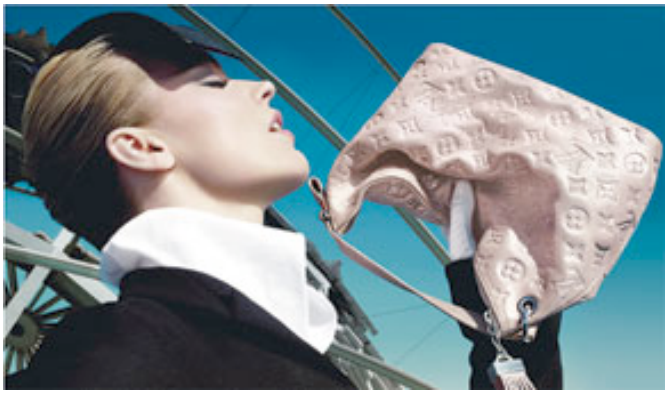
Haute Luxe™

The Creator's guide to *true* Luxury Branding



By Philippe Mihailovich ©

30/08/06
24/10/08
18/01/09

Preface

This book outlines the differences between *Haute Luxe* (true luxury) and the regular 'Luxury brand'. It comes at a time when the Western markets are in turmoil, a time when famous global investment banks have folded as a result of what is now being called 'casino capitalism', yet it is also a time when record sales of fine art from branded artists are being realised at Sothebys auctioneers. Luxury brands are bound to be hurt as a result of the credit crunch that began in the USA mostly affecting homeowners and small businesses. The US government is buying up bad debt, British banks have been partly nationalised and restructured by parliament, other countries are searching for their own urgent solutions to get their economies moving and luxury brands are starting to suffer, but not all. The Haute Luxe brands are expected to continue to enjoy sustainable sales, as will perhaps some ludicrous luxury items but first brands to fail are always the ones that have the least substance.

The book assumes that people are more knowledgeable than ever before with regards to luxury brands and many can now be considered connoisseurs. They are harder to bluff and want to know more. This text outlines what people will want to know in order to build a lasting and loving relationship with brands. We examine these relationship building blocks, the attitudinal building blocks, because attitudes drive behaviour (and vice versa). It looks at the relationship from both brand and client points of view to see why people will feel connected to a brand and are therefore more likely to speak up for it. This is primarily written for those who are responsible for their brands in some form or another. Essentially it provides guidelines for building coherent brand stories - relationship and love stories with customers that will evolve into family love stories for generations to come. It speaks of experiences that can be shared and serves to guide effective brand-building and communication strategy.

The insights provided in the book are based on my academic foundations of Industrial Psychology, Social Anthropology and Marketing as well as my earlier life as a fashion photographer, my brand management life with blue-chip companies and my brand consulting life with creators, entrepreneurs, agencies and big brands. It is also very much based on insights gleaned from the inside of luxury brands either as a video journalist, friend or advisor. Personal intuition is included too. Unfortunately it is not a kiss-and-tell with case studies from brands I have worked with as luxury brands are very discreet about their problems but of course, the key lessons learned are all in here.

The guidelines provided are derived from, and intended to work across, all luxury categories but your brand has its own DNA and brand creators and developers should do their own research to see whether certain tips will add value to their brands or not. It is impossible to write a brand bible of do's and don'ts to suit all brands, because people change, competitors change and rules change. However, it should help anyone involved in brands to avoid certain potentially costly and damaging pitfalls whilst providing ways to establish a long-term vision for your own brand as well as ways to keep its relationship with clients, soulful, fresh and exciting. If I show despise for greed and a bias towards generosity, it is because I strongly believe that brands, and luxury brands in particular, should share these values. Readers are invited to update or challenge views expressed in this text on www.hauteluxe.net in order to ensure that the updated issues get better and better. It's the polemic that counts.

Introduction

What is 'Haute Luxe?'

The face of luxury branding is changing forever, as is our world. The internet, mass media and mass expansion of luxury brands into emerging economies across the globe has led to the development of a very luxury-savvy consumer. The consumer is becoming an educated expert, a connoisseur. These clients now have the power to seek out the rare, to personalise the product and to widen their choice more than ever before. If ever there was a time to build a strong competitive identity, it is now. If you don't get your message right at this moment when consumers are seeking out the best, you could find yourself left out in the cold for a long time to come. It's easier to create a good reputation when consumers have an open mind. Once they feel they are experts, it will take much more work to change their minds. It's time to get your story right.

Luxury brands need to recognise that they have to engage with consumers on a more personal, emotional as well as functional level, in order to succeed in today's marketplace because sooner or later they will trade up and leave your brand behind. Many brands already do, but they just don't know what exactly to say, in which order. The brands can no longer control their brand messages in the way that they used to. There is too much information coming in, from blogs to traditional media to competitive propaganda.

This is not just another book about branding presented as a pseudo-science. Those days are over. The book is more about human curiosity, intuition, adventure and surprise. It's about human relationships, passion, desire, love, trust, betrayal or simply disappointments. It's about family, kinship, honour and heritage. It's about simplifying branding, examining brands before they become brands and de-branding brands once they have become brands. It respects and pays tribute to brands that remain discreet, authentic and are generous – giving more than expected. Most importantly it differentiates between the industrialised and democratised so-called *luxury brands* driven by business plans and the non-industrialised, hand-crafted, super-humanised and soulful, often unknown *haute luxe* 'pre-brands' that are driven by passion. It is these marques that will win favour with the connoisseur-client of our era.

Branding is not only for Business

Branding is not just about business, it just happens to fall under the control of marketing professionals and businessmen. Countries and Cities too are considered as brands and nowadays compete as brands. They cannot be sold or put onto balance sheets, but they have to cope with the same issues of brand image, brand reputation and ultimately brand identity just as commercial managers need to do. In the business of luxury, branding and marketing has traditionally been despised and brand management has not been a norm. Behind the marques are creators themselves or their families. Even in luxury fashion, the responsibility of a 'brand manager' is traditionally found to fall onto the shoulders of a talented fashion designer. There's a reason for this. Luxury understands the importance of creativity. Luxury is driven by excitement, passion and creativity. Anything less is quickly exposed as shallow or soulless and even 'bling'.

As such, this is not written as a traditional 'business book'. Instead it aims to provide designers through to entrepreneurs, key strategic points to consider when creating or seeking to improve a luxury brand. It is the first book on luxury brands that delves into the subconscious aspects of a brand's DNA no matter which industry you may be competing in. It aims to assist you, inspire you, and warn you of pitfalls that may lie ahead, should you be someone with a role to play in the destiny of a luxury brand. As such, it is not about the 4Ps of marketing either. Its focus is on everything you need to know and everything you should consider building into a brand *before* presenting it to the world.

As the book provides a right-hand brained intuitive perspective, it may be too considered too abstract for the typical left-hand brained corporate manager and if so, I would ask them to open their minds because I reveal the very tools that I have successfully been using and yet have never found them considered in the pseudo-scientific branding books. In fact, I simplify branding so much that those who have made a living out of making branding complex may scorn me. It is complex but it isn't. The same could be said about human relationships. Businessmen like things to be rational, with ten easy points to follow. Luxury branding is too complex for such an approach. Can we explain human behaviour in ten easy logical steps?

Creative and sensitive people, the very people who are rarely given brand education, will easily understand this simplistic approach. At some point the need for this knowledge becomes unavoidable. Esteban Cortazar, who at the young age of 23 was appointed chief designer at Emanual Ungaro, the 43 year old fashion brand now owned by Pakistan-born internet tycoon, Asim Abdullah and run by ex-Chloe president, Mounir Moufarrige, for instance. All three may be partly

custodian of the brand but Cortazar's creativity plays the most critical role in reviving the brand. For 'creatives' such as he, this book is an easy read because it helps the designer to think more deeply about certain critical issues and aims to support and stimulate out-of-the-box thinking. It offers a methodology for thinking things through creatively and strategically and should be of use to anyone who is responsible for the DNA of a brand.

Ultimately, it aims to help fine-tune your brand story to satisfy the unconscious needs of your customer and at worst it provides aspects worth researching to see if they can add competitive value to your brand or not. It simply aims to explain why consumers are prepared to seek out and pay more for *haute luxe.*

Anything and Everything can become Luxury

If a basic commodity such as a diamond can be made into a luxury brand, surely tanzanite too can be branded. If caviar can be made into a luxury brand, then so can oysters. If a simple chocolate can become a luxury brand, then possibly anything unique or rare, of high quality with a true, authentic and meaningful story, can be made into a luxury brand. We have witnessed luxury brands emerging out of the strangest niches. Le Prince Jardinier (The Gardener Prince) is the name of the brand that French aristocrat, Louis-Albert de Broglie (griffe) created for a range of gardening utensils. He inherited a castle (maison) and needed to fund its upkeep. Wine tends to be the common option. Instead, as a keen gardener and lover of roses in particular, he developed his "l'Art du Jardin" collection, which includes fragrances, that can now be found in many countries. He has understood that there are many wealthy retired people for whom gardening is a great passion and for whom most luxury goods have little to offer. Designer Gardening is now becoming mainstream and even Hermès has introduced an unlined cotton linen Garden Bag and Garden Party Purses and the like.

The JimmyJane brand, maker of $375 Gold Vibrating sticks is the brainchild of creator-inventor Ethan Imboden previously a designer with world famous Frog Design. "We didn't know how to classify JimmyJane under our normal tech classification system, so we mark it down under peripherals. We feel for the founders who describe how challenging it is to raise VC funding give the naughty nature of their product," states website a:c weekly.
http://www.thealarmclock.com/mt/archives/2007/01/jimmyjane_maker.html

The World Of Luxury

Welcome to the world of luxury goods. Until the end of 2008, sales were booming, stores were spreading, advertisements were proliferating, and customers in ever more countries, from Russia to

China to the Middle East, were snapping up Chanel sunglasses and Louis Vuitton handbags with unprecedented fervor. And that's part of the problem…luxury is seen by many to be in crisis. Where luxury brands once evoked awe and reverence, today they leave many customers cold. So-called luxury goods, from Vuitton to Dior to Gucci have become so widely manufactured and disseminated in the global population as to have lost their very eliteness. When we expect half the strollers on Broadway or the Champs-Elysee to tote the same exact "luxury" handbags and woman on the beaches of Saint Tropez and The Hamptons sporting sunglasses from the same brands, we cannot help downgrading those over-exposed top-end goods in our minds. To many, even the very term "luxury" seems to have become meaningless.

Serge Dive, Founder of International Luxury Travel Market, asked some of the leaders of today's luxury travel industry what this rather ambiguous term *luxury* means to them…

- Michael Hobson, Mandarin Oriental Hotel Group – Luxury is a process of delighting customers exclusively and repeatedly, at a profit.

- Brad Lincoln, The Best Group – Freedom to choose, flexibility to change your mind, a touch of exclusivity and peace of mind.

- Ricky Sitomer, Blue Star Jets – Luxury is very personal today, whatever our client wants, that's luxury.

- Sonu Shivdasani, Six Senses – Space privacy and nature, these are rare and treasured by the wealthy global citizen.

- Luca Virgilio, Baglioni Hotel – It is about delivering all the unique details that makes an experience special.

Luxury clearly means different things to different people. "Luxury is so personal. For me, it's something rare and of the finest quality, "Thomas Maier, Creative Director of Bottega Veneta told Luxuryculture.com but when asked, "If luxury were an object, a person and a place?" He answered, "A view of the horizon, someone you love whom you rarely get to see, my garden, early in the morning." Luxury is totally subjective. This is of course critical to understand. To myself, luxury is more about time than about timepieces. Luxury brands value time too. To the super wealthy such as Bill and Melinda Gates, it could mean having the time and the money to be able to help others. They don't aspire to owning 10 designer bags. They can simply buy the company. Instead, they feel the need to give back to the world. Altruism and time must be the ultimate luxuries. Can they be branded? The Bill and Melinda Gates Foundation of course, is a brand. And what a wonderful luxury it must be to have the time and money to help others. We can buy into it by donating or founding our own.

It is fundamental for us to know what makes our customers dream. Are they buying a luxury item for themselves or another, to show or to give, for an experience or for power? Are they driven by giving or by greed or by all of the above?

Hunters who travel to Africa to hunt the big cats for 'sport'. Luxury restaurants in China illegally offering the endangered Tiger's penis as a virility meal for an exceptionally high price. Is taking the life of something rare the ultimate luxury for the ultimate selfishness? They do not hunt with spears but with guns. Morality *has* to come into the luxury debate. The new super-rich from the emerging economies - why would they rather spend a fortune buying an endless amount of ludicrous luxuries and lavish themselves on everything that money can buy and not give one thought to the extreme poverty and lack of education in their own countries. "Earth provides enough to satisfy every man's need, but not every man's greed," said Mahatma Gandhi but few seem to hear it. How many new rich bother to spend on improving their own education – a luxury that they can keep for life - or on the education of others? Values *have to be* questioned.

Luxury is about culture and refinement, not ostentation. A writing desk was an important luxury gift in the 18th Century. What happened since? Aristocrats were beheaded in France but the process of democratisation did not kill off luxury products. This is simply because luxury items were made by artisans who simply continued in their quests to produce the best that they could. The culture of creativity and the quest for perfection survived the test of time. Pride is what drives the mustard maker in Dijon to make the perfect mustard. Winning the village prize was more valued than making millions from selling millions of cheap products in cheap jars. 'It's good enough' does not even enter their minds. It has to be the best. Luxury may mostly be commissioned at the top of the ladder but its driving force has always been a bottom-up movement, a passionate person, a quest for perfection, a love for the craft, a desire to be appreciated. It's a spiritual thing, normally made to please someone else, the ultimate gift to a loved on or one's God….or one's client!

Luxury is about details, and that *includes* details within the brand's DNA. It is thanks to the brave creators or entrepreneurs who have taken great risks either through intuition, ignorance, a sense of fun or even greed that we have been able to create such a wealth of knowledge today. Hopefully this book will become an essential handbook for practitioners who need to know how to start or where they have gone wrong or could go wrong, and how they can add value to their brand. The chapters act as a checklist of your brand's relationship with its customer. Just as a marriage guidance councillor should know everything about a couple's relationship before offering suggestions, an airline pilot is expected to undertake a full instrument

check before taking off, and a doctor is expected to do a full medical test before approving one's fitness to run in a marathon, we too now have the tools to undertake a heart, mind, soul and DNA check on our precious luxury brands.

In teaching MBA students and advising brand teams, I was surprised to find that there was almost no literature about branding in this over-luxed world. Since I wrote the first draft, at least seven books on the subject have emerged! While a number of recent writers such as Dana Thomas have shared the observation that the glory days of certain luxury brands are over, none have had much to say about the key question for marketers and brand teams all over the world: How to start and what happens next? What happens next if customers are suddenly disparaging your brand's reputation and ceasing to buy your once-venerated product? Where will wealthy and discerning customers head? Where have they already gone? How can you prevent this and how can you continue to appeal to them?

Simple Story-telling is over

Many luxury brands fail to provide all the answers that today's informed customers seeks to know. Simple 'storytelling' isn't good enough anymore. When we come across a work of art that really moves us to the extent that we *have-to-have* it, wouldn't it be nice if we could find out something about the artist and the artist's life, especially at the time of creating the work? The best gallerists, those who protect the image of their artists, will not sell to an ignorant collector who simply wants to know if the work will be a good investment or not. New York gallerist Spencer Brownstone will only share the story of the work with someone who is moved by the piece, who feels passionate about it, and who wants to and deserves to know more. "I don't *sell* art," he says.

In a cartoon that visionary Karl Lagerfeld is currently making for somebody, he says there is a scene when a man walks into a gallery and says, "I'm not coming for the art, I'm coming for the prices" (my video interview). Today the artist is a brand and the gallery is a brand, "but we live in that world," says Lagerfeld,"and there's nothing we can do about it." However gallerists who speak of art as investments are often considered 'carpet traders' by those who buy art because they love the work and don't care if it is 'an investment' or not. The same divide exists across the luxury spectrum. Luxury aims to be art and art itself may be considered as the highest luxury. Many pieces are *not* created to be *sold* and in fact installation artist Kader Attia even makes art that pigeons will eat within three months ("Flying rats").

This book will argue that there are two categories of luxury: *Haute Luxe* (high luxury) and *Luxury Brands*. In essence, the message is that the words *luxury* and *brand* don't fit well together. Most in luxury will

claim that they don't do marketing and it's only over the last few years that the French may be heard referring to *brand* instead of *label, marque* or *maison* (house). Along with the emergence of the super luxury brand groups such as LVMH and the Gucci Group in the nineties, came the discipline of branding and for the first time, classical marketers from mass-market backgrounds were being employed at top levels in the luxury conglomerates. A new set of tools came into play. Few of today's CEOs risk leaving the future of their brand to a star designer. They are now obliged to be the custodians of their brands. With globalisation, the traditional family business model was stretched to its maximum level of competence. Luxury had come of age, or had it just become the new mass?

Marketing is a Dirty Word

In the luxury field, the word brand mostly implies marketing and marketing has always been considered a dirty little American word. It implies looking for more business, more sales, and overtly targeting customers as if they are being hunted down for their money. Unlike those employed by classical marketing firms, in the luxury domain, it was mostly about visionaries with a great passion to create something new, they could be accomplished artisans, from bakers to cobblers, watchmakers to jewellers. Their 'managers' often being family members or employed due to their social backgrounds or personal links to the owner-families. Their creations were acquired by the privileged few. Luxury was *not* a Brand. They did not *target* the customer, they *attracted* the client. Today's luxury brands are targeting the masses but trying to be subtle about it. As such brand can be seen to imply, *known to all and accessible to many*. The risk is its vulgarisation, but not necessarily so.

Creating a successful and enduring luxury marque is about forging a deep emotional bond with the consumer. *The luxury brand must aim to become a soulmate*. The unique method that I propose is based on this all-important recognition. Every new luxury brand should offer the promise of a potential new soulmate. "Some women, when they go to a party, get more emotional support from the expensive new handbag they're clutching than they get from their husbands," says fashion publisher Jane Raphaely (x). The most effective brands capture your attention with their look, win you over with their unique personality, impress you with their heritage and breeding, get under your skin with their magnetism, work their way to your heart with their warmth, and seal your loyalty with theirs. The luxury tools and methodology provided shows that you can and should in fact build your brand as if you were building a love story, because in essence you are, in a few easy to understand steps. The approach taken is very simple and very human. Just as the best interpersonal relationships are based on mutual admiration, warmth, honesty and trust, so are the most enduring relationships between customers and their brands.

The Flow of the Book

Chapter one explains how the client comes across the product and in fact meets the brand. Assuming a love-at-first-sight attraction, it goes on to address the questions that client and 'brand' will ask of each other just as humans would do. The typical 'where are you from, what do you do?' questions are applied to this potential relationship. Each imparts information about that they want the other to know (brand identity) about themselves in a certain way (brand personality). The other receives that information and creates an opinion which may differ (brand image) to the information received based on previous experiences, instinct, prejudices and factual knowledge amongst other factors. Assuming the chemistry is good, they follow through to sharing experiences together to the point of becoming soulmates, drifting apart or falling out with each other along the way until the last chapter. It couldn't be simpler.

Each chapter addresses certain key factors that should be in place. It is these factors that we should be aware of before launching a brand so that we can be sure to build them into the brand's identity DNA before introducing it to market. Brands that are already in existence have already established a brand image DNA in the minds of the customer and once imbedded in the mind become harder to alter. These factors too are addressed. Brand DNA can be genetically modified, in people's minds of course but it normally requires a delicate almost surgical approach. It is best to get the whole story worked out before starting. When a creator or founder becomes the brand, it is far easier because that person already exists with an identity and personality, so then it becomes more a matter of developing reputation and thereby image, over time.

The key elements outlined act as guidelines for a brand story 'health check' of its image vis-à-vis its competitors in the client's mind but mostly serves as a way to build its personal relationship with that client. Such health checks may help prevent losses in time and money spent on market research or failed launches, and just knowing what to look for helps to create the optimum DNA for a brand from day one. Just as a human being needs a regular health check, so does a brand. Surprisingly, many brand creators or managers have no idea what to look for! Only a foolish airline pilot would take off without doing an instrument check yet we find CEO's taking the risk of investing a fortune in promoting their brands without making sure that their brands embody healthy genes to start off with.

