich, sourced from history or legend, the brand lends memory and culture to its products and knits intimate relationships with its followers.

The identity prism of a luxury brand should never be ordinary. It captures the fine detail of its uniqueness and appeal. It is also, however, a management tool: as such it should be useful, a lever of coherence, without which there is no brand (luxury or non-luxury). Finally, it is a springboard for creativity in the service of the brand. Figure 6.2 gives an example of an identity prism for Ralph Lauren.

FIGURE 6.2 Ralph Lauren identity prism

Building brand coherence at contact points: central and peripheral identity traits

There is no brand; there are only expressions of the brand. The clients do not know the identity prisms; they simply live the brand products and experiences that are offered to them. Clients therefore go from the experience to the essence. This is why a brand perception is only built up through coherence. In luxury, however, in order to grow it is necessary to innovate, to surprise, not to repeat yourself endlessly, even while remaining faithful to your identity. This dilemma of diversity and coherence is particularly acute in luxury, since without inspiration here there is no aspiration. How, then, can the necessary brand coherence be ensured over time and in all its products and communications? Through respect for the core of its identity prism.

In order to do so, it is necessary to consult the identity prism and identify the facets that are central and those that are peripheral. By central, we mean that without them the brand is no longer the brand: thus they must be few in number. The other facets may be more or less present according to circumstance.

This distinction between central and peripheral facets of identity comes from the psychology of representations (Abric, 2003; Michel, 2004). Take the analogy of a family: not all traits are equal in their capacity to distinguish members of the family, or to estimate whether someone belongs to the family or not. Is it height, face, nose, or a way of acting or speaking? The same is true of brands.