Many brands from the fast-changing fashion industry to hotels and the slower-changing timepieces and motor brands seem to have lost their sense of soul along with the loss of their founders. Although luxury customers are totally different in outlook, interests and

lifestyle, on top of which they could be at fundamentally different stages of 'luxury evolution', they are all human and all appreciate true authenticity and soul. This is what makes the tools provided, universal. The luxury that we speak of is within the merchant economy thereby excluding nature created by a greater force but rather creations created by humans *for* humans – or even their pets. As such, the book has been designed along the lines of steps similar to those that take place in the development of a love story, although it is far more difficult to understand love that it is to understand brands, just as it is often easier to change our brands than ourselves.

Throughout, this book uncovers some possible reasons for the decline and fall of certain luxury brands, explains the ramifications for high-end businesses, and provides a new framework for branding in this new and challenging climate. Overall it embodies one simple belief that the issues we are dealing with are not as much about branding as they are about *spiritualising* – adding *honesty* and *soul* for sustainable bonding with the client. Nowhere is this truer than in the world of high-end goods, be it fashion, watches, cars, super-yachts, spas or vacation destinations.

It is thanks to the brave brand entrepreneurs who have taken great risks either through a sense of fun, intuition, or even ignorance and greed that we have been able to create such a wealth of knowledge today to use in our brand 'health checks'. The tools enable us to monitor and modify if necessary, our brand's underlying communication messages – about its heritage, personality, skills, social circle, including its heart and soul. In essence, all the personal key brand identity attributes which are designed to form the brand's image DNA in clients' mind.

Ideally this text will become an essential handbook for practitioners who need to know how to start, where they could go wrong or already have gone wrong, and how they can improve the health of their ailing brand. We won't discover these nuances in general branding texts. To most branding authors, the great luxury brands are those that can be measured by the huge income that they generate and the small houses are not even worth a mention, let alone an analysis. A recent book by French authors Kapferer and Bastien, 'The Luxury Strategy' is now the first to highlight how opposite the marketing techniques are for luxury brands and ordinary brands. American texts hardly mention luxury brands, if at all. They focus on mass brands and corporate brands. At best they may refer to Ralph Lauren as being a luxury brand whereas here, only the esteemed American jewellers, Tiffany & Co is considered as a luxury brand at best, but does not qualify as *Haute Luxe*. Haute Luxe is closer to fine art.

No American Luxury brands?

The Tiffany brand, best known for diamonds and its blue outer carton that's gets pulses racing, began as a small stationery and gift shop in New York City in 1837 and does not share the hereditary beginnings of a pure European luxury brand which tends be born out of an authentic passion for creation and not as a means to create wealth. Over time, Tiffany established a reputation for retailing only the finest goods, specialized in Bohemian glass and porcelain and only later began manufacturing its own jewellery. Whatever credibility it may have earned in this sector, it has undermined by marketing itself to all. In luxury, image is everything. Image is more valuable than income.

As one of the founders of brand architectural theory in the early nineties, I can confirm that I always learned more from analysing my competitors than I ever learned the branding academics of our times, with the exception of Jean-Noel Kapferer. As a brand manager there was not one branding book I could turn to for great advice. I have learned most from business and creative visionaries such as Pierre Cardin, Giorgio Armani, Karl Lagerfeld, and entrepreneurs from Virgin's Sir Richard Branson and the late Dame Anita Roddick, founder of The Body Shop through to the niche luxury challengers, Ian Schrager, the Costes brothers (boutique hotels and restaurants), Nicky Kinnaird (Space NK Apothecary), Mourad Mazouz (Momo and Sketch restaurants), Armand and Martine Hadida, (L'eclaireur, fashion concept store) as well as the family-run luxury maisons, the luxury conglomerates, art gallerists, curators, prestige magazine editors and key retail buyers. From Cardin and many others, I have learned perhaps more from their mistakes than from their successes.

I know of no luxury brand founders that had a marketing or branding background other than the contemporary challenger brands. In fact I would like to claim that the greatest brand founders have not come from a business background. Some go by their intuition, others by their sensitivity, many by their passion. They have had to. Brand knowledge was rare. We just had to work it out for ourselves. My rules and theories come about as a result of mostly observational research from the real world. My family made perfumes in France over one hundred years ago so I could not learn anything from them. Living in Paris - after a career of practicing first as a fashion photographer and then after university as a brand marketer in Johannesburg, London and New York – has given me the opportunity to delve into the mysteries of French luxury 'branding' and 'savoire faire'.

What excited me most about the findings was the discovery that it is not only the French seduction techniques that make all the difference to their luxury brands. They do in fact have real depth in their brand stories, as do many Italian luxury brands. They build their brands like trees with deep roots, each providing a strong DNA foundation for future growth and their wonderful creations are simply the flowers on the branches. Beyond that however, the trees are spiritualized, they

are given a heart and a soul, they build an envious reputation which may last for centuries. Deep and meaningful stories add real value. A great old building is normally packed with personalities and stories, as is a work of art. When you see a painting that moves you, don't you want to know more about the artist and the meaning of the work?

The Top Ten Luxury Brands chosen by few

The book grows out of extensive practioner experience, personal interviews with dozens of insider-friends or friends-of-friends such as creators, journalists, experts, managers, buyers, consumers, some in my capacity as a video journalist for fashion and art magazines such as Spoon, Vogue.tv and Artreview.com. The dilemma for this book was deciding on which luxury brands to cover and which product categories -from the wide choice of fashion, bags, timepieces through to hotels, art and other luxury experiences. *"What brand name first came to mind when you saw the words 'luxury brand,"* I asked in an informal web survey of a 'by invitation' networking website 200 executives, well-connected people, fashion-conscious consumers, and sophisticated friends?

Not surprisingly the same brands came up repeatedly with a few unusual lesser-known brands thrown in. The top ten were, in rank order, Hermès, Chanel, Louis Vuitton, Bentley, RollsRoyce, Cartier, Dior, Van Cleef & Arpels, Bulgari, and Gucci. That set the tone of this book and confirmed that fashion-orientated brands, due to their high visibility and newsworthiness tend to remain top-of-mind, yet mixed amongst them we find Rolls Royce and Bentley. As most connect to luxury brands *emotionally,* the first three are examined more than others as they do tend to offer us some of the best examples of certain approaches and are therefore used as benchmarks throughout.

In the process of writing this book, many new 'luxury brand' books began to emerge, both in French and in English. Some were written by luxury house insiders, others were from marketing research practitioners, some by journalists and one from a graduate who made a brave attempt to write an academic text on the subject. Although I found each very useful in its own way, and many had beaten me to publishing certain observations that I had hoped to be the first to make, I was pleased to realise that I no longer felt obliged to write a full textbook or focus on the history of luxury. I could simply zoom in on the important things that are never published, the things that my clients and students really *need* to know regarding *the creation, development and remodification of their luxury brand DNA*, the things they need to communicate, bit-by-bit. So although I will no longer be able to be the first book on luxury branding, it is thanks to those earlier efforts that I was freed to keep this book simple for all to appreciate.

I look forward to the day that this text will be used as a guerrilla warfare cookbook for the emerging economies that will in the future develop the confidence to brand their own ‘savoire faire’ and thereby challenge the established European luxury brands and raise the bar even higher. It’s going to be fun to witness!

Contents

Building Your Brand Love Story

P 16 Author's note **The Future of Luxury Branding**

P 22 Background **Luxury Brand Theory Today**

P 36 *STEP 1* **YOU'RE GORGEOUS**
The rules of immediate attraction

P 61 *STEP 2* **GETTING INTERESTED**
Showing and declaring, receptiveness

P 74 *STEP 3* **GETTING TO KNOW YOU**
Where are you from? Where do you live?

P 92 *STEP 4* **WHO'S IN YOUR PAST?**
Your history, how your got here

P 109 *STEP* 5 **MEET THE FAMILY AND FRIENDS**
Will I like those closest to you?

P 125 *STEP* 6 **ARE WE RIGHT FOR EACH OTHER?**
Time to let the head have its say

P 137 *STEP 7* **CAN I TRUST YOU?**
If it's to be long-term, I need to rely on you

P 152 *STEP 8* **I WANT YOU**
Consuming passions

P 169 *STEP 9* **SOULMATES**
We share many values

P 195 *STEP 10* **I LOVE YOUR TOUCH**
Reassurance. A personal touch throughout.

P 202 STEP 11 **I LOVE YOU!**
I'm committed, happy, totally engaged

P 230 STEP 12 **HAPPILY EVER AFTER**
We will have a relationship beyond my life

The Future Of Luxury Branding

It's time to humanise

"I'm a real person making a real product, not a brand name hiding behind a corporation." Stuart Weitzman – creator of the 'Million Dollar Shoe' http://eng.shoe-icons.com/museum/select_designer.htm

Let it be simply said that if you want to create a powerful luxury brand, don't just *humanise* it, *spiritualise* it – give it soul.

Branding as a discipline can be said to be a creative or social science that can add tremendous value to a business but branding is not about business in itself. A place brand such as a nation, a region or a city is not for sale. It will not appear on balance sheets or stock markets. A non-profit brand does not exist to accumulate profit. Although branding is often seen as a speciality of marketing, not all marketing involves branding. I fail to understand the point of marketing if branding is not involved this includes commodity marketing. I can only assume that it is as a result of ignorance. Branding is about the *reputation* that is being built as a result of a real or perceived competitive advantage, as well as other controllable and uncontrollable activities. Our limitation is that we can only control a brand's reputation to a point. How much control do you have over your own personal reputation? You can only try your best.

By aiming to humanise and even spiritualise a brand it is easier for us to understand how to go about constructing its identity, its personality, its reputation and the reputation of its siblings or family members, normally referred to as sub-brands. Each sibling adds collectively to the reputation of its family, its town, city, region, state or country. It is a holistic process. We try to manage this as best we can but in the end, the brand *image* is only what others perceive it to be, based on what they have seen and heard from you and other sources, as well as in comparison to other brands. This is no different to how our personal image develops in people's minds.

The little book that had the biggest impact on branding knowledge in this respect was 'Positioning' by Al Ries and Jack Trout, a real marketing classic that explains that positioning is a battle for your mind. Positioning is branding as branding is positioning. Logos are simply a graphical element, a symbol or emblem that, together with its logotype (a uniquely set and arranged typeface) represent a trademark or brand and branding is not about designing a logo. The logo comes last, if at all. A brand's image exists only in our minds and we may all have different perceptions of the same brand just as we may all share different perceptions of the same person. We don't all feel the same way about the same person and we can't connect to everyone. It

should come as no surprise then to know that many brands began with the name of their founders. This is because the person's name represents the person, not just in name but also in skills, personality, reputation and everything else that the person represents. The person was the brand and the brand was the person. Why did we stop doing that?

Beyond Positioning

When we speak of positioning, we are really trying to understand where and how people have placed the brand in their minds. In which box emboying which attributes? Too often students think position ing is about high price or low price, high quality or low quality and that's where it stops. That' just the beginning! Positioning takes place on many different levels, attribute by attribute. It is multi-dimensional, multi-faceted with multiple layers - in our own minds. The result is what could be considered the true DNA of a brand – what each of us believes it is, the brand's perceived image as seen by others and this is always done in comparison to something else. Without comparisons we cannot find a position for a brand or a person. Some brands are simply born human and others are created like frankensteins and don't always end up human. Sadly others become dehumanised.

People are looking more for principles for something holistic, soulful and human. By positioning we do not look at 'targeting consumer's needs', we focus on how the brand relates to its customers. Most of these aspects will be covered in greater detail chapter by chapter. It is these very inner details that are considered the most critical success factors, and so often they are the ones overlooked in the branding books and marketing people. They may simply state that branding is about storytelling and the reader goes away thinking about inventing a 'once upon a time' spin to weave out for its customers. No, forget about simple *storytelling* and think about real *substance* grounded in truth. How would you feel about your partner if you found out that everything they had told you about their past was fabricated or they had nothing to say about themselves at all? If you want us to trust you or your brand, tell the truth, tell us more and stay true. If we are really interested we want to know more.

We love unusual stories such as the one about the homeless guy who began to make high-end bags from discarded old luxury brands bags – I just made it up, but wouldn't it be great if it were true? It's different and interestingly newsworthy. We also love to see the most arrogant old luxury brands challenged by new sexy niche brands, and the new challenged by the revitalised old luxury brands. We simply ask for passion and authenticity. The days of bluffing are over. We are too smart to bite. In fact we are 'luxed out' and even the term luxury no longer feels special. "Today, luxury is available to anyone, anywhere, at any price" Dana Thomas (X) stated in her book *Deluxe: How Luxury*

Lost its Lustre. "It has lost its integrity, undermined its products, tarnished its history, and hoodwinked its customers. In order to make luxury 'accessible', tycoons have stripped away all that has made it special".

The days of uniformity and sameness are over" states Uche Okonkwo in her first book *Luxury Fashion* Brands (a worthwhile read for anyone entering the business) and goes on to state that "mass customization and bespoke services should form an important part of every luxury brand's strategy, package and communications".
Mass customisation? Bespoke should mean *personal* as in 'this crocodile skin has *been spoken* for' i.e has been reserved for one person. If we are back to bespoke services, then luxury has done a full circle and returned to its roots. How can the big brands respond to this? How can the small survive on bespoke? One of the greatest challenges in luxury branding remains that of creating wealth without destroying image.

The following chapters serve to uncover the critical success factors as well as the image destruction factors that need to be taken into consideration when creating and developing a luxury brand.

"Luxed out"

"Forget haute couture handbags; those were commoditized years ago. Custom-made yachts? A dime a dozen in chic ports. Even the purveyors of luxury themselves seem a bit bored by it all," says Newsweek, (p48) "Isn't anything truly exclusive anymore?"

"I no longer buy Vuitton," states Mariella (not her real name), a wealthy Italian with her own luxury fashion and accessory store in Monaco, " I've defected to Goyard". " I no longer feel that Vuitton is luxury", she adds. " Too many people now have it, real or fake, I don't care, but I would not be seen dead with a Vuitton bag and have given all of mine away to friends as gifts, except for the personalised ones which just lie in my cupboard".

Mariella was not the first that I came across in my research to express that view. Other Europeans and North Americans were saying the same things. "I'm dreaming of a Goyard bag myself," said my friend who is a senior manager at Hermès, adding that "luxury is not about handbags, which are just accessories and therefore accessible, and that includes bespoke bags." What used to be luxury is now being considered *mass*. After years of unprecedented global wealth creation – there are now some 9,5 million millionaires, according to the11th edition of the Merrill Lynch-Capgemeni World Wealth Report, and most of the new millionaires are from Asia or the Middle East. A new mass market of world millionaires has emerged.

Not that there is much going on in the EU or North America these days, especially with the recent market turmoil. The big growth is coming from the emerging economies such as Russia, Asia, the Middle East, India and Brazil, amongst others. For years, Japan represented the world's largest consumer of luxury goods, with 41 percent of the market for luxury brand goods. Now, China is expected, according to Ernst & Young, to surpass the United States in second position within the decade. The China Brand Association estimates that 13 percent of China's population buy premium brands – as many as 170 million people (3).

For the most part, say Chadha and Husband (p65) "the brands Asians choose are European. French ones like Louis Vuitton, Hermès, Chanel and Cartier. Italian ones like Gucci, Prada, Armani and Zegna. British ones like Burberry and Dunhill. Swiss ones like Rolex and Bally. American brands have had limited influence on the Asian scene so far, the one exception being Tiffany. Not only are the new wealthy from these emerging economies buying luxury goods on a level never seen before, some, such as the South Korean electronics conglomerate, LG Group are actively seeking luxury fashion acquisitions in France. The emerging countries still need to reach a point of confidence to compete with the best and to believe that they can equal, if not improve on luxury made the West. Japan has already shown the way.

Asia, and Japan in particular, could be said to have been the first to explode in demand for luxury brands in the nineties, but now Hong Kong, Singapore, Taiwan, South Korea, China and India are in hot pursuit. In 'The cult of the luxury brand (2007)', authors Radha Chadha and Paul Husband investigate the *luxplosion* taking place in Asia, and estimate that "there will be over 50 million luxury brand consumers in Asia by 2010(p284). With the emergence of this large-scale cult," they add, "the very definition of luxury will have changed forever – this state of too much luxe in too many hands will engender a reaction in the opposite direction – a search for the exclusive, not-for-everybody version, allowing élite customers to distance themselves from the well-healed mass market."

They were right. It's happened. It is not just Europeans and North Americans that are beginning to defect from the better-known luxury brands. The Asian elite is heading the same way. The phenomenon is global, reaching almost every nation. This extraordinary growth is luring luxury brands into cashing in by offering 'affordable' luxury products to the new middle classes as well as offering super-expensive one-off bespoke pieces to the wealthiest. Traditional haute couture brands, such as Givenchy, are benefiting too. They now have at least 30 customers as opposed to only 5 a few years back(x). Their clients include Queen Rania, young princesses and wealthy young Russians as well as a few celebrities, but to purists, Givenchy is no

longer a true luxury house because its creative head, Riccardo Tisci is not himself accepted as having risen to the rank of Haute Couture. The maison earned the accolade, not the designer.

New Luxury, Old Luxury is now meaningless

Categorising luxury has become a tricky business in itself. Silverstein and Fiske introduced the notion of New Luxury versus Old Luxury in their book,'Trading Up' (2003) describing Old Luxury as being about exclusivity, aloofness, expensive, handmade and elitist whilst New Luxury is considered to be engaging, affordable, premium, mass artisanal and value driven. Danziger in her book, 'Let them eat cake' states "the natural evolution of all luxury concepts is from class to mass". The reality is that every country has its own trend, customers trade both up and down and brands expand both up and down. True luxury, named *Haute Luxe* in this text, does not. This text prefers to differentiate between *Haute Luxe* and Luxury Brand. It goes further to argue that once *Haute Luxe* becomes accessible, it becomes a *brand*, albeit a *Luxury Brand.* Both new and old luxury brands can become Haute Luxe just as those in Haute Luxe can drop down to Luxury Brand.

While the new world is moving towards luxury brands, the old world seems to be moving away from them, out of *brand*! If Goyard becomes too popular, and it already is, it risks being dumped for something more discreet such as Pinel & Pinel. As mentioned earlier, for luxury brand owners it is always a delicate balance between Image and Income. Fame and fortune tend to pull in opposite directions. To an extent, the more it is famous, the less it is discreet, but we cannot argue that the more the luxury becomes a known brand, the less it is perceived as luxury, because Rolls Royce is both famous and discreet. Over-exposure is a greater threat than fame. If one of ten cars were to be a Rolls Royce, its image would be tarnished.

New notions of what is luxurious are not about brands or even money, but about experience, rarity and wonder. It becomes about what people don't know," wrote FT's fashion editor, Vanessa Friedman (8 Sept 07).

L'Eclaireur, whose name can be translated from French as "the pathfinder" or "one that leads the way" has become a destination spot for the most discerning 'fashionistas'. In the fashion world L'Eclaireur was the first store that dared and succeeded in launching designers like Comme des Garcons, Dries van Noten, Helmut Lang, Anne Demeulemeester and mixing them with Vivienne Westwood, Costume National, Missoni, and Alexander McQueen. Owners Armand and Martine Hadida only take on brands that have a personal story to tell and are of the finest quality, and have been created by 'visionaires'. Armand Hadida explains that for him its all about passion and

pleasure. Once these names become brands, for him, “it’s finished. They think only about the money, and then I don’t have any respect”. Commerciality is not a consideration when l'Eclaireur buys.

Take any issue of the trend-setting Parisian magazine ‘Palace Costes’ produced for the exclusive Costes boutique hotel and restaurant affiliates, and you will find at least half the magazine packed with interviews of what they call ‘Artisans créateurs” or ‘talents’ which cover the rising stars of luxury. These people are talented individuals creating amazing luxury goods but are not as yet considered *brands*. As is the case with l'Eclaireur, the magazine’s niche is to *discover talents*- just as a contemporary art gallerist may discover new artists - and present them to their exclusive readership that needs to be ‘in the know’. Fashion stores with the most caché in Paris these days seem to be the ‘multi-brand’ stores such as l'Eclaireur, Colette and Maria Louisa in Paris that ‘discover’ emerging fashion talents and not the faceless mono-brand superstores and traditional department stores.

The emergence of the ‘luxury brand’ has driven real luxury undercover and in fact stimulated the re-emergence of true artisanal luxury and an appreciation of it. Luxury in Europe has entered the Era of the *Visionaire* and return of the ateliers (workshops). True Luxury then, should not be *known* to all, or at least not *available* to all, and most importantly, not be perceived as *made for the money*. High luxury, as with high art, must be derived out of pure passion – the passion to create, the drive for perfection, coupled with vision and pride. We should *feel* the passion in the work. We should feel that it has soul.

1
Background: Luxury Brand Theory Today

We live in an age in which luxury is highly sought after. Niche brands are launching daily and competition is fiercer than ever before. On one level, the traditional heritage brands are under constant attack yet many that have remained unchanged and unadvertised seem to be attracting more attention than ever. What can the established brands do to protect themselves from the new and what can the new do to compete against the established brands? What are the critical success factors of luxury brands today? Is it exclusivity, rarity, high price, good taste, heritage, exceptional quality, craftsmanship, expertise, culture?

Until now, there has been relatively no academic literature on luxury brands. At best, we find a few pages on the world's number one luxury conglomerate, Louis Vuitton Moet Hennessey (LVMH) and comments are mostly to do with luxury pricing. Maybe this is because branding has commonly been considered an American idea and American brand heritage has more to do with mass brands than with luxury brands. When we think about American brands, we may first think of Coca Cola, McDonald's and Starbucks with perhaps a few ailing automobile brands that we loved in the golden age of Americana thrown in.

The French branding textbooks tend to be the only ones to touch on luxury as a speciality, but until recently, not more than a few pages are given to the field. Not surprising considering that Luxury brands have been as much part of French heritage as has city branding, regional branding and nation branding. The French have turned France, the Champagne region and Paris in particular, into luxury brands. It's quite odd considering Paris is reputed as a place where "service is rude" (X) and that's certainly not what we a luxury experience should be.

The French authors happen to propose similar branding models for French (old luxury) brands such as Dior, Chanel and Givenchy and seem to agree on the same models to explain American (new luxury) brands such as Ralph Lauren and how they differ to the French business model. The French (Luxury Pyramid) model is seen to apply to brands with *history* behind them, and the American (Constellation) model consisting of brands with fictitious *stories* behind them.

The two tend to be defined as follows:

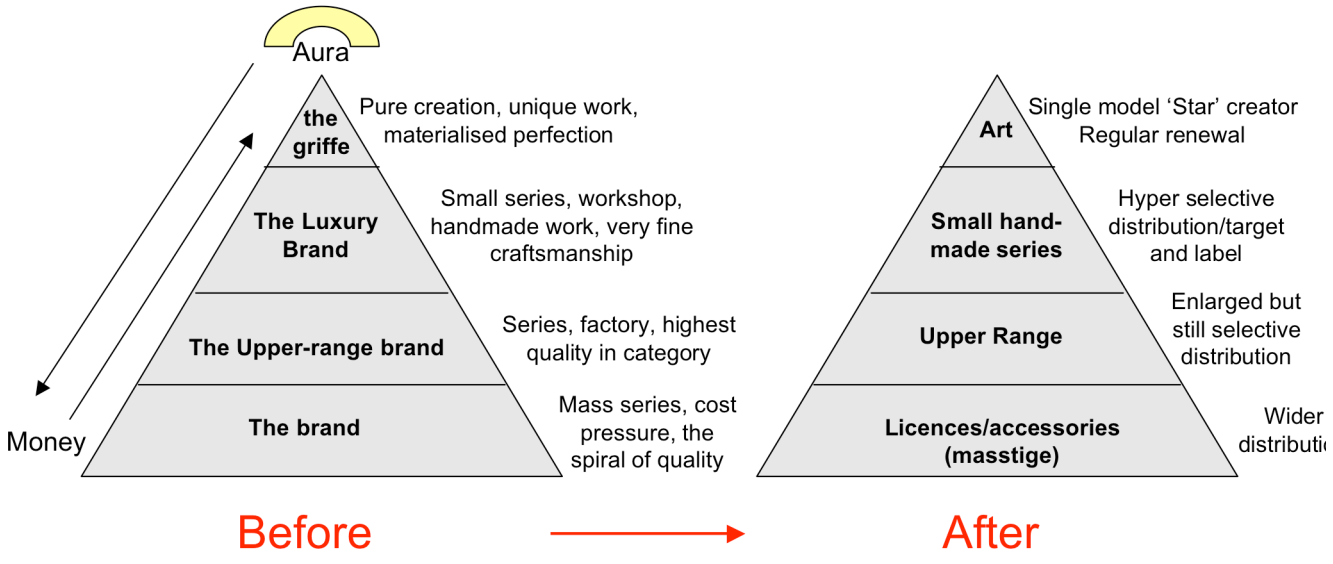
The Griffe and its Aura

The French Luxury Pyramid approach

In *The New Strategic Brand Management,* author and academic Jean-Noel Kapferer (x) explains that "at the top of the pyramid, there is the *griffe* – the creator's signature engraved on a unique work". The theory goes as follows: reputation and image is built by this *griffe* (or 'talent') that in fashion would entail, haute couture bespoke work. As it is considered difficult to sustain a business based on a few one-to-one client pieces, the *griffe* is forced to diffuse its reputation to a wider audience in the form of say fragrances in order to generate income, which can be spent on reinforcing the image of the *griffe* and thus enhancing its *aura* so that it will continue to add 'reputational' value to the lower-priced diffusion lines.

By this logic, the more the products using the reputation of the *griffe* move towards high production, the more it moves towards *brand*. As such, Kapferer makes clear distinctions between a *griffe*, a *luxury brand*, an *upper-range brand* and a *brand*.

The Luxury Pyramid model



Jean-Noel Kapferer, *The New Strategic Brand Management (4th ed) 2008*

Kapferer, J.N and Bastien, V, *The Luxury Strategy 2009*

In a more recent book, The Luxury Strategy, co-authors Kapferer and Bastien drop the word 'griffe' off the top of the pyramid model and replace it with the word 'art'. The term luxury brand´ is replaced by the words 'small hand-made series' followed by 'upper range'and 'licenses-accessories (masstige)'. In other words, *all levels* now fall under the category of Luxury Brand, which is technically correct because the big luxury brands of today *have* very much spread themselves from top to bottom to the extent that the term luxury brand now really *does* imply everything from high luxury to a mass-appeal brand all-in-one. This is precisely why luxury lovers now seek Haute Luxe!

Haute Luxe adheres more to the original luxury pyramid model than the current one which not only has rare or unique creative works, made by hand, at the top, but a real living creator-founder as the star. It cannot be 'art' if an artist is not making it and an artisan is not an artist. A 'star creator' is a wonderful replacement for the original star creator whose griffe is found on the creations but will always remain a replacement. Can Picasso's offspring continue to paint Picasso's with any authenticity? The aspect of aura is crucial. It implies a halo effect. Saints have halos. Can anyone stand in for them? No matter how talented the star replacement creator is, that star is working for a brand, within an existing universe and under the griffe of the originator. Some may even be more talented than the original griffe-person but it will never be the same griffe. Christian Dior has been a phenomenal success as Dior with Galliano behind it, but is it the same house?

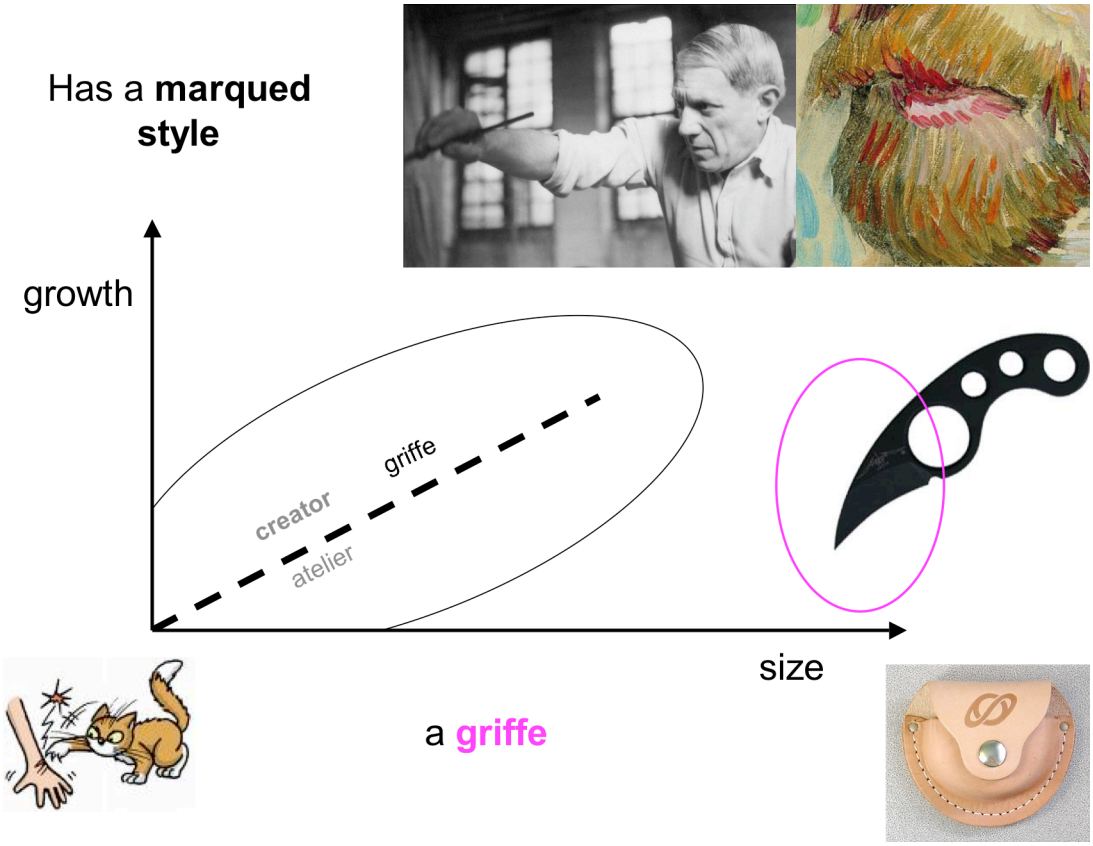
Chanel has been a huge success under Karl Lagerfeld and certainly does *feel* like the same house to the extent that it's hard for us to believe that Chanel has passed away. Hermès never really had a star creator. Thierry Hermès first established Hermès as a harness workshop but was he an artisan himself? Many founders were not but they represented a culture of perfection within a defined universe that was passed down from generation to generation. That perfect item could be considered art by some, but was made by artisans whose know-how was passed down from generation to generation remaining consistently high-end. Although Hermès fragrances and scarves are less expensive than their saddlery and bags, they are conscious about retaining top artisans in every field such as an in-house perfumer to create their fragrances, their own watch-makers for timepieces and so on, and do not go as far down as licensing. Each category could be said to have its own pyramid. Their *savoire-faire* (know-how), culture and universe is their griffe and this has been passed down through generations of the Hermès family. So clearly the rules are different for every maison. What really counts are their clients' perceptions of their house.

"People tend to make a global judgement about a brand, consciously or unconsciously. When you ask them questions about a brand they are very close to, they give positive answers to all the questions, with some slight adjustments around a generally high score" says renowned market researcher Kevin Ford. "Many perceptions people express are actually acts of faith rather than careful evaluations."

Marie-Claude Sicard, another respected French luxury brand author, uses exactly the original pyramid model in her book, *Luxe, Mensonges & Marketing* but instead of the word *griffe*, she uses the expression, 'Le Roi Soleil', a term once applied to Louis XIV, or Louis the Grand Monarch, also known as The Sun King (king of France). A supreme position occupied by a sole person. Edward VII once proclaimed Louis Cartier 'the jeweller of kings...for the king of jewellers' as Charles Lewis Tiffany, founder of Tiffany & Co, was dubbed "the King of Diamonds" by New York City newspapers. In other words, the griffe is the star, the sun, the god of the brand universe.

Most important to note is that the word *brand* at the bottom of the pyramid, is seen to represent *mass*, something common, available to all. This is important to note. The young Paris-based author Okonkwo states that this French hierarchy has lost its relevance in the current market environment and instead offers a simple pyramid with Upper Class at the top, followed by Middle Class and then Lower class at the bottom. Unfortunately this approach tends to blend Haute Luxe and Luxury Brands into one category and *it is here where segmentation is in fact highly necessary, especially with regards to the personal touch represented by term griffe.*

Kapferer feels that the *griffe* concept cannot be translated into English in its exact meaning. Technically it is derived from the metal claw used by craftsmen to scratch into leather but the word is less commonly used to describe the tool than the mark that is made from it. The French know what *griffe* means but struggle to explain it to non-French. A dictionary will offer 'claw' or 'signature' as a translation. It is and it is not. The closest meaning that I can find in English is the term, 'brush-stroke'. An art expert can tell an original Van Gogh signed or unsigned, by its brush-stroke. We could also use the word 'touch' as in 'the French touch', the personal touch. So to have a *griffe*, we need a creator, a *person* - not a factory.



It's a unique form of mark that only one person, the originator, can do. As with a great painting, the best silk scarf in China can theoretically be traced back to an exact village and an exact person or group in that village. This is what many luxury brands were and are still, born with. No *griffe*, easier to imitate. Otherwise it is simply an industrial brand born in an industrialised factory rather than in a workshop. Faceless. No personal touch involved.

"Griffe is an old fashioned word and it's aggressive. I never use it," says Armand Hadida from L'Eclaireur. Griffe is now seen as a very seventies word not very used anymore because the word *brand* has come into play but I'd like to show that they are not the same thing and that by losing the word *griffe*, we lose a detail that could make all the difference in the luxury brand. The word *degriffe* is still used and normally means items that were not approved in their finished form by the designer due to a defect or something, so the label was removed and the item put on sale. In this context, *griffe* implies the physical label. Hermes' Christian Blanckaert, author of "Luxe" tends to use the word *signé* (signed), meaning signed-off, approved.

In French, the term *griffe,* is often used as an elegant way to refer to a luxury brand instead of the using the description *marque,* especially when it comes to fashion brands. It never means just brand. It's just that the words *brand* and *marque* tend to imply cheap and mass. Yet in English, the word 'marque' tends to be used as a compliment,

interchangeably with the term 'badge' when referring to an automobile brand. So *marque* is prestigious than *brand*. Even the term *luxury brand* sounds 'mass' due to the inclusion of the word *brand.* Surely then we should speak of *luxury marques* and not *luxury brands*. It is this subtlety that gave rise to my curiosity to investigate what further *meaning* the terms *griffe, maison, marque* and *brand* really have. It is here where we begin to discover new luxury segments.

For now, what is important to note is that the French theorists draw a line between the *griffe* and the luxury brand. The luxury brand is lower down on the image hierarchy to that of the personal touch of *griffe*, yet we have noted that some of the most discerning luxury shoppers have been defecting from the Louis Vuitton luxury brand which has Marc Jacobs as a stand-in *griffe* whilst arch-rival Goyard has no known stand-in *person-as-griffe* that we are aware of. Surely this must imply that tradition, heritage, or the small workshop production is what really qualifies as *griffe* in the consumer's mind but will the addition of a star designer serve to raise the brand's image?

Does limited distribution and discretion add to or equal the status of *griffe?* Is it personalisation that should be at the top of the pyramid instead of the term griffe? If so it means that it is we, the consumers, who want to be at the top of the pyramid. Is the client the star? That sounds like a Dove syndet approach. Of course, even to a great artist the client commissioning the work may be a star but the client has selected the artist for his or her talents. For now, we can only conclude that it is very useful to be conscious of *what* or *who* our griffe is and to *protect its integrity and invest in its aura.*

Dana Thomas believes that it was since Yves St. Laurent that this pyramid model came into play: "made-to-order couture on the top for the truly rich, ready-to-wear by the same designers for the middle class, and a broad array of fragrances and accessories for those at the bottom. "With the advent of licensing names" she states, "the fragrance business began to grow (became mass), and couture diminished rapidly". In other words, that licensing killed couture when in fact it was meant to subsidise it!

Thomas' view partly helps us to understand why the image of the Pierre Cardin brand crashed over the years because today the brand is more associated to Cardin's cheaper licensing activities at the bottom of the pyramid than to his Couture work at the top, yet Cardin, the person, is still alive and could still choose to exclusively promote his Haute Couture reputation should he wish. The pyramid model, simply shows us where the brand can go to seek additional income but it should be also be used to manage the brand's identity. We recognise that the Cardin griffe no longer has an aura and is associated with cheap products so it obviously needs to focus on regaining its aura along with Cardin's talents for Haute Couture. It's also important for

us to note that the pyramid model is the only luxury brand model that French luxury professionals have been working with to date.

Concept is King

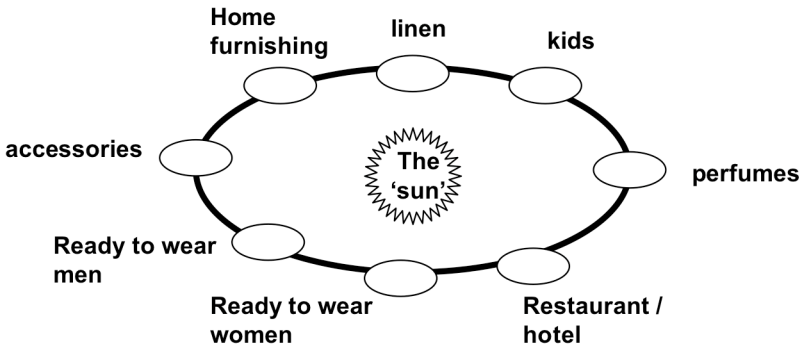
The American ('galaxy') Model

This so-called American model (shown in Kapferer) actually seems to refer more to Ralph Lauren and perhaps Calvin Klein than to the iconic American 'old luxury' Tiffany brand. Interestingly, it is a model that we don't find in American literature, so it's possible that it only represents the French vision of what Americans consider to be luxury brands.

Neither Ralph Lauren nor Calvin Klein began with an haute couture maison. They started as business ideas rather than with bespoke 'creations', and then added branding concepts.

Calvin Richard Klein spent his Brooklyn, New York childhood designing, sketching and sewing fashionable outfits for women and eventually earned himself scholarships to both the New York High School of Art and Design; and the Fashion Institute of Technology at a time when America's tastes were just emerging as original tastes from an uniquely American experience, rather than a copy of the European masters. His childhood friend Barry Schwartz believed in him to the extent that he supplied the business acumen while Calvin supplied the creativity. Their first products were coats for women and men that they sold through their shop in the York Hotel.

Ralph Lauren, born Ralph Lifshitz in the Bronx, New York, studied art and design at the City College of New York and business at City College in Manhattan. A student by night, he worked for a necktie manufacturer during the day. Lauren's experience in the necktie market led him to think "why not make them wider?" With his tie designs and a $50,000 loan, Lauren founded the company Polo Fashions in 1967. "Polo has taken an unusual path to luxury," says Liz Dunn, a retail analyst at Thomas Weisel Partners. "They didn't start with $3,000 ball gowns. Most luxury-goods companies start at the high end, and then they filter their brand downstream and do diffusion lines, which they look at as a necessary evil. But Ralph Lauren strives to be excellent at every price point. They are maniacal in their focus on every category." Ralph Lauren once said, "I don't design clothes, I design dreams." Clearly his brand universe is based on re-packaging traditional English style for an American audience.



With this 'Ralph Lauren' approach, the brand universe is thought out and defined first. All brand extensions are considered equal and are planned from day one. Concept precedes brand. The concept is developed in a way as to be able to succeed across many product categories as opposed to specialising primarily in one field such as fashion. At the centre is the brand ideal playing the major role as the sun does in our solar system, while all brand extensions are around it, each having an equal importance and each is intended to add equally to the dream, the reputation and core 'DNA' of that brand. As Marie-Claude Sicard points out, this universe is a vision of the world as seen by a 'designer' and not a 'creator' (p79). To the French, this difference is enormous. In the English-speaking world, the descriptions of 'creator' or 'visionary' are not used to differentiate from the terms 'designer' or 'fashion designer' in a hierarchical manner.

The secret of Ralph Lauren 's success is his unique skill set. To call Lauren a designer would be only partly accurate, for he also thinks like a brand manager, a merchant, and a customer. He doesn't sketch and never attended fashion school. Instead, when he "designs," he acts

more like a filmmaker. He sees the movie for his collections in his head, and he tells his design team the narrative for which they're expected to create costumes. The story is the universe and it has no hierarchical structure. It is interesting to note that in line with the Luxury brand Pyramid Model, French society too is traditionally hierarchical (pyramid-shaped) whilst American society has been built on a flatter, egalitarian structure. Likewise, French perfumes tend to have a pyramidal structure consisting of a top note which we smell on impact, a heart note in the middle and a base note which we smell on dry-down whilst America Lauder-type fragrances are considered linear – what you smell on impact remains the same hours later.

Branding from Storytelling

To Americans, branding is about storytelling. “Think about your brand as a country with its own language, ceremony and customs”, Adrienne Weiss (BRANDING THE HEART: CONNECTING WITH CONSUMERS) advises. “You have to create it with great intention. Think about the big idea at the heart of your business. There wouldn't be a business if there wasn't a big idea. It's something spirited, or funny, or romantic. Give it words and pictures and create a brand bible. This becomes the filter of your business, the emotional reason people are buying your products or going to your store. What would our packaging, point-of-sale, store, uniforms, advertising, architecture, parking lot look like if they went through this filter? You want to talk about how great your store is, how great your product is, but the consumer doesn't care about that. The consumer is asking the question, 'What's in it for me?' So it's about storytelling. And the story drives everything you do." To marketers, it’s not the designer who is king but the consumer, and ‘the story’ is just a ‘hook’.

The story is designed to be a well thought-through universe that should be self-sustaining and not dependent on the life and existence of its founder. Kapferer argues that the downside of this model is that brands based on this structure have yet to demonstrate their ability to endure and survive beyond the death of their founders (Kap p69). This comment however, could be seen to apply to all brands that are still driven by their founders, from Virgin through to Cardin. The real problem with this *story* approach is that there is rarely enough depth to a made-up story. When the story is based on a real person, it should leave more room for it to evolve forever. The Virgin brand embodies the values and ideologies of Richard Branson and this culture is a belief system that Virgin staff and clients love. Its not a fake story and thereby should stand the test of time. As in real life, a story can help to seduce someone, but a relationship over time needs some real depth, truth, integrity, nurturing and respect. And it needs to evolve. The challenge lies more with finding ways to evolve a story that has already been defined from the beginning to the end.

Rugby by Ralph Lauren

Why Lauren created his more recent Rugby line is a case in point. At his New Canaan, Connecticut store Lauren made an observation that would add a new chapter to his legacy. The mothers were leaving with shopping bags, he noticed, but the daughters were exiting either empty-handed or with just a shirt for their dad or boyfriend. As Lauren stared at this demographic segment that had evaded his $4 billion fashion empire, he was inspired to develop a completely new brand of clothing, named Rugby, to be sold through its own retail spaces, which would look like a combination of Hogwarts and a Harvard final club. "I felt we were not connecting as much to young people from 14 to 29, so I created Rugby, which is more irreverent and schoolboy in feel than Polo," he told Fortune magazine.
http://money.cnn.com/2007/08/29/magazines/fortune/Its_Ralphs_World.fortune/index.htm

Lauren quietly opened the first Rugby store in 2004 on Boston's Newbury Street, stocked with an inventory whose connection with him is betrayed only by the initials RL (price for the basic Rugby shirt: $68). Rather than heavily advertise the nascent brand, Lauren let word of mouth build it. Nine stores have been opened in places ranging from Palo Alto to New York City's Greenwich Village, with several more coming. This is classic Ralph Lauren. Not just the clothes, but the man. Anyone who assumed the Polo founder was a one-trick pony, a billionaire satisfied to license away his famous name and retire to his string of estates from Telluride, Colo., to Round Hill, Jamaica, doesn't know what makes Ralph run. He sees himself as a visionary who hopes to leave behind an iconic American company as his legacy.

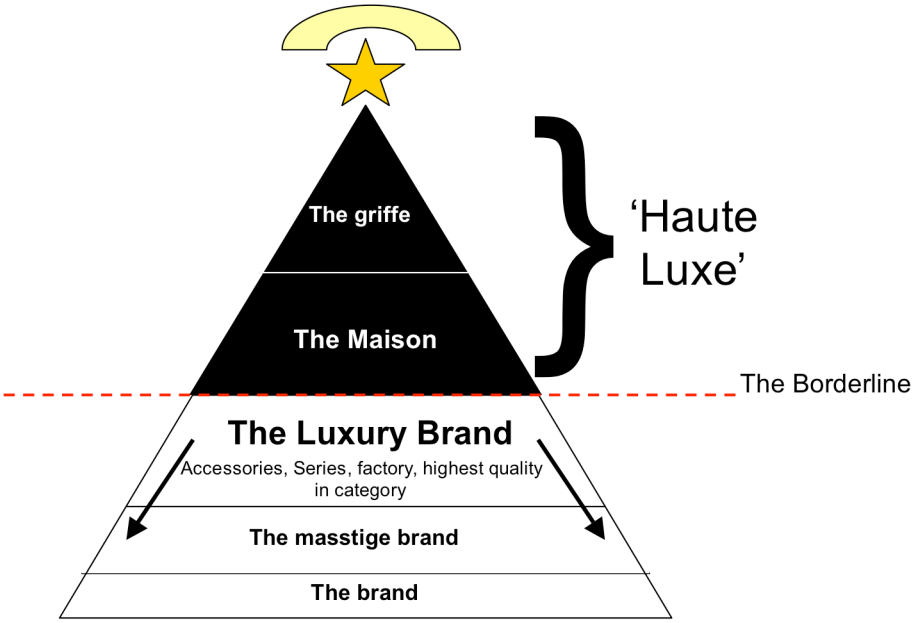
With the American satellite model, there is no danger of being short of income due to selling few bespoke items, but then it never attains the high level of *griffe*. With the European pyramid model, its financial base lies at the bottom where the licensing and brand extensions are taking place to bring in the cash to fund the *griffe*-creativity and its aura at the top because the more the brand is bought (at the bottom), the more its aura image needs protection from a mass image contamination. Even Ralph Lauren has suffered from over-licensing. Back in 1997 the Ralph Lauren name and the pony logo were appearing on too many low-end products thereby debasing the company's cachet. (Ralph would later describe this moment to a colleague as a time when Polo was "resting on its Laurens.") The stock was in the doldrums too. “So the designer went out and hired a murderer's row of fashion and finance executives, who helped him transform Polo Ralph Lauren from a company that relied on licensing, department store sales, and factory outlets to one with a growing luxury retail business. And how they evolved the company's business model while rebuilding its brand is an instructive tale for anyone who seeks to profit at the intersection of art and commerce.” (x)

The *griffe's* territory is clearly that of pure creation (Kap p254) and creative power. Its world of reference is art – the ideal behind a *griffe* is a unique work of art that can never be reproduced. It must be an authority in its field. Here is where the 'creator' is considered to be in the realm of art and not mere design. Each fashion show is a pure artistic event and the idea of a creator with an aura resembles that of saints with their auras. How much higher can a mere mortal go? When the brand does not carry the name of the deity behind the creation and opts for a made up name, it could give the feeling that one story is fake and the other is real. Connoisseurs do not like fake bags, just as they do not like fake stories. Ralph Lauren was on the mark when he put his name first, implying luxury.

Beyond the Borderline

For consumers, the lines between the French and American models are blurred. Armani is cosidered to use both models simultaneously. Consumers do not speak of *griffe* or sun. They may simply see a star designer, a celebrity or a supermodel as the 'face' of the brand. They may consider Ralph Lauren a designer in the same way as they see John Galliano or Giorgio Armani as designers. They see a person's *name.* At the most basic level, the name implies *griffe,* a creative person at the helm, a face, not a fictional story. A face that they can connect to, that embodies an entire lifestyle and a philosophy, not a faceless industrial corporation. These existing luxury brand models are useful to practitioners but they do give the impression that if one has no real skills or history, then concept or story is the way to go. In other words, people either buy into real authenticity (true luxury) and if they don't know any better, they buy into a story concept (brand).

The harsh reality is a little different to that reflected in these models. While customers have been trading up, luxury has been trading down or at least promoting itself to a wider audience and stretching its image downwards to cover a much wider audience from top to bottom as shown in the Kapferer & Bastien model, but their original clients are simply defecting to brands that have not gone beyond the luxury threshold of the maison as shown in the model below. Those trading up are trading up and out of the big luxury brands into the intimate maison brands that have retained integrity and have remained within the realms of high luxury, resisting the temptations of greater income levels from the aspiring classes. The luxury market is becoming more obviously divided between the Haute Luxe and Luxury Brands. These maisons and above are what we term 'haute luxe' and it is they that form the focus of this book. The defection of customers from the big luxury brands is giving rise to a whole host of niche luxury challengers from all places in the world.



The Haute Luxe Pyramid

For the big luxury brands it's time for a rethink. When the world started coming to an end in October 2008 we all started wondering which luxury brands will survive this crisis. Clearly some will suffer and the first signs of this were shown at the recent Paris Motor show. Rolls Royce achieved higher sales than the previous year whereas the middle luxury brands such as BMW, Chrysler and others down to the mass brands were laying off workers. The most authentic luxury brands are expected to survive the credit crunch. The luxury brands that are more marketed and more accessible, especially to the aspiring masses, are expected to suffer the most worldwide. Even the new wealthy – who are expected to suffer least – have become connoisseurs and will continue to buy contemporary art and Haute Luxe items. They will continue to demand custom-made items from the ateliers and will serve to create more employment for talented creators and craftspeople.

What is ironic is that the Marxist dream of workers being away from machines and making their own items from start to finish, is being realised by the luxury industry thanks to their customers' demands. The days of 'Greed is Good' are over, as is the vulgar display of wealth. Discreet is in, as is diversity, compassion, and generosity. The true luxury brands are generous. They always surprise by giving more than

you expect when you buy the product. The giving now needs to go even further. Giving something back to the planet or the community or both. Your brand is expected to have a heart and a soul, a culture and a code of ethics. Collaborations with artists, artisans and non-profit organisations can help if done with pleasure and integrity not as a marketing ploy. We are entering an era of philanthropy and social responsibility but few luxury brands, if any, are seen to have a social consciousness and seem less concerned with today's social issues such as global warming, child labour, sweat shops, and animal rights in particular and *these are issues that are very important to the new generations (wealthy or not).* You cannot expect your customers to love you if they don't respect you. It's time to re-examine your brand's DNA, enhance its culture and convey the meaningful and personal attributes that will help it survive the test of time.

STEP 1

You're gorgeous

The rules of immediate attraction

It's great to discover a person by seeing them first. The first impact counts a lot. We normally discover a brand by seeing its product first. Just as with love-at-first-sight, we *feel* "Wow!" That word, made more famous by author Tom Peters as a result of his successful book with that title, is fantastic. It sums up surprise, delight, discovery, excitement, desire and even more powerful emotions, all at once. "Wow!"The word could even be considered to carry a "I want it now!" tag on the back of it. The dream of living with the item has been instantly born.

This is crucial to a luxury brand. Most brand books will tell you that the first step in a brand's life is 'awareness' i.e. you must become aware of it for it to begin to live in your mind. It normally implies TV followed by other media. Not with luxury. Luxury is more reliant on impact – high impact. TV is traditionally considered the best medium for creating awareness however if it's on TV, it implies an attempt to seduce the masses. TV is populist and the opposite of discreet. Most luxury brands begin their lives with a great product that attracts you immediately through some 'wow' point of difference. If you are attracted enough, you may want to know more about it such as its name and who made it, but it more likely begins with "Wow! I love it, I want it, where can I get it?" or seen in a humanised way, "wow! She's gorgeous, how can I meet her?" Attraction creates interest. The AIDA (attention, interest, desire, action) theory never goes out of date.

Wow! Who is that? Who are you?

When you meet someone for the first time, it normally comes with a 'who are you?' question in mind. This could simply mean name and origin i.e "This is Yves, he's from Paris" but often it means 'what does he do? (job or status). In other words, name and expertise come together. "Questions North Americans consider polite, to the point of being banal, are sometimes considered rude in France – especially What do you do? or What is your name?" say Nadeau & Barlow in their book, *Sixty million Frenchman can't be wrong: Why we love France but not the French* (x). "We (the French) had learned that you should extract names and occupations indirectly by talking about other things like politics, culture, arts or anything related to food." But these are the kinds of things that people will subconsciously ask of your brand.

What is your brand name? What is your brand's specialisation? What universe and values does it represent? "What do you do?" can also mean, "What can you do for me?" or "how important are you?" It's exactly the same process when it comes to your brand. Your potential

client wants to know – Who are you, where are you from, what do you do, where do you live, can I trust you? – all at once. This is particularly important for the luxury brand. Who are you and what specialist talent do you have? Why are you special? Why do I need to know you?

Not surprisingly, the retail specialist stores of old used to have the family name and purpose of the store on the signage for instance JOHN HATT, Milliner. Just as you would introduce a colleague or a friend for the first time, you too need to introduce your brand. "This is Louis, he's the King's trunk-maker". Aristocratic titles tend to do this all in one i.e "May I introduce you to His Royal Highness, The Prince of Wales" – status and place precedes mention of first and last name. *Awareness* then is clearly insufficient in itself, its more a question of awareness *of what* your brand represents. Business cards play the same role. Positioning, points of difference, unique selling propositions and all the rest of it needs to be introduced in a nutshell. We are less interested in knowing a brand's name without knowing what it means, does, or stands for unless the 'wow!' factor has already caused a personal, memorable experience to happen and incited our curiosity to know more.

When the creator's name is presented with the product or creation, we feel that a true personal touch must've been applied. When we hear a made-up brand name, no matter how trendy or prestigious, It feels like an industrial brand unless 'by (creator name) is added. As much as we may seek discreet brands, we still like to feel that they are known and respected by those in the know. Unlike in the mass market where a brand will be advertised on TV to gain immediate awareness, a luxury brand does not want to be seen chasing after everyone and anyone. It does not wish to be seen as chasing after money either. It needs to be discreet and prefers to be 'discovered". The same can be said for art. Ideally the work will stop you in your tracks and you will be thinking, "wow! who is the artist?" It's always easier when someone *wants* to meet you first. The same applies to your brand. Here's where the *who* becomes of interest.

A true Wow! story

"Wow!" I thought, stopping on page 103 of the July/August issue of my favourite Parisian magazine, Palace Costes, formally known as Palace. Created for the now infamous Parisian hotel on the Rue Fouberg St Honore just off Place Vendome, the heart of the high jewellery in the city. The magazine has since its inception, been my most important source of reference for discovering artisan-creators that I may never have discovered had it not been for Palace. In this issue, there were four page spreads of some of the fastest changing places in Paris which included the shopping cluster areas of Le Palais-Royal, La Place Vendome,

Within seconds, my elegant Riyadh-based friend was squealing, "ahhhhhhhhhh!!!!!! Oooooo!!!! Did you see this?" She was looking at the same stiletto-sandal. 'Who

makes this?' she asked in excitement. "Doesn't it say?" I replied. "No". "But is must be from Pierre Hardy", I suggested. "How can you tell?" "By the innovation, clean lines, and the surprise elements" but I was also cheating. It was the only shoe creator name mentioned on the page, just that it wasn't stated under the photo itself. I had also seen an earlier version of such a sandal by the same creator who is influence by design, architecture and contemporary art, states the magazine. He now has a boutique at Le Palais-Royal. On page 52 of the same issue we see three stunning stilettos from the same designer with www.pierrehardy.com as the only reference. Almost every design from this talented creator is packed with 'wow!' I made a mental note to visit the new store.

What is interesting for someone like myself visiting Le Palais-Royale is to see who is new, who is still there and who has shot down. Not many can survive in this discreet shopping area because most tourists don't know about it, and there is almost no passing trade. It is a pure destination place for those who know and only the strong can survive. In fact, to me, it has become a place of forecasting who will survive and who won't. It's almost becoming too easy to predict. I always recall the small skin care boutique opened by antique dealers for their daughter. The packaging was reminiscent of Chanel except that the boxes were black and the borders were white. The labels were always butterflying off the bottles giving them a home-made look and just missing what it takes to be chic. There was nothing totally original, no real conviction, passion or authenticity behind the brand. In fact many of the critical success factors for that category were missing. I had the audacity to point some of them out to the sweet daughter-manager but a few months later, nothing had changed. On this visit, it came as no surprise to find that the brand was no longer there. I had been more surprised to find the store still there after a few months.

This time my surprise came as a total ambush. Before reaching the Pierre Hardy store, both my companion and myself stopped in mid conversation with a mega-wow! We froze in front of a shop window to gaze at the most stunning gloves either of us had ever seen. I'd never even noticed the boutique before. It was simply stunning. We just had to go in.

An elegant, attractive man greeted us warmly as we walked in and was clearly enchanted by our obvious excitement. "Since when has the store been here, I asked?" He was not dressed in a stiff manner and his welcoming manner made us feel at once at home, in his home, and in fact, it was. Maison Fabre, he explained, had for the first time opened its doors to the public with this new store opened a few weeks before on the beautiful grounds of the once hedonist playground of the aristocrats in Paris. This maison was in fact France's longest-lasting family-owned (the same family that founded it in 1924) glove-making firm and is still based in the old midsized town of Millau in the centre of France, best known for its leather-dressing, glove-making and silk.

Known only to Chanel and other prestigious clients with an "Etonne-moi" (surprise me) philosophy and a 'no direct sales' policy, finally decided to open its doors to consumers under the recommendation of the founder's decendant, Olivier Fabre, whom we had found ourselves in discussion with. The small art gallery-like outlet shows all cutting-edge, highly crafted, collections at one glance in a totally

uncluttered way and clearly creating a desire for all as I have only experienced in an Italian Gelati store - and I don't wear women's gloves!

The more we asked, the more interesting and intriguing the maison story was. No star designer, just pure gloved elegance and perfect craftsmanship. Thank you Pierre Hardy and Costes Palace magazine. We love to discover pure luxury that no-one else knows about. A brand created out of passion rather than out of a businessplan. We love to meet the creators or the family members, those who add soul to every item. We love intimate, real experiences. We love authenticity and rarity. We love surprises.

Maison Fabre is not in a hurry to expand, and indeed they cannot as it takes them years to recruit and train great craftspeople. It was tempted not to mention this brand just to keep it secret and exclusive but Sex in the City's Sarah Jessica Parker has already started wearing them.

The Passionate Person

At the heart and origin of many successful brands is a passionate person obsessed with creating a high quality service or product. This person is likely to have become the embodiment of the *griffe*. As such, the *griffe* has a face, an identity, and is a real person e.g Christian Dior, Louis Vuitton, Ferruccio Lamborghini, Giorgio Armani. Here lies a massive difference to mass fmcg brands. Most are faceless made-up names, owned by faceless corporations, and produced in industrialised factories. Sadly may started out with the founders name but evolved into faceless identities over time. How can you expect someone to trust you if you hide behind a fake identity as mass market brands tend to do? Be proud, stand up for what you believe in, put your name on it or at least your family name and thereby your honour.

'Stand tall' would seem to be the motto when it comes to luxury stores today. In the emerging markets, when the 'wow!' begins with the store, size seems to matter. The stores that fashion luxury brands are erecting in Asian cities all seem to be getting bigger and louder (in terms of visual impact). Vuitton has began to do the same with its flagship store in Paris that resembles more a Niketown mega-store than an intimate luxury house such as Vuitton on Avenue Montaigne. In contrast, on this prestigious avenue, Dior keeps separate specialist boutiques for each of its sub-brands: one for kids, one for bags, one for jewellery and so on. This chic exclusive avenue of designer boutiques is generally not known to the tourist masses who tend to shop the Champs-Elysees as they would a strip mall or trade show.

The famous Champs has become so much like a Disneyland of fashion boutiques, that it is seen to have lost its cachet. The mayor of Paris, Bertrand Delanoe, called for "bold proposals" to ensure that the

Champs Elysees "keeps its unique identity as a place of memories, variety, creativity and going for a stroll for Parisians and tourists." (5).

Location is critical for a luxury brand. Being on the exact (Name) street could be exactly what makes the brand - Bond street in London, 5th Avenue in New York, Place Vendôme – place brands which carry a reputation by association to competitors or by historical context. Vuitton has kept its more intimate boutique in Avenue Montaigne for those who 'know' while its Champs-Elysees 'temple' seems to be there for those who 'show'. Too big, too much footfall to provide each customer with a true personal luxury experience, although they do try to offer this in their VIP room upstairs. Day-tripping visitors are often kept outside in a line for 30 minutes in wait for the store to clear. It has become a victim of its own success. When we think of Vuitton today, we think of a shop before imagining a craftsman's atelier or family maison as we do when we think of Hermès.

What do you do?

Returning to the "what do you do?" question its important to emphasise that it implies an interest in knowing your speciality or status, i.e what should I be aware of? Brand awareness must be linked to an awareness *of* something. That is why for a new brand to sponsor an event that simply gives visibility to the brand name is meaningless unless we know what the brand is *for*. Awareness of *what*?

When awareness and discovery come from a great product, the 'what do you do' question is answered at once. As name *and* speciality need to come together with one reputation, I feel that the word *griffe* becomes a tremendously useful term in that sense of the word, but I needed to know how the French fashionistas understood it. Acting as a video journalist for various fashion magazines and websites I went backstage to interview certain fashion people during and after the Paris Ready to Wear fall winter 2007-2008 to test their definition of *griffe*. To my amazement, almost everyone gave me a different interpretation of the term.

Serge Brunschwig, CEO for LVMH's once-troubled Celine line (who is now CEO at Christian Dior Couture) hesitated, "Oh, griffe is.. brand? ... I would say, it's brand. You know, its one of those French words, but I think its brand".

The petite Comorian-born Parisian designer Sakina M'Sa who's show took place on the opening day began to refer to the unusual new clothing tags that she has started to use. Of course! It's *her* griffe. She's the creator, the griffe-maker. She does not possibly think of herself as a *griffe*. She's not thinking *brand* at all. She's the living brand-in-the-making. Her tag is her signature. For the super-talented Belgian designer, Martin Margiela, his *griffe* is visible in the way he

constructs his garments. His brand codes represent his griffe. His couture labels are blank, unprinted and stitched on in a recognisable way. Today he has introduced a number system, but never has his name on the label. Photos of him are almost impossible to find. Many of the press and most of the world have no idea what he looks like. MM - Mystery Man? Actually, he's just very shy and enjoys his privacy.

At the student fashion awards for the China Fashion Foundation project which is in place to help create the Chinese fashion designers of the future, Jean-Jacques Picart, consultant for LVMH's Bernard Arnaud explained a few tricky fashion concepts to me, which I hope I have translated accurately into English. Jean-Jacques had assisted the CFF by helping the students to find the best way to express themselves. "In French we call *griffe* the *marque* of the creator, this means we griffe (scratch) something and it leaves a mark," he explains. It's not the same as in English where we use the term *marque* to describe a prestigious brand.

"Students are not yet *createurs*. It's a long journey to obtain such recognition from the others. A *designer* is seen as someone with a great talent for making clothing that we will desire. A *createur* is someone that has a vision, an imagination, who can create a universe, one that is very personal, very different, very unique, and their paths are not the same. Some will, for all their lives, be designers working in the service of a brand, a brand that already has a DNA, already has an identity, and they will make contemporary clothes for this brand which we will desire, and it's a very difficult thing to do."

"*Createurs* are something else, they are the creators of the DNA of their brand, which evolves with the personality of that *createur*. It's a very different work, they are more visionary, they see things a bit further and what they make is less commercial, harder to wear, harder to buy, and often too avant-garde, but often they carry the truth of the future. So the way to follow the careers of the two is different. These students will all become good designers, that I am sure, but they are not sure to become good *createurs."*

Coming back to the word griffe he explains, "In general in French we say griffe for the mark of a creator and for luxury brands, and a marque for an industrial product." So already we are in an area where *brand* is not quite the same word as the French term *marque.* The French term Marque seems closer in meaning to the English term, mark. The word *brand* really has less to do with craftsmanship than with ownership, industry and commerce. It certainly is not seen as art.

Reflexgroup, a house of creative people who sell their creativity to luxury clients, say they cannot be considered as a house of *griffes* because they are simply a service company providing the best creative excellence *to* their clients *for* the clients' brands. By this definition,

griffe is certainly a form of *personal signature*. Yet as a team, "Reflexgroup's point of difference (out of Paris) is their 'French touch'. This implies a certain sensitivity, a *je ne sais* quoi (I don't know what), a certain indefinable sensitive difference," says Besnier.

Scratch, touch or paw?

In English we do not distinguish between designer and creator. For the French there is a clear difference. The extent to which they distinguish between creator and artist is more blurred. Good artists are creators. They create universes based on their vision, *their* DNA, their lives and are not necessarily making things that can be bought. Designers are working for someone, normally to a brief. Brand DNA is the personality of the creator combined with the style of clothing as well as the griffe."

This way of thinking may be easier for us to understand if we relate it to an artist such as Picasso. His *griffe* or *touch* is only partly what makes up his DNA. His personality, relationships and universe also play a major part in making up his DNA. The same could be said of Coco Chanel. What do we know of Hermés or Vuitton's private life?

It gets even more complicated. Jean-Jacques tells me that in French there is also a term *patte* (paw) which is used as in the '*patte* of the creator' which means the creator's style. "Say Gaultier", he tells me, "Everyone, even a taxi driver knows more or less what it means- impertinence, a media personality, someone who dresses men with audacity and women with lots of humour, and if we say Galliano, its another thing -fantasy, not necessarily something to go to work in, but more clothes for seduction, immense poetry, so for each creator there are references with which we may identify them and if we cannot give them such words well then they are just making clothes and its no longer 'fashion'". - So now we know! Even the word 'fashion' has a different meaning to the French.

So what is considered ' fashion' is a creation that is not necessarily commercial, but more conceptual – isn't that the same as art? We begin to discover why the word *brand* fits more with a designer than with a creator or visionary. Guillaume Chaillet, Head of Pressing PR and co-organiser of the Festival de Hyeres that was responsible for launching future fashion talents such as Viktor & Rolf, summed it up simply," A *marque* is not necessarily the name of a person whereas a *griffe* is the name of the person, the creator behind the brand."

By this definition, luxury needs to be as *close* to the personal creation of the artist as possible and as *far* from industrialisation as possible. The creator should seen as a visionaire and not as a commercial person. He or she should be looking long term into the future and not at this season's sales. It is on this critical point that the American and Italian designers are seen to fall short. New York fashion week is

considered to focus on selling, the French with their Paris Fashion Week and Festival de Hyeres treat fashion as art, and Milan is seen as positioned somewhere in-between commerce and creativity.

Clearly then, a true blue-blooded luxury 'brand' should have a Visionaire at the helm. Ian Schrager, the visionary entrepreneur who can be credited for having revolutionised the world's luxury hotel industry by introducing boutique hotels with Philippe Starck designs offers the most sensible comment, "A great luxury brand begins with a great product".

However, some genius needs to conceptualise that product. It is the visionaire / creator, whether artist, craftsman or designer that brings that certain 'touch', which makes the 'difference'. This very difference is what should make the creator stand out from the rest. The difference should come as a surprise. Love at first sight! That 'wow' is what creates true buzz. As stated earlier, at that point the creator may get 'discovered' and awareness of that person will have begun.
It's the *difference* that gets noticed. At this point, the person can be seen to represent a *griffe* or special *touch*, *not* yet a brand, or more accurately, the *griffe* has been born and represents the creator. This is the point of pure luxury. The creator will be hand-making the very best product to the extent that people will dream of possessing one, just as an artist may be producing a wonderful piece in his/her studio which others may want but cannot as it cannot be produced twice. The creator can become famous to the extent that potential clients may aspire to possessing one of his pieces but it would not be accurate to consider the creator as a brand - yet.

It is no wonder that many great luxury brands bear their creators' names such as Francois-Paul Journe, Franck Muller for watches, Christian Dior and Louis Vuitton for fashion or leatherwear and sometimes two founders such as the timeless greats, Patek Philippe, Vacheron Constantin and Rolls-Royce. We are buying into their joint personal touch (always assuming one as designer, one as engineer – never one as businessman!) so we expect them to put their names to their work if they have any pride in what they are making, just as we expect from artists. The first and last name feels more exclusive and personal. The two names start to feel corporate. They mostly tend to start out small and relatively unknown beyond the inner circles of their industry. This stage of limited production is best described as a *griffe* as defined in the French pyramid model. Mass fashion brand Boss added the first name of their founder seemingly to imply a personal designer touch and re-emerged as Hugo Boss. Dior went in the opposite direction – arguably a mistake but perhaps simply a reflection of the reality that the brand wants to look younger and feel more accessible. Its worth adding that a first name on its own is almost too familiar and fits better with a local hairdressing salon, family restaurant or bakery i.e Chez André.

From Griffe to Maison

The visionaire / creator evolves into a *griffe, and* as the griffe begins to produce greater quantities, a '*maison*' may be established as a place to house a workshop and to receive clients. The *maison* is likely to be a very intimate place to be, as if in a personal home – the client is a personal and well-received guest.



Where can I get it?

Clients visit **by appointment** it's an **intimate experience**

This is not a new concept. Post WW1, many talented artisans started their own businesses usually using their formal name such as H V Sier, Paper Merchant instead of simply Mr. HV Sier, or Sier. Goods would be delivered *by hand* using a 'hand trolley' by Mr. Sier himself or perhaps his assistant or son. From such humble beginnings would grow the *House of* Sier which would embody all the personal attributes of Mr. sier himself i.e 'close attention being paid to courtesy, kindness, expert knowledge, personality and the application of all these and by no means least, absolute business integrity."(x)

So we see that with further growth, the *griffe-person* may wish to continue providing the same quality of personal service to all clients based on his personality and the criteria used to help him succeed in the first place. At this point, he is outlining 'house rules' or 'codes' for others to follow. He is in fact defining his budding brand's current DNA, philosophy, values and ideals. With this DNA in place, the 'cells' can go on to reproduce and expand into an entire brand universe.

In the *griffe-brand* stage, brand identity is being created, but it is not yet *brand*. At best, we could refer to a branded *person*. A brand is being created in our minds based on the reputation of that *person*. The *person* is most likely to establish a *maison*. at some stage. To personalise this even further, the *maison* should be seen as the family home, thus, the family reputation. The maison will embody all we believe is special about the *griffe*, from craftsmanship to personality to attitudes and beliefs. The *griffe* is the head of the household, the one who has bestowed a reputation upon the house. The house begins represents the home of the brand as if it were the home of its founder, as often it is. This is why in luxury the concept of *maison* is so important but it can never replace *griffe*. It's simply place that houses the griffe and its 'savoire-faire'.

In modern day terms, we can imagine a house with an atelier where both the creator and his specialist artisans work and in front is a place to receive guests. Even if a brand outgrows such a place, it helps to keep such an intimate place in existence as Vuitton have done with the Vuitton Maison de Famille (family home) in Asnieres on the outskirts of Paris which now houses a museum, a large atelier (a small factory), where a descendant of the Vuitton family will be there (as a token griffe and dynasty extention) to meet bespoke-seeking guests. Once the *griffe* has gone, we *feel* it. It feels like an empty house. Maybe even haunted. No *griffe*, no soul? No soul, no connection, no life. As long as the original *griffe* or person representing the 'personal touch' of the *griffe* is still alive and involved, it would be fair to say that the brand retains a classical maison structure and feels alive.

A maison represents its pure luxury form and although it would be tempting to name such a structure, a 'luxury brand', I would argue that, at worst, it should be called a maison-brand. It is only when the brand outgrows its maison image and evolves to big production run by business managers and designers who simply reproduce vintage and logo-inspired products that the less intimate term, 'luxury brand' applies best. Once it has created substitutes for its maisons all over the world, such as retail outlets, the brand could also start being described as a 'luxury brand. At this point we can see how the term *luxury brand* begins to imply a bigger and more *impersonal* entity, although not necessarily so. When we visit a friend at work, it is less intimate and less personal than visiting them at home.

The maison also represents a team work. This is very important to note because many brands, hotel brands in particular, are born as a maison and therefore it makes sense to have a brand name that reflects the creative team effort rather than the vision of one person. Banyan Tree Hotels and Resorts, for example. It was created by a team in the first place. Founded by former Director of Singapore airlines, Ho Kwon Ping and colleagues, the company culture has been built on passionate individuals who are good team players. To the uninitiated,

we do not feel the personal touch in the name as we would with a Hempel or Armani hotel but we can get used to it when we know and appreciate what the brand stands for, such as theatre, romance, intimacy and always an added little surprise. A place filled with the personal touches of each of its staff. It's as personal as say, a rock group that you may love. You may always find one star in the group that you prefer overall but without the group, the star may not be as great.

When it comes to a great orchestra, at best we may know the conductor. It's often the same with ballet. However with both there is often one key person that we buy into as well, the conductor or the lead dancer. The reputations that compel us could be that of the composer or choreographer, the performing company or a star performer. Which reputation wields the most power is totally subjective, but as we are simply human, its easier to connect to one than to all. We often see how charities highlight the plight of one person rather than all. Its easier for us to connect to personally.

"I'm a real person making a real product, not a brand name hiding behind a corporation." Stuart Weitzman

Reputation and thereby *brand image* normally begins with *griffe* and is transferred to the *maison* which is expected to uphold this good reputation with the *integrity of the personal touch*. The founder or griffe will have raised our expectations and as such has made a DNA promise that the house must keep beyond the existence of the founder/griffe. The maison must make us feel *as* special as we did when we were being attended to directly by the *griffe* at the maison. Ideally the house will always retain its bespoke - griffe offer. Luxury embodied by griffe and maison brands, griffe being the private offer *within* the maison. Being in a friend's home or restaurant may not feel the same without their presence but it still feels personal if their family are there. To be in their home without either is more awkward, especially if we do not have their blessing to be there.

Some brands can feel dead even while their founders or griffes are still alive. Pierre Cardin is a living griffe, a living maison, yet his stores feel dead, like museums where nothing seems to have moved for 20 years, proof that the living creator is not a guarantee of a lively brand. Admittedly, the brand has moved so much into mass that few would accept it under the term luxury brand anyway, however the point is that it retains the heritage and structure of a luxury brand and retains prestige power over many faceless brands. Sadly, these days the esteemed man is viewed more as a businessman than as a creator. What will become of his *maison* after his parting? It's the big question all are asking now of Gianfranco Ferré and Liz Claiborne who both died in 2007. Armani asks himself the same questions. Some, such as

Chanel went from strength to strength with some glitches in-between. What lessons can we learn?

We have already stressed how important it is to us to discover the 'who' behind the brand. The advantage for all first generation luxury brands is that they do have a 'who' with a face that we can link the brand to. It's rare to find that with factory brands. We feel most privileged when the face personally attends to us. We feel that we know the brand better because we met the creator. If we like the person and the work, we find it easier to bond. When we are invited to their home, we feel we are invited into an intimate space, a private place. It feels even more special. If that person is no longer there, we would still prefer to meet a member of the family than a manager or housekeeper. Therefore second or third generation maison brands that are still owned by the original family, still tend to maintain the status of a first generation maison, as does Hermès.

Owner-descendant, Jean-Louis Dumas' son Pierre-Alexis and niece Pascale Mussard are Hermès' artistic directors. They are now the face of the brand although creator Jean-Paul Gaultier represents this face for their feminine ready-to-wear line which adds credibility to their fashion arm, although he does not have the same sort of visibility that say Marc Jacobs has at Vuitton or Tom Ford had at Gucci. "It is the *family* that transformed Hermès into a Stradivarius, because the Hermès' violin is unique, secret and precious. The family plays a role of guardian of the temple, protector of the rules with a strong sensibility," says Blanckaert. "Hermès is theirs but it belongs to Hermès, and we feel this intimacy that guides them. What is Kenzo without Kenzo?" he asks giving further examples including Lancel, Hédiard, St. Laurent, luxury maisons that no longer house the creators or their heirs.

Saving Face

When the original creator is no longer involved in the brand, and is still alive, as is the case with Kenzo, Helmut Lang and others, it feels like a hostile take-over. It feels like the soul has been ripped out of the brand. We may not feel the same way if they had had natural successors - children or even first assistants because we would feel that the legacy of the founder's 'savoire faire', philosophy, spirit and soul has remained within the house, as is the case at Hermès. We feel even more alienated when the incumbent designer changes all the codes! "Hey, whos brand is it anyway?" We feel a personal ownership of that brand. We invested in it. Look what happened when Coke changed their classic formula. How angry would a Pink Floyd fan feel on buying a long-awaited new album to find hip-hop tunes on it?

This is what is happening to brands today. Many risk destroying themselves by simply changing faces, and in essence, griffe, codes and brand DNA. Journalists predicted that Gucci would die a long and

very public death after the Tom Ford contract ended. That was certainly the case for Kenzo after LVMH initially bought it. Kenzo Takada no longer works for the brand that he founded. Instead he created a new label that later failed, yet is not being invited back to the brand. Insiders say he had lost touch with trends so LVMH employed Gilles Rosier to act as the griffe and then later replaced him with Antonio Marras who has deviated so far from the Kenzo Japanese minimalist simplicity that many Kenzo customers are said to have abandoned the brand. Marras seemed to focus too much on the Kenzo jungle colour aspects of the brand taking it closer to Benetton than to its Kenzo Zen-like roots however the brand is now profitable and has attracted a totally new audience. Why acquire Kenzo and destroy its essence rather than simply fund and support a new emerging designer such as Marras himself?

The dilemma is that these designers tend to want to build their own names and therefore only work for the big brands to make big money to fund their brands. “Can any designer really handle two collections?” asked Suzy Menkes in year 2000 (x) after accusing Galliano of producing a parody of the worst of his Dior designs. "I am only one person," he said, "But you can put your heart and soul into two collections. Karl Lagerfeld is always cited as the one designer who can do many labels — forgetting that his own was ultimately swallowed up by his success at Chanel and Fendi. When Martin Margiela works under his own name, he inserts more wit and inventiveness than is found in his luxurious but bland designs for Hermes,” wrote Menkes. Esteban Cortazar has discontinued is own brand to focus on Ungaro. Menkes has quoted Nicolas Ghesquiere as saying, "I am happy at Balenciaga. The freedom to do what I want is beyond price" but is “saving his own name for something very new and very different”.

Clearly succession to griffe is a critical decision. First one should even question the idea of succession. When it comes to true art, the idea of succession is ludicrous. Picasso’s children simply cannot continue to produce Picassos. Here is where art and craft are forced to split. There is only one Picasso just as there is only one Elvis, John Lennon, one Mozart, one Tiger Woods. Perhaps it is *because* Hermès never depended on a precise creator it is a far easier task for the family to continue the legacy than it is for the house of Chanel. Hermès may be considered born as a family business, as a luxury brand, without a griffe other than the style of craftsmanship and specific codes. Fashion-born brands are less fortunate.

Who is the custodian of the brand?

Here’s where the greatest danger lies. Traditionally, fashion brands have left it to their designers to decode the DNA of the brand, LVMH still does that, with the exception of Celine. Gucci clearly does not. To them, it is the CEO who needs to be the custodian of the brand and

thereby outline brand parameters for the creatives just as has always been the case in classical brand management where star designers don't exist. The problem is that it is very rare to find a CEO and a creator who can agree on what the brand is and should be. The Dom and Tom team (Dominico De Sole and Tom Ford) is one of the rare fusions where one is the creator and the other is the businessperson, and they work well together. When the original creator is no longer alive, the new brand owner automatically becomes Chief of Brand unless this chief is prepared to truly pass on power over the brand's DNA, as Chanel owners seem to have done with Karl Lagerfeld. Not every creative designer however, has such sensibility to the founder's DNA as Lagerfelt has been shown to have.

"Gianfranco Ferre would like to announce that it has ended its relationship with Signor Lars Nilsson," read a statement released by the house during Milan Fashion Week Febuary 2008. The house's next collection due to be presented "has been designed by the excellent internal creative team of the house," the statement continued. "The same collection is configured as a tribute to the creativity of Gianfranco Ferre and his message of style, whose value is particular to this brand and will guide its strategic direction," the release stated. Whatever the reasons for the fallout between Nilsson and the house of Ferre, one can assume it has to do with a clash of griffes and DNA codes. Perhaps the house was simply looking to clone existing codes rather than to create new ones. Political parties suffer from the same problems. Replacing the face with another is one thing but whether that person will fit the brand is quite another challenge.

"Should Dior still exist," a leading fashion journalist suggested to me? "What is the point of the brand existing if the creator is no longer alive? Should we not be buying only from real living creators?" This was probably the most profound question that I had come across and in sharp contrast to current industry thinking that asks, "Who needs star designers when you've got famous brands?" That's the controversial strategy at PPR's Gucci Group, where François-Henri Pinault is challenging the fashion industry's most fundamental beliefs" wrote New York journalist Nancy Hass (p50/F06). A famous brand is never enough. It needs creative vision and energy to come from somewhere. "I am just not the kind of person who wants to be the embodiment (the *griffe*?) of the brand," says Giannini "I serve the brand; I take care of it." New York Times critic Guy Trebay was quoted as saying that Gucci's current designer, Frida Giannini is more of a stylist than a designer. Clearly not all griffes are equal. No-one has heard about Giannini. Has it harmed Gucci? Perhaps it just shines a little less.

"We don't have to bring in star designers because actually the stars today are the brands," says Robert Polet, who joined Gucci Group as CEO and president in 2004, after 25 years at Unilever. "This is a mind-

set change we implemented. The brand is the hero, the king in all we do, and we all work for the brand. Since Frida took over the brand, it has had the two best years in the history of the company," In 2006, Gucci rang up a staggering €2.1 billion in sales. Luxury brands no longer swipe stars from their competitors, as Christian Dior did in 2000 with Yves Saint Laurent's famed menswear designer Hedi Slimane. Instead, they tap young designers who have risen through the ranks of the big brands as assistants and who do their jobs quietly, well—and anonymously.(x) However Gucci today feels like a *brand* and not a like a griffe or a maison-brand. Is it still luxury?

In the Fall 2006 Style & Design supplement to Time magazine, Marion Hume (10) argues that fashion designers may get all the glory, but they don't necessarily pull the strings anymore. In today's global luxury business, the key to success is not only the talent but also how to manage it. "A whole new breed of fashion influencers are now being formed at hard-core business schools …" she suggests, "where the syllabus includes the ability to manage intensely creative talent. These days, with so much money flowing through the luxury sector, the designer diva concept is obsolete." "Who needs a crystal ball when you have executives! (x)" reads a subtitle on the cover of the Financial Times Business of Fashion supplement. "It's not just the creatives that have to practice the art of divination; everyone else involved in the business of fashion has to do it too. Their subjects are not shade and silhouette but markets, communication and product positioning, and while it may not sound as exciting as transparency and peekaboo layers, it is equally important," writes its edtor Vanessa Friedman. How sad. Brands ruling fashion – but for how long?

The Brand is the Sun

Hume quotes Dior president Sidney Toledano as saying," the brand is the sun, the source of raw energy, the designer supplies the radium to set off fusion, and those highly skilled managers run the plant. Of course, when the designer *is* the brand i.e Marc Jacobs for label Marc Jacobs, Jacobs is unquestionably 'the sun'. "Our whole business is based on giving our artists and designers complete freedom to invent without limits", Bernard Arnault was quoted as saying in an interview for HBR (p118). Our philosophy is quite simple, really. If you look over a creative person's shoulder, he will stop doing great work. "The master is the brand, and the manager must do what it takes to serve it, including, in the case of Yves Carcelle at Louis Vuitton, nurturing a designer. Carcelle is credited with having helped Vuitton's designer Marc Jacobs both personally and professionally, allowing him to expand his creative powers, which in turn contributes to astonishingly robust revenues at Louis Vuitton".

"Where we want to take the brand is not John Galliano's decision; this is something I discuss with the shareholders and I express it to John",

Dior President Sidney Toledano told her. “We give John marketing information, we define the positioning of the brand, and John needs to be briefed on what direction to go.” While fashion’s new breed of management-orientated CEOs stress that they do all they can to nurture creative visionaries with, as Toledano puts it, “the ability to hear sounds we don’t hear and a satellite showing things that we don’t see,” even those lauded in the media as geniuses are ultimately replaceable”. Are they really? Faceless is faceless, griffeless is griffeless. “There’s an emptiness in a lot of products. It’s just junk. And now that you have merchandisers running luxury companies instead of designers, the junk becomes junkier,”says Tom Ford (Time p73july9/07)

New money and new faces have changed the luxury playing field. Private-equity firms are shopping for brands and professional managers are reconfiguring the way designers do business. “It is considered a safer bet to invest in a brand that doesn’t have a star attached to it, because such a designer often doesn’t want to leave”, Hume suggests. It sounds logical but in this business, isn’t playing safe, the biggest risk of all? Unlike traditional luxury brands, a fashion brand *must* be on-trend if not way ahead of the trend. It is doubtful that the smart private equity firms and their business school management teams will ever get the growth to continue into the long-term without a visionary designer. A faceless and bland yes-man designer can only be expected to produce bland clothing. But then again, private equity firms not interested in looking beyond the short-term anyway and luxury is a long-term reputation build. Reputation can only be earned, and that takes time. Here is where heritage counts the most.

« Our role is to make sure the plans of an individual maison’s management fit what is expected of that brand » says Johann Rupert, Executive Chairman of Richemont, the world’s second biggest luxurry group. (X) Rupert, son of the group’s founder who started as a banker in Johannesburg and New York, describes his management style as « hands off’ » In fact he stays out of sight. « Do you think people buy brands because of the boss ? » he asked Haig Simonian of the Financial Times (x) I’m not the brand and I like my privacy. Each of the Richmont maisons, which includes Cartier, Montblanc and Jaeger-LeCoultre « enjoys great independence over products, strategy and communications. Each could be autonomous. »

The reason lay in the special nature of luxury goods – especially at the top end, where Richmont is concentrated. With prices sometimes in five or even six figures, brand values and integrity are essential.
« someone spending thousands on a Jaeger-LeCoultre watch or Cartier jewellery wants to be sure what they’re getting », says Rupert.
« Luxury goods empires such as Richemont, LVMH, PPR and Swatch Group, are struggling to make enough watches, rings and other items

to meet record demand. We could double the turnover of this group if we allowed it to make cheaper products or pick the low-lying fruit. But we don't just think short-term, but five or 10 years hence. »

Rupert has created a small committee of leading current and former executives to lay down the law. « This is the holy grail. I see the committee as the ultimate brand guardian. We are Richmond's institutional memory », he adds. Clearly they will not be pleased to read earlier comments made regarding their Lancel brand. The Richemont example shows that a big group can be run with all the ethics of small family business whilst striving to retain and maintain the integrity of its maisons on the lines of the Haute Luxe model. The group tends to play the role of white knight for budding Haute Luxe brands and in 2007 provided investment to respected designer, Azzedine Alaïa to set up an Alaïa foundation to house his 15,000 samples and patterns from more than three decades of work. "In return, the luxury group would surely expect to exploit further the renown of the designer whose meticulous cutting and attention to details to create a seductive silhouette has been copied across the world," says IHT's Suzy Menkes. (7 oct)

"Beyond the life of the creator, the Universe and 'codes' of the *griffe* remain in the form of a brand, encompassing the DNA of the original creator but the original *griffe* will have disappeared unless a family member or some first assistant to the 'master' or an outsider 'genius' is able to continue to reproduce the griffe and take it forward. Lagerfeld was entrusted to extend the life of the Chanel *griffe*. In that role, he can be considered a *substitute griffe* for the brand whereas for his own Lagerfeld Gallery brand, he is *the* original *griffe*. Chanel remains under the ownership of the Wertheimer family, the original financial backers who recognise that it is Chanel's *creative* legacy that needs to be immortalised and continued. It is here where the family business aspect of a *maison* needs to be very clearly defined.

Karl Lagerfeld is considered as the "Queen of the House" my friend at Chanel tells me. He represents her soul for fashion whilst the late Jacques Helleu, Chanel's artistic director for over 40 years, represented the 'eye of Chanel'. Helleu was the driving force behind the house's iconic ad campaigns, which have featured the likes of Catherine Deneuve, Nicole Kidman, Kate Moss and Keira Knightley, chosen because of their strong personalities that embody even the impertinence of Chanel herself. "Helleu guided us in his artistic choices, which have given Chanel its worldwide aura" said Maureen Chiquet, Chanel's global chief executive officer, in a statement following Helleu's death.

At Cadolle, Madame Poupie Cadolle is the fifth generation family member to continue running the maison in its true tradition, but what innovations have the house produced of late? Could the same be said

of Hermès? Perhaps we should distinguish between an inherited creative role versus one that is awarded to a visionaire. Perhaps it should be emphasised that Artistic directors and creators who simply reproduce products that fit quite safely within the brand's universe and are not taking visionary risks, are simply playing a brand manager's role of maintaining the brand. These artistic types could possibly be differentiated as *incumbent griffes*, *heritage griffes* and *visionary griffes.*

Griffe-with-face

Recognising that the real star is always the star product, there is undoubtedly a hierarchy of griffes whereby the visionary is king and becomes seen as the 'face' of the brand. Without such a deity, the face of the brand could be a model or even a celebrity client who becomes the embodiment of the brand, or all. In some cases, where a fine artist has created a product line, i.e Tracey Emin for Longchamps, the artist may for a while, be seen to represent the face of the brand, or at least the face of the product line that she has 'griffed' for the brand.

Although difficult to prove, it can be argued that a 'face' is a necessity for a luxury brand. As someone who totally resonates with the Costume National brand, I felt compelled to ask Ennio Capasa, the creative genius behind the label why he chose not to use his own name as the brand. " I chose the name from the title of a book on Russian uniforms that I liked", he explained," and decided to stay behind the brand, but one day a famous New York Times journalist told me that I *have to* show myself, so now I'm starting to."

For the entrepreneur wishing to create a new luxury brand, the message is clear: Make sure you have the expert artisan and/or a visionary or both-in-one then add business acumen. The 'wow!' and the 'who' can be what makes the critical difference between your brand and another. Together they are *griffe*. The importance of *griffe-with-face* cannot be under-estimated (although Margiela has proved that hidden face can add to mystery, his name is not hidden), and neither can the importance of the maison. Luxury begins there and leaves when *brand* comes into play.

Street or Discreet

In Asia the brand *must* look more important than its competitor. The bigger the store, the bigger your temple. The bigger your cathedral, the more powerful your god. Nothing is discreet here. The brand must be seen to be big and famous. Unlike the big French luxury brand groups, Cadolle, the distinguished Parisian *maison de lingerie* established in 1889 said to have invented the bra, waits for clients to discover it and to visit its rue St Honore premises in Paris, on appointment. It remains a family-owned and run concern, is relatively

unknown and can be assumed to have a far lower turnover than it would have if it were to follow the mass luxury brand strategy.

Bespoke luggage-maker La Maison E. Goyard est. 1853 also based in rue St. Honore also remains a privately-run business and seems not to be in a hurry to expand either. Yet, all of a sudden, it has been 'discovered' and is all the rage amongst those 'in the know' in the West. There was no visible advertising campaign, no obvious 'buzz' campaign. It did not seem to follow the 'luxplosion' model which Chadha and Husband have shown as way to achieve cult status in Asia. How did the West discover or rediscover this brand? Was it out of pure desperation to find a traditional and more exclusive alternative to Vuitton?

I asked members of the elite invitation-only website how they first discovered Goyard. Some of the answers I received were as follows:

"I saw it in Paris years ago, seemed old and stuffy -- but in Barneys in New York it suddenly looked cool. Funny how that happens".

"Read story about Sophia Coppola buying luggage at the store in Paris in an article in the NY Times Magazine".

"Have loved it for years - very under the radar designer (at least in the US) and suddenly it's being seen as quite the hot brand.
I have 2 of the totes - love them. Still relatively 'new' and unseen in SF - so that's good."

"Well thank's to my grand-parents, it has alway's been a brand of quality for my family. My grand-mother was used to describe to me how life was "before" and she used to tell me that her parents were using it in all their travels."

"I bought a black Ambassade two years ago. The perfect men's bag: all your stuff and lap top fits in. The best luxury luggage brand: more exclusive than Vuitton and Hermès, perfect service in the shop (in Paris) and after. I sometimes use their big ones for shooting and filming, always appreciate by clients."

"Always knew about it, one of those old French brands, always the basis for article in "Elle" & co since forever... "

"A very close friend of mine is a Goyard and he told me about Goyard luggage - I subsequently checked out the store in Faubourg St Honore - loved the stuff, haven't bought anything (yet)."

"Amidst the thousands of black nylon suitcases in the airport, it definitely stands out!"

“my mum has recently bought me a goyard bag with my initials written on, and from now i m addicted to....i love it!!!!!!!!!!“

“Goyard, princesses and maharadjah.“

“I just went today thank's to this thread, only for pleasure, they have the luggage I want, a traveling pique nique set, and a travelled tea one.”

“I deal exclusively in the ultra luxury goods market so I am always eager to learn about brands of integrity and Goyard is definitely one of them.”

“I am not sure if I first read about the brand in Departures magazine or if I came across it in Barney's. But since then I have seen clients of mine carrying pieces, wallets mostly.”

“Interesting to note, just this last Saturday I stopped a woman to speak to her about her bag which at a glance I thought was a Goyard, but it was a "knockoff". Not a counterfeit but rather a collection done by a designer who she told me was entirely influenced by Goyard”.

“Perhaps they are moving towards a "tipping point" of brand awareness for larger market here in the United States.”

“Knockoffs have been on eBay for a while, the sure sign that ubiquity is around the corner.”

“@Philippe: 10 years ago I tried to buy the company only to be outbid by someone else. Barneys was defining. Just like in the Christian Louboutin story. Christian and his partner Henri opened one store with one collection in Paris. A buyer from Barneys loved it and just took it to NYC. The rest is history. Having one of the top buyers on your side is definitely a crucial turning point.”

“I heard about it from a friend who works at Vuitton and told me that Goyard did not follow Dior and Vuitton into geographical expansion and is now attracting people who would’ve gone to Vuitton to buy a trunk and are going to Goyardbecause it’s a small company and very one-to-one. What they make is dedicated to oneself”

One of the oldest debates in this field is that between *trend* versus *tradition* brands. Most who have defected from Vuitton to Goyard tend to be those seeking tradition over trend. Fashion is almost a dirty word to them as it implies something that is made for one season rather than for a lifetime or longer. Vuitton has tried to nuture both simultaneously, and owning a Goyard has become trendy for those *in* fashion!

Is this brand likely to follow in the steps of Vuitton?

The point is that it only took one little corner in Barney's New York for the brand to be 'discovered' or rediscovered. The 'who are you, what do you do?' questions were answered immediately without advertising and without any all-star 'buzz' event. The 'what do you do?" *expertise/reputation* question is answered by the recognition that here is an obviously high quality and expensive brands that reminds us of the original Louis Vuitton products but has a name we have not heard of, however its at Barney's so it must be good. "Who is Goyard?" they will begin to ask if they find the product interesting.

In New York, to be in Barney's is an accolade, a reference, almost an award. The brand is arguably more powerful than any fashion magazine in terms of influencing those 'in the know'. Of course Goyard making it into the New York Times linked to Sophia Coppola is the perfect start to creating cult status for a brand in New York, and then it spreads across the world like a virus. Here it was not the fashion editor who sparked it off, it was one buyer.

Brand Stars

When you meet somebody for the first time, it helps when introduced by someone you respect, or alternatively, you know which kind of company they keep. It's a form of word-of-mouth. There are many other ways to achieve this credibility but perhaps the most predictable is the cult of celebrity. The best would be to make your griffe the celebrity rather than to depend on an outsider's celebrity. In skin care, we have seen how the power of the book can help. A good book can establish your expertise. Someone who understands this all too well is Nicholas Perricone, MD, who is enjoying a phenomenal success with his anti-aging medicine and 'cosmeceutical' skin care line. He establishes himself as an expert by authoring books with powerful titles such as "The Perricone Promise: Look Younger, Live Longer, in Three Easy Steps". He is seen as an expert and is trusted, even with such an unbelievable book title. He believes in it, proves it, puts his name to it and gets invited onto TV channels to talk about it. He does not need to make TV ads because his topic is newsworthy and journalists are paid to find newsworthy stories. Fame for free.

The book acts as his proof of expertise, has an impactful title and attracts interest. Then TV stations and other media interview him and awareness growns, free of charge. At this point the client feels that they know your brand and they trust your brand enough to go further, just as in any personal relationship. You have met the person, know all about their background, their friends, their work and their interests, and you've seen them on TV. They are famous! Fame is power. At this point you may be interested in visiting the *maison*. He logically opens a stunning flagship store (maison) on New York's Madison Ave.

With the star strategy, there is also the risk of over-exposure causing a backlash. “As in film, music and other arts, consumers have wearied of big names and labels. Except on TV, they are bored with diktats, with taste legislated by self-appointed "experts" and with camphor-scented archaisms like "stars." writes Guy Trebay in the IHT. http://www.iht.com/articles/2008/09/04/style/04fashion.php?page=1
“There has to be a role for fashion more interesting than producing a few hype artists whose greatest skill is slinging a dumb It bag off the licorice-whip arm of this season's hot socialite.” Bye bye buzz or goodbye star?

"Very few people have this ability to be the great designers and also generate the necessary buzz and excitement," says Julie Gilhart, the fashion director of Barney's New York. "It's a trap." So formulated around star-creation right now, she added, that the business may actually be "closing out a lot of opportunities for people who are original and good and who actually have something to say." Robert Burke, a former fashion director of Bergdorf Goodman who is now a luxury goods consultant believes that "No longer is fashion force-fed to the consumer, they don't have to wait for magazines and editors to tell them what they must buy and must have.” He is of course, referring to the American shopper.

The Tao of Wow!

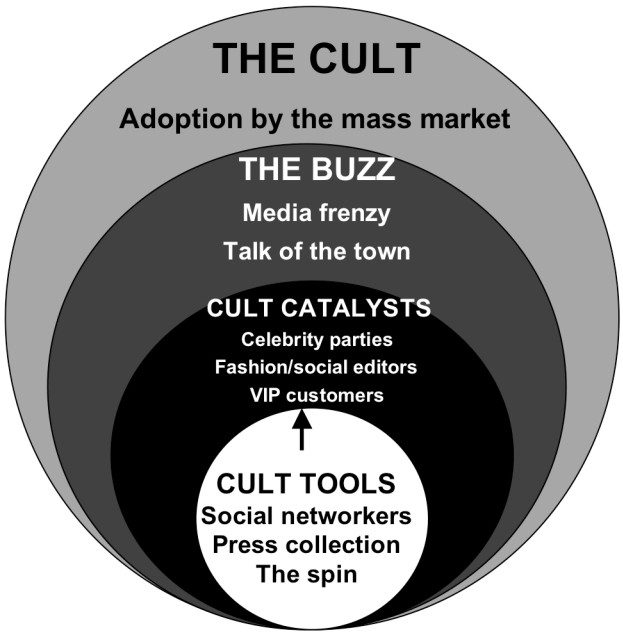
In Asia, it’s slightly different. On the cover of a little hand-out at Paris’ trendy boutique Colette, we see a cartoon illustration “Liu Vui-Tong….? says Peperone the dog to Caperino the other dog. “ Louis Vuitton..!” answers Caperino (Kuntzel & Deygas in Elle Japan Minimix no.20 minimix.fr)

In ‘The cult of the luxury brand (2007)’, authors Radha Chadha and Paul Husband offer a tried and tested formula that luxury brands use to create the cult in Asia which they call the ‘Luxplosion model’ (pp253-254) and explain as follows:

- The starting point is a good set of cult tools. Not surprisingly the first tool is human - *social networkers.* Hire high profile individuals with links to the city’s A list, and put them to work on the brand’s behalf. *Note: The exclusive media and network organisation Ctzar offers this service worldwide and shows it to be effective in the west as well.*
- The second tool is the *press collection*, one of the season’s range of bags, shoes, ready-to-wear, and accessories, which will be used to generate press coverage.
- The third tool is *the spin*, a nice sticky story to feed to the press.
- The next step is to apply these tools on cult catalysts, select groups of influential people, who if seen endorsing the brand, whether directly or indirectly, will generate a buzz around town.

Celebrity parties, fashion/social editors, and VIP customers are three of the best catalysts.

The Luxeplosion Model



Advertising is the '*background music' to buzz-creating activity*

"The luxury brand category works on insider knowledge, the pride of knowing what's in. The more expensive the piece, the more you rely on word of mouth, or word of print, to form opinions and purchase decisions. Luxury brands have become a cult when people act on the buzz, when they pull out their wallets and buy the stuff. Play god and create your own epidemic," they state.

An Ingredient Formula

Walpole (x) offer a formula of 'ingredients' which they name as follows: "Heroic Myth, Exquisite Product, Iconic Communication, Carefully Engineered Celebrity, Ultra-Selective Distribution, the Power of Cool. The Three parts of the formula that matter more than anything else when it comes to igniting desire for luxury brands," they claim are:

- "*Brand soul, story, myth and legend* – In other words, luxury consumers need to believe that the brand has an exceptional history, either as a consequence of its own origins or because of its association with people, periods or places in history"

- "*Product quality and rarity* – Every research respondent felt some need to explain why the luxuryarticles they had bought were items of genuine value and not urely items purchased to feed their ego. In Russia, for example, this could extend to the most extraordinarily academic discourse on the art of watch-making. In China, by contrast, responses were generally bland observations about the beauty of an object, indictating a more superficial level of product knowledge"

- "*Cultural cool* – Certain categories such as couture and leather goods are transparently fashion-driven, seasonal purchases and, by definition, are assessed in therms of their 'nowness': Who's wearing it, who's talking about it? And does it have the all important 'Must have' ticket? But in fact luxury goods in all categories rely on cultural cachet for their appeal."

The Window as a Billboard

"We don't create demand by investing in ad dollars", says Alfred Chan, CEO of Ports, a Canadian company that moved both headquarters and manufacturing to China at a time when "the mind of the Chinese consumer was like a blank piece of paper" thus easier to build a brand from scratch. It now has 305 of its 370 stores in China. " We create consumer demand by word of mouth, and having the right people wearing our clothes and paying for them. Its never been about the price, whether they got into the paper, and certainly not because we are 'made in Italy'. Production is fully done in China but using top-of-the-line Italian fabric – one area in which China still cannot compete". Of course 370 stores is also like having 370 permanent billboards and windows to their world.

We can argue that some countries are more celebrity-driven than others as some markets are more celebrity-driven than others, and some brands are more celebrity-dependant than others. Movie stars, pop stars and sports stars tend to rule but the brands that embrace them the most are those that want to be seen and recognised by followers of popular culture. No doubt Halston will try to make its comeback by competing fiercely to attach itself to celebrities who attend the Oscars. Tom Ford is already on that path with his own label for men. The point is that this kind of link simply projects a message about your brand's universe, who it mixes with or at least chooses to associate with. It may also be the thing that will attract the wrong people to the brand and serve to devalue the brand in the future.

The more elegant houses nurture discretion, do not try to seduce the masses, and stay true to their own world of art and culture. They will sooner engage themselves with art, dance, and philanthropic causes than, say, the Oscars. In Europe, contemporary art and artists are

being brought in to provide the elegant memorable experiences or even *bling*.

Brand hijacking

Putting Wow! into your brand is not so difficult but controlling its effectiveness is. This could be either positive or negative. The greatest danger for the luxury brand is to attract the 'wrong friends'. The term brand hijacking is used when a noticeable luxury brand tends to become branded by the *wrong* people seen to be wearing or using it. 'Bars Ban Burberry' read the headline in England's Daily Mail. The story was about how British pubs clamped down on "design hooligans" claiming that Burberry wearers were known for loutish behaviour. The television series "Footballers' Wives" was seen to play a role in popularising the brand. "How to manage success in the luxury world is as much of a trial as getting up there in the first place" wrote Suzy Menkes, the famous fashion editor of The International Herald Tribune. But in an industry where image is all, no CEO can afford to let a brand seem out of control", she adds.

If you don't want to be associated to people who buy your brand, you need to change something fast. As a result, Burberry's chief executive, Rose Marie Bravo, introduced a new spring/summer 2005 line of the upscale Burberry Prorsum — a collection that bad boys are unlikely to aspire to, Menkes reveals. Creating a new more up-scale sub-brand provides a feasible way to disassociate a brand away from unwanted users. Of course, another option is to simply update the entire line to the extent that the previous line looks totally outdated, but you could also risk upsetting your desired customers who bought into your brand for tradition rather than trend.

Lacoste seemed to suffer the same fate in France, termed "phénomène banlieue" - when the brand is considered to have become part of the streetwear scene. With Christophe Lemaire as its creative director and successfully transformed the brand into a young, preppy fashion label and its communication has refocused on its tennis and preppy origins.

Just as religion has needed its evangelists and loyal followers for generations, so does a luxury brand. If it advertises on TV we start losing faith. It looks desperate. Can we imagine Rolls Royce advertising their latest model on TV? The luxury brand universe waits to be discovered. Once inside, it seeks to convert you, seduce you, by providing you with an unforgettable almost spiritual experience. Sound, fragrance, touch, mood, all your senses need to be stimulated. The challenge is to get you in, in the first place. Store windows play a major role in seduction and temptation, as of course does the architecture and especially the address. The address comes with the question of who your friends and neighbours are. Being seen is one

thing, but being seen in the wrong place on the wrong person, is another.

STEP 2

GETTING INTERESTED

Showing and declaring, receptiveness

Not long after meeting someone for the first time, you may expect to be asked, "where are you from?" based on your name, your accent or your look, especially if they are not common. The same question will be asked of a new brand, especially if it is different, and hopefully it does have a point of difference. Not only do we wish to know the family of the brand but the place of origin, nationality, everything. At this point we see how important heritage is. If the watch brand is from Switzerland, that helps. If the car is from Germany, that helps. Luxury branding cannot be separated from place branding. They work together.

A relatively recent development has been the growth in awareness of nation branding -how a nation can itself become a brand uniting its citizens and attracting foreign investment or tourism and exports. Branding is finally understood to play a critical role in the national and international success, not only of firms, but also of countries and cities. Unlike the brand of a firm, a place brand is not created to be sold or to increase in value on the stock market. Altruistic goals such as sustainable, long-term employment and prosperity are primary objectives. Countries and their cities are competing in the same way as companies are and the emerging nations are beginning to realise that they may need to start developing their own luxury brands instead of simply importing them. Cities, regions and nations can learn from successful luxury brands and can clearly benefit from encouraging the development of local luxury brands.

Paris is no stranger to this. The city positions itself as "Paris, Capitale de la Creation" in an attempt to be first and foremost the Paris of young and tomorrow designers helped and supported by the capital city every step of the way. For the City of Paris, the Comité Colbert and its members are a key asset. It has a membership of 70 houses of luxury whose object is to collectively promote their shared values in France and internationally. Their quest is to combine tradition and modernity, craftsmanship and creativity, history and innovation. The Mayor of Paris, Bertrand Delanoë, is convinced that the Comité Colbert companies help the City by boosting growth. "These economic powerhouses generate many jobs, help maintain socio-professional diversity and sustain the crafts professions. They project an international image by spending heavily on communication outside France (1.4 billion euros in 2005) and enhance its cultural reputation, thanks to their dynamism, charisma and sponsorship."

‘Paris, Capital of Creation’ is a branding operation that brings together 20 professional fashion and home decoration exhibitions every year and helps the city to compete with all others in the world to protect this positioning, and it works. We believe that Paris is the capital of creation just as we believe that the best sparkling wine comes from Champagne and that the best watches come from Switzerland.

Watchmakers, including Swatch Group, are proposing the tightening of rules for “Swiss-Made” timepieces as part of efforts to preserve the national brand and protect Switzerland’s US$197 billion, worth of exports a year (IHT 4/7/07p11). About 40million fake Swiss watches are made worldwide each year, compared with 25 million authentic timepieces, according to figures provided by Jacques Duchene, president of the exhibitors committee at the Baselworld watch fair. About 6,400 registered trademarks contain the Swiss cross, the country’s name or another reference to Swissness, but 220 of the trademarks are owned by foreign businesses, according to the Meyer Lustenberger law firm in Zurich, which researched the issue for the government.

We recognise the extent to which Paris has ceded some ground in fashion dominance to New York, Milan, Tokyo and London. It has to keep reinforcing this aspect. Witness the extent to which France has ceded ground to New World wines in foreign markets, and observe a similar trend in fragrance, lingerie, and even their pre-WW2 language dominance of Europe. The extent to which the USA has ceded its technological ground to Japan, South Korea and China, not to mention the motor industry. What of the industries the Great British Empire used to dominate? No brand is invincible. No positioning is invincible. How does Sony feel about the iPod? In our minds, Paris remains the heart of fashion, fragrance and perhaps even of romance. Its Eiffel Tower is seen to symbolise and embody all of those properties.

Paris as a co-brand

L’Oreal, by adding the name Paris to its brand name, has effectively co-branded itself with all of those associations thereby enabling its brand to stretch into almost any French personal care category that Paris is known for. For its own part, L’Oreal adds to the image of Paris, with every product and every advert. Please note, L’Oreal are not using France to add value but Paris. Clearly, the heritage Paris or France will not add value to a French company planning to launch a pasta or pizza unless a touch of French gourmet cuisine is added. The core brand of France has many attributes allowing it to stretch across categories, those of elegance and sophistication in particular. France has primarily exported its culture and it is this that provides the country with its greatest guarantee of sustainable employment.

Most heritage luxury brands built their original reputations by association to royalty. Its quite ironic then to find that France, a country which tried to extinguish its aristocracy, is the very one that continues the tradition of luxury which had been driven by that very aristocracy. So today, its more about celebrities, but the brands from the old countries still have a perceptual advantage, and France has remained the traditional home of luxury brands.

As place brands, France and Italy could be considered to have the leading reputations in the world for fashion and art. When we add Michaelangelo, Da Vinci, Boticelli to Giorgio Armani, Prada, Versace and the like, its hard to see who France has in comparison. Even Pierre Cardin is of Italian origin, born Pietro Cardini. He now considers himself French though. How is it that the countries that created great luxury brands also tended to create great art? Two worlds sharing one language, or are they one and the same world? Is it simply a level of individual cultural sophistication or a collective one driven by the culture of the place?

Although America has its reputation built more around CocaCola, McDonalds, Disney and Starbucks than luxury brands, New York is different. New York with Warhol and others can be said to have created the contemporary art movement. Not surprisingly, most of America's luxury brands were born in New York. France however controls three of the Big 5 Luxury brand groups (LVMH, Gucci and Hermes), Italy one (Prada) and Switzerland one (Richemont). Does old world culture give the European brands an unequal advantage in the world of luxury ?

Reputation of a place is usually derived as a result of the successful people, products and brands from that place. The people of a place have the power to bring a reputation to the place by what they do. A strong reputation in one field lays the foundations in our minds for that expertise to be extended into other fields. When Gabrielle Bonheur "Coco" Chanel introduced Chanel No.5 perfume in 1921, she had already developed a reputation for having revolutionized haute couture fashion by completely replacing the traditional corset with the comfort and casual elegance of simple suits and dresses. The House of Chanel became an icon of elegance and elite women of high societies around the world flocked to her legendary Rue Cambon boutique to commission couture outfits from her.

Chanel No.5 was such a global success that it helped to position Paris as a world centre for perfumery creation although the town of Grasse had 'owned' that reputation for centuries. Now the Paris 'brand' adds more to the reputation of a perfume brand than the place brands 'Grasse' or 'France'. Had Paris not already become a fashion capital, would Chanel have succeeded to make it a perfume capital? It is thanks to the collective power of the fashion designers that have worked in the French capital that the city has this power. It could be

argued that it is the culture of Paris, the fact that fashion is seen as art, that has attracted the best fashion creators to the place. Clearly the people lend a reputation to the place and the place lends a reputation to the people. This reciprocal branding can be the most fundamental success factor of a luxury brand, yet is often ignored.

The Power of Paris

Part of the power of Paris was that clients would come from all over the world to visit the great *maisons*. Much of this has changed. Today the brands are the ones that are doing the travelling. Just as the mass fashion brands did in the past, growth for most luxury brands today is all about location, location, and location. Luxury brands have evolved from the modest discreet maison with ateliers inside to retailers with factories everywhere. Clearly had Goyard not reached out to New York via Barney's, their chances of being discovered by New Yorkers and the New York Times, were very slim. Cadolle could learn something here but don't we love the fact that the house does *not* chase after sales?

In the case of Vuitton, it is possible that the brand's Parisian image has been somewhat diluted due to the company's worldwide expansion. Although the original *maison* may still be in Paris, we don't feel that we have to visit Paris to visit the maison. As retail outlets tend to act as a substitute maisons providing the brand experience within, the relevance of the original maison has been lost and thus its authenticity undermined. It can be said to have diluted its *maison* image. Goyard has not because it simply has a corner in Barneys and the *maison* remains in Paris, but for how long? To truly experience the brand would be to travel to Paris to visit the *maison* itself. If you can afford the luxury, you can afford to travel. Place is not just part of the brand's reputation, it forms a key part of the brand experience.

To compete globally, a place has to start sowing the right seeds, by instilling a culture and encouraging world experts to immigrate to help build that culture. Fashion designers have added value to Paris via fashion, fragrances and other luxury goods. Every successful launch alters the DNA of Paris by extending its reputation. Without doubt, the visible aspects of Brand Dubai are remarkable and have been painstakingly built over the years. Driven by visionary leader Sheikh Mohammed bin Rashid al-Maktoum, the small emirate has enjoyed double-digit annual economic growth rates in recent years, creating a regional trade and finance hub and turning itself into a tourist destination. Its extreme projects are more than just marketing tools to help sell the Dubai brand, its a struggle for survival in a desert city-state that knew long ago its oil would run out and has worked to ensure new sources of income. Today the brand clearly has a reputation with which it has begun to challenge many in the field of luxury, beginning with hotels, private homes and private submarines.

Reputation of a place can make or break a luxury brand just as it can affect the employment chances of an individual. The "Made in China" brand is a case in point. For years, China's role as the world's factory floor ushered in an age of lower and lower prices, and helped tame inflation around the globe - powering one of the greatest economic growths stories in history. The dark side of that boom, however, has been a culture of counterfeiting or copying high-end western products - everything from fake Gucci bags to counterfeit DVDs and Windows operating systems could be bought on the streets of big cities in China. But now, cheap and sometimes counterfeit products from China are beginning to look increasingly dangerous or even deadly. After concerns over pet food, toothpaste, seafood and defective tires, China has to cope with exploding mobile phone batteries and poisonous baby food. A country that should be developing its own luxury brands now finds itself with a very negative top-of-mind image and can be seen to have a DNA that will clearly have to be modified in some way or another. Here is where the greatest challenge lies - the extent to which these places can be repositioned.

It takes a long time to establish a new reputation for a place and a very short time to destroy it. "Made in China" now reads like a consumer warning and "Made in India" brings suspicions of child labour. Bad news always travels faster than good. As such, luxury brands from mainland China may still have a long way to go, but only a fool will underestimate the time it will take for China to develop its own luxury brands. The same could be said for Russia. Almost no marketing or branding text provides guidelines on rescuing damaged brands. This is because companies can easily discontinue or rename damaged brands. A nation cannot always take this easy option. Countries commonly suffer from what Anholt calls the 'starlight effect', an image in people's minds which is based on the still-resonating memory of long-past events (Anholt 2003/5).

Germany has recovered from its WW2 image and South Africa has managed to rebrand itself as a modern advanced democracy following its heinous Apartheid legacy. The miracle was partly due to the Truth and Reconciliation Commission, Nelson Mandela, visible political change – even visible by skin colour - and a very well integrated branding campaign starting from the bottom up. It could be said that Nelson Mandela *became* the griffe of the rebranded country, which provides proof then that there are instances where griffe can come *after* brand. And just as with commercial brands, a Nation's griffe can damage a great brand overnight - George W. Bush for example. In the case of China, the tragedy is that this was the place of luxury production in the 18th century that produced the finest luxury silks textiles, china and other desirable goods. The way around this for brands produced in places with damaged reputations is not to be cowardly and lie about its place of origin – brands should never lie – but to simply choose an alternative place name to use. For instance,

the name Shanghai is not damaged and does not mean exactly the same thing as 'Made in China".

Made in …

The brand France has a reputation for cheese and wine and as such does not add the same value to a perfume bottle as the name Paris. Brie, Coulommiers and Chaumes are best known as famous cheeses, but first they are three distinct places east of Paris. "The French insist on being reminded where their food comes from (x). " The regional name Champagne on a bottle of sparkling wine adds more value than that of the name, France. If Champagne were to be situated in Germany, we would still be buying it. Geneva may add more value to a Swiss watch than "made in Switzerland". Can we ever imagine trying to add value to food or wine from France or Italy by adding a Fair Trade label? Place branding should not to be taken lightly. It is here where a luxury brand has the power to make a place brand prestigious and vice versa. Mont Blanc is an example – it is of German origin but is presumed Swiss. Even a street such as Savile Row is an extremely powerful place brand with an historically established reputation for the very best tailored suits.

Seeking to boost sales of furniture and home furnishings, clothing, travel, technology, food, wine, jewellery, watches, sports and art, Italy's Made In Italy Group has launched an international multimedia marketing campaign aimed at promoting Made In Italy products to retail and wholesale buyers in the United States. "The Made In Italy brand isn't just about Ferrari and Valentino," Mariano Turrisi, co-founder and president of the Made In Italy Group said. "It also comprises a slew of small- and medium-sized companies that need some guidance in order to make it in America."
http://www.furnituretoday.com/article/CA6486759.html If I were to be creating a luxury fashion brand in Italy today, I would prefer to be more associated with Milan than with Italy. Place needs to be considered very carefully.

Coming back to the human analogy, there is no doubt that an Engineer from Germany would stand a better chance of employment than one from an unknown place. Where you are from brings a reputation that can be associated with a certain expertise. If you are French you are expected to know something about 'L'Art de Vivre' – the 'art of living', wine and cuisine, if from Paris, Fashion, perfume and beauty products. It is for this very reason that L'Oreal, which has its own roots in hair products, was able to stretch beyond the boundaries of hair 'savoire-faire' into skin care and make-up. Consumers are likely to accept because of the name Paris brings with it a reputation of fashion and beauty. Wella, L'Oreal's German hair product competitor owned by P&G is highly unlikely to ever succeed in using its name for skin care and make-up because it has no reputation heritage to draw on from either Wella, Germany or the town Darmstadt. Should Wella relocate its headquarters to New York, it could possibly begin to equalise with

L'Oreal.

"Where are you from?" is asking Where were you born? or where do you live? or what school or university did you go to? It seeks an answer to origin of creator or expertise. Legendary Italian clothier, Pier Luigi Loro Piana has build his brand on owning the output from a place. The Wall Street Journal reported that he had 'snagged most of the world's supply of vicuna fleece, cementing his (brand's) reputation as one of the world's most exclusive men's brands. As a result, the numbers of this once endangered animal (a goat-sized relative of the llama who's fleece is spun into one of the world's most valuable wools) surged, as did his business. Suits made from vicuna cost $23,000 compared with $4,400 for those made from merino, which comes from sheep. Loro Piana buys 60 – 70 percent of Peru's supply of vicuna fleece (7)'. Even though the wool is from Peru, we trust Italian tailoring (the Italian touch) more than we would Peruvian, just as we trust Italian espresso when in fact coffee beans are not even cultivated in Italy.

Normally, the ultimate place branding reputation is derived more from the place where the 'saviore faire' value is added than the source of the key ingredients. De Beers diamonds must have faced the same dilemma when they considered evolving their wholesale 'commodity' brand into the B2C (business to consumer) arena. No doubt they must have considered a choice of Paris, London or New York as opposed to Johannesburg or Antwerp. Although the De Beers brand name was finally licensed to France's LVMH group, the flagship store was launched in London (possibly due to higher brand awareness within the British Commonwealth) and not Paris or New York (possibly due to Tiffany's strong diamond heritage in New York). The choice of place must always be given considerable thought.

The Paris roadshow

"Where are you from? Paris! Oh! – and all elements attached to the belief in the superiority of Paris, French 'saviore faire' and the rest come into play. Not quite the same response can be expected if the brand is "from everywhere" or "from nowhere special". Clearly the LVMH strategy of building luxury brand super-stores worldwide has brought masses of wealth to the company's stakeholders but the Vuitton brand image has been tarnished, as have the images of many other LVMH brands. In each country the brand does something unique to fit in with that country so the in-store experience is different, not just the prices. The buildings are different as is the product assortment. Only the windows will have the identical range. Yet as much as they try to avoid a 'macdonaldisation' process, as their architect Peter Marino describes most global retailers, their mass visibility makes them more *brand* than maison.

If we were to see Rolls Royces both old and new everywhere, it would have the same effect. They would be considered as common as a London taxi, no matter how much they cost. In fact when I think of Mercedes Benz today, I think of a European taxi. It's possible that LVMH are not concerned with what customers in the West may think because that's not where the market growth is coming from. It would seem that all 'mature' markets, including Japan, that have a 'mature' knowledge of luxury are likely to share the same thinking, but who cares? Those markets are saturated. Asian tourists have not stopped visiting the Vuitton stores in Paris just because they can now be found everywhere, but they don't visit the original *maison* in Argenteil on the outskirts of Paris either, because to them, the flagship shop in the Champs Elysee *must be* the maison. Prices are lower in France, providing such a big incentive for the mainland Chinese to visit that the store needs to restrict purchases of handbags to no more than ten per person! I was told that busloads of Chinese arrive to buy maximum amounts on behalf of resellers in China.

What Arnaud is perhaps teaching us is that at some point a brand must cash in. What he calls a star brand strategy may be seen by others to be 'milking' strategy. He has avoided over-extending through licensing as Cardin has done and has carefully controlled product line extensions whilst extending to the best addresses in the wealthiest cities across the world. It has not been a financial disaster, but then neither has Cardin's licensing strategy. Loss of kudos does not necessarily mean loss of income, it's probably the contrary, but for how long? Here is where luxury brands need to balance out the risks between *reputation* and *revenue*, long-term versus short-term. Its not surprising to find that the French luxury brand billionaires are amongst the biggest collectors of contemporary art. The message is clear, cash in on the luxury brand to invest in a real luxury experience that lasts forever and increases in value over time.

Is the Vuitton brand adding to the reputation of Paris or is it diluting it? I would have no doubt that the aggressive marketing efforts that LVMH have put behind both Vuitton and Dior have in fact acted to further entrench the power of the myth of Paris globally as the home to the world's leading luxury brands and this is something that will serve to help any new luxury brand which chooses to 'come from' Paris. It may be the very thing that will help the crippled French economy to recover (along with some necessary tax breaks to encourage an entrepreneurial spirit in France). Ironically it was English-born Charles Frederick Worth who opened the first haute couture house in Paris in 1858, so clearly Paris has a history of attracting the most talented fashion designers and it is this which helps to enhance its reputation.

French creators such as Paul Poiret and Jean Patou are amongst those who added to the growing reputation of Paris as the home of couture

before Chanel came along. It was this whole movement that gave Paris its unique ownership of the term 'haute couture' and the rest is history, Chanel and many other creators were attracted to Paris. Chanel's first boutique, a millenery shop known as 'Chanel Modes' complimented haute couture by making hats that famous actresses would wear and this helped establish her reputation. Chanel later stretched her creative reputation across various categories from hats to couture to perfume to costume jewellery. Others in Paris were doing the same thing. The reputations of both the people and the place grew reciprocally. Paris now has an established reputation in fashion, beauty and other luxury products amongst others yet it still cannot take this for granted.

The Challengers

Today Antwerp is the place that is fast building its reputation for fashion creativity but Antwerp's designers still choose to show in Paris. Thanks to Paris' protection of the haute couture 'brand', the city maintains its ownership of this sector but this little industry is not a guarantee of jobs for life either. In the 1900s Paris counted hundreds of 'ateliers d'art'- the studios that create, by hand, the embroideries, beading, tulle flowers, hats and shoes on which couture designers rely. As Couture died out, so did the ateliers. Chanel has now bought seven of them and considers them as its satellites (Lesage, Massaro, Lemarié, Michel, Desrues, Goosens and Guillet). It is efforts such as these that keep the 'savoire faire' in Paris. With the current trend towards bespoke luxury, it could be that Paris will once more attract the 'ateliers d'art'.

It's the duty of a luxury brand to add as much value to its place as possible. Witness what Tiffany did for New York and what New York did for Tiffany, what Dunhill did for London and vice versa, Vuitton, Dior, Chanel and others for Paris. L'Oreal has used place branding very effectively to reposition brands. For instance it acquired hair product company, Redken Laboratories, based in California and relocated its headquarters to 5th Avenue NYC to have the image of New York attached to the brand. It did exactly the same thing with Memphis-based Maybelline when it acquired the company in 1996 for the same reasons. This way L'Oreal can offer Paris-positioned brands to compete with its' New York-positioned brands with little risk of positioning confusion and an effective way to defend itself against competitive threats from the USA.

What is most relevant is that we tend to believe in cultural mythology and place reputations. New Yorkers have seen how the collective power of small creative studios can become a force for changing the reputation of an entire neighbourhoods, from Soho to Nolita to The Meat Packing district in New York. In London it went from Chelsea to Notting Hill to Hoxton and in Paris from St Germain to the Marais in

Paris. We know that small designer boutiques cannot afford the rents that the bigger maison can. As such, fashion can often take more risks than say, jewellery. An 'haute joaillerie' maison in Paris that is not on the Place Vendôme is unlikely to be respected as easily as one that is. Armani Privé was once there but soon relocated to a discreet location on fashion's prestigious Avenue Montaigne.

Where do you live?

In many places it may be considered rude to ask where someone lives. This could be because the question could be seen as an indirect way of assessing wealth by association. For retailers, it's the same. *Location, location, location*. Benetton has built its business on this mantra and LVMH seems to be doing the same. In the luxury field location is of critical importance to the extent that a key brand may decide not to move into a street *unless* its competitors are there too. The need the best neighbours. Zegna is one of the few brands that is prepared to be a pioneer and to blaze the trail for the rest. For a new territory, the logic goes like this: Launch with your second line first, say D&G, Miu Miu or Just Cavalli and follow with your flagship line after, say Dolce & Gabanna, Prada and Roberto Cavalli. Some such as Dior and Chanel don't have such brands so they may say, let the Americans and Italians go first and then we French will come later.

This is why we will find that in the Middle East, for instance, the Chalhoub Group holds the sole license for a whole portfolio of luxury brands such as Lacroix, Lanvin, Lauren, Lacoste, Celine and Marc Jacobs. The Al Tayer Group has Gucci, Bottega Veneta, Dolce & Gabanna, Giorgio Armani, Yves St Laurent, Loro Piana, Jimmy Choo, Bulgari, Boucheron and many more including Harvey Nichols. They are all monopolisic regional groups representing all competitors and the big brands love it because when a new shopping centre is built, they can all go in together and claim a luxury floor or end of the building. The entire competitive neighbourhood is joined at the hip. Art Galleries have often done the same thing. They need to build reputations for their streets or neighbourhoods altogether. This way the neighbourhood is the destination and then the war begins between the brands. At some point someone will be smart enough to develop a luxury-only search engine to create a global luxury on-line village.

We want to know where brands come from and where they reside today. New brands should give some serious thought as to which place of origin details they wish to use to enhance their reputation, from the precise city to the exact street and not simply slap on a 'made in country' label on their work. Nowadays with the big brands such as Vuitton moving some production into the developing countries the debate is on what percentage must be produced in a country in order to qualify for the Made in France, Italy or Switzerland label. It is doubtful that Vuitton will claim *Made in India* on their shoes that used

to be made in Italy. Martin Lindstrom, author of Sensory Branding (x) warns on his website that such brands should firstly beware of diluting their reputations and instead should maintain core values 'in word and deed'. "Consider country of origin and its value to your brand, then live by the claims you make. Thirdly, "be transparent about your brand, its origins, production and quality".

The Wrong Place

Normally a country reputation implies agriculture and rural. If your brand is organic, perhaps the last thing you will want would be a polluted city name attached to your own, but when you are are fashionable city brand, beware of attaching the country name. Shoes are not cheese, at least not when they are new. Then comes street. Note the pride with which Van Cleef and Arpels claim Place Vendôme, Paris where they have been since 1906, not far from Cartier in Rue de la Paix that runs off the Place Vendôme and across the road from Hôtel Ritz the luxury hotel opened in 1898 which became synonymous with opulence, grand service, and fine dining. Few brands have the courage of Zegna and Vuitton to be the first to start a luxury neighbourhood. To do so, your brand needs to be seriously strong or wildly innovative. Having said that, the most futuristic high fragrance boutique that I ever had the pleasure to visit, closed down after only a few years.

Renowned perfumer Olivia Giacobetti's boutique on Rue del'Universite, right in the heart of St. Germain, had a unique decor combining Zen-like simplicity and futuristic touches. Called Iunx (pronounced 'Yoonks'), this amazing perfume gallery, created in 2003, was sponsored by Shiseido, with the interior designed by Francis Giacobetti, Olivia's photographer and film director father.

The essence of Olivia Giacobetti's Iunx range is revealed the stunning perfumer's own words when she says that "In ancient Greek, Iunx refers to the fascination and seduction of aromas. Fragrance moves towards a unique way of combining simplicity, innovation and technology." The dark interior of the art gallery-like boutique was dominated by a lily pond and surrounded by unusual installations that allow visitors to sample fragrances in a highly interactive way. Tester cones through which the scents of lotions, creams and shampoos can be inhaled, candle sample sticks permeated with luscious scents were just some examples of the ways Iunx discovery took place.

Right behind the lily pond, one finds a glass installation holding large fragrance flacons, illuminated only by opalescent light. Fragrances were tested by a button being pressed under each number, releasing a newly-scented paper strip. When one is ready to sample fragrances on the skin, helpful sales associates dressed in slim black ensembles lightly touch cabins with concealed doors, revealing rows of tester sprays. "It is definitely one of the most pleasant fragrance shopping

experiences I have had—leisurely, quiet, a respite from the world outside the boutique's walls. I cannot recommend a trip there highly enough," wrote a specialist perfume website. (http://boisdejasmin.typepad.com/_/2005/06/). Unfortunately, the boutique chose a location where no tourists pass and the Parisians who pass, do so in their cars and there was nowhere to park. It closed. In New York, that store would probably have been the biggest hit. The brand has since re-emerged at Hotel Costes' new boutique.

The discreet place

The French store is considered the extension of the owner's home (maison), in many cases it actually is. So the French tend to treat business as part of the private sphere," say Nadeau & Barlow . Therefore it's up to the customer to greet the staff when they walk in as opposed to North American stores which are seen as extensions of the public space, communication is purpose-driven, and no-one speaks to you except to help you find what you need".

"Paris is a hidden, private city," say authors Nadeau and Barlow (x) "You only get to see inside when Parisians decide to let you in. And they only let you in when they know who you are," they add. If you happen to be a fan of a great artist or fashion designer, you cannot simply knock on the door of their atelier and walk in. We only expect to do so, 'by appointment'. For high-end discreet luxury, locations are often kept secret.

This has been the case for restaurants and bars in London and Paris too, and even in the USA during prohibition. Today "spots in Manhattan that are secret and hidden are the latest craze and make for an extra nightlife challenge (x). Knowing about a hidden establishment makes the consumer feel special. These places go just beyond the velvet rope. They leave you with the impression that having the secret info makes you feel like a guest – rather than a mere patron. *Employees Only* is one example. Located in Greenwich Village, this bar and bistro is popular enough to warrant a migration of the Meatpacking District crowd. It's both popular and hard to find. EO is hidden behind a neon sign that reads "psychic." As you move past the bouncer through the doorway, you encounter velvet drapes and a woman at a table who offers to read your tarot cards. Through the curtains behind her is a beautiful, crowded bar tended by Serbian bartenders with fancy mustaches and white pharmacists' coats. They have conquered the science of the finely mixed cocktail and five of them co-own the bar."

The Back Room is "another hidden gem located in a back courtyard of an apartment building. There's a false bookshelf that hides the VIP room where Scarlett Johansson and Josh Hartnett were seen hanging out. For another, *La Esquina*, getting past the *employees only* door of

the taqueria to the second *La Esquina* hidden underground is no easy task. This den of the chic is protected - if you ask about the restaurant that's hidden, you're met with miffed expressions and little information. The only way to get in is to know someone - or to act as if you do." Clearly location can be *the* core of your brand's heritage.

STEP 3

GETTING TO KNOW YOU

Where are you from? Where do you live?

So now we, your potential customers, know your brand, what you do, who introduced you, where you come from and where you live. At this point, we may like to get to know you even better. We've been surprised and seduced. We like what we see, or what we've heard, but you'd like us to make a commitment of a sort, i.e to buy your brand. We hope that you don't only want us as a 'one night stand', that you would prefer to build a long-term relationship with us. It's almost like a marriage. If we are buying your luxury as a gift, then it's like planning an arranged marriage. We will be linking you to someone who is dear to us. We may need to know more about your heritage and what makes you more suitable than others. As luxury is rarely a rational purchase, we will need to be engaged both rationally and mostly, emotionally.

The good thing about heritage brands is that they do have a history we can check on if we do not know it already. If it is a classic luxury brand, the heritage is likely to have begun with one product from one passionate visionary person. If it is a modern 'bling' brand, derived purely for the sake of showing off, we won't expect to find much depth, just more stones. The point is that a true luxury brand needs to have a true heritage, just as a tree needs roots. The roots can begin today. 'Since 2009' can be just as interesting as 'Since 1809' but clearly if it is an old brand still in existence, new customers may feel more secure and old customers may feel part of their story. If a brand does not secure itself with strong roots it will find itself becoming top-heavy and ready to topple over the minute the wind blows stronger than a breeze. Every product that the brand introduces should come with a reason to support the brand's expertise in the category.

For the French, "it's impossible to disassociate the past from the present (x). Everything in France is built on layers of other things that existed before. The French are French because of the culture they share" say Nadeau and Barlow. "New technologies are adapted to old mentalities and the old mentalities endure. They still produce blue cheese like Roquefort according to a technique that dates back twelve centuries. It can only be produced in the caves of the town of Roquefort-sur-Soulzon because it is aged using a particular bacteria that reproduces there," and it can only earn the right to be called Roquefort if it meets certain specific conditions including being derived from one of the 2500 sheep" within the 100 mile radius area and so on. Champagne has similar restrictions although the region is to be officially enlarged to meet greater world demand.

Not only do these restrictions add to the value of the brand story, they tend to give farmers a protection way beyond any *fair trade* claim. Fair Trade comes across as an elitist charity effort to help the poor peasants in developing countries as opposed to the French restrictions which assist farmers to get good prices by limiting the quantity of milk they produce and increasing its quality as much as possible"(x). Who needs *fair trade* protection when you are empowered by a strong luxury production story? As with a tree, the roots of the brand are critical and form the foundation of the brand's DNA. This is not just about *storytelling*, it's about *real* substance. We would rather hear the truth about the homeless man who discovered a way to make shoes out of discarded bulletproof vest material that would last forever, than to hear a 'once upon a time' story based on nothing. How many niche brands over-laden with added Swarovski crystals, diamonds or other 'bling' will survive the test of time?

What is so sad about many old and authentic luxury brands today is that either their heritage has been forgotten, or the brand owners have forgotten to tell us. Since 1884 does not tell us enough. You cannot assume that if your brand has been in existence for over a hundred years, that we too have been around for a hundred years to remember the story. The less the brand shares with us, the less we will be able to bond with that brand. Just as in human relationships.

Lancel, Paris - Is it luxury?

Lancel (Since 1876) is a case that comes to mind. It is an old established brand, but what do we know about it? "Bags" was the only response that I received from over 50 International luxury brand students from different schools. "Who is behind Lancel?" I asked. No answer. Not one could tell me anything about the brand other than that they have a few stores in Paris, are assumed to be cheaper than those of competitor, Longchamp and perhaps equal to those of Mandarina Duck. Some had even visited the stores in the Opera, the Champs-Élysées (near Vuitton's new store) and in the La Defence office worker area. No complaints about the look or quality of the bags but just no desire for them, and relatively empty stores. "Feels cheap", I was told. Even the charming senior staff that I interviewed at one of the stores could not name any of their designers or tell me much more regarding the heritage of the brand! Is it any wonder that Lancel had to shut down some stores in Japan, one of the very places where luxury brands are in high demand? We don't know what the brand stands for. When it's not cheap, you need to trust. Do you trust anyone you do not know? We don't understand Lancel's universe. What is the concept behind the brand? Where is their *griffe*? Lancel, who are you?

"A recent rejuvenation process implemented by the brand is claims to have added a fashion twist to the brand's lines and given a new impetus to the expansion of the product range….which have boosted

sales worldwide. In the international market, Lancel maintained its double-digit growth in the Asia Pacific region and pursued its expansion policy, opening a store in St Petersburg and new 'shop-in-shops' in major Japanese department stores. Communication was reinforced with the launch of a global partnership campaign featuring world swimming champion and French Olympic medallist Laure Manaudou, who perfectly expresses Lancel's values of chic femininity, charm and excellence." website

According to new CEO, Marc Lelandais, she incarnates "natural beauty, a certain mischievousness..a thoroughly modern woman, very resilient. I thought it would be much more interesting to have the image of a 20 year old girl getting older with the label, than an American muse whose face is showing up everywhere in all different arenas" AF mag "Laure Manadou!" a fashion stylist exclaimed to me, "but she looks so common!" A few months later the swimmer left France to live with her new lover in Italy. Many French felt betrayed. A few months later she returned due to personal problems in Italy but soon after porn videos and nude photos of the troubled young star were posted all over the internet by her ex. The extent to which the brand may have suffered, or become more popular, is not known, however the ad campaign was so visible, that she has become *the* face of the brand and the first thing that most people mention about the brand, other than 'bags'.

Founded in 1876 by Alphonse Lancel and his wife as a manufacturer of pipes and accessories the brand moved into bags seven years later and is perhaps best known for its iconic drawstring bag 'French Flirt'. Lelandais, who's management career began at Pierre Cardin Parfums and found its way via the licensing division of Escada accessories to 135 year old luxury accessory company, ST Dupont until he took over creative direction of Lancel as well as the management of it. The brand went on to introduce new takes on vintage products as part of its 'renewed creativity' process, but shoppers found them "ugly and boring". The star swimmer campaign, coupled with the Nike-like look of its Champs-Elysee store plus its new but not new product range seem to have firmly positioned the brand *away* from luxury. "Lancel looks like an industrial factory brand aimed at the out-of-towners who still think it is luxury", said one of my students. "Some people think luxury is the opposite of poverty. It is not. It is the opposite of vulgarity", one quoted Coco Chanel as famously saying.

"People can *feel* when there is no creative soul or driver behind the brand just as they can feel when they are in a restaurant or a hotel run by employees compared to one run by the family. Perhaps it's time for Lancel to employ a star designer," one suggested. What the brand has done in that direction is to ask four young designers to create their version of the brand's iconic drawstring bag as well as create a line with Cécile Togni (one half of les Putafranges, the Parisian trend-setting DJ team). The range of bags and accessories under the name

Cécile Togni *by* Lancel has been launched at the trendy Parisian boutique, Colette and may no doubt help to bring youthfulness to the brand. But is it luxury? By the end of February 2008, the French movie star Isabelle Adjani started easing into her new role as ambassadress for the 130-year-old brand. “Lancel is looking to improve its profile in the luxury market with new concept stores and more luxurious lines,” read the press release. “Adjani's role goes beyond the ads. She's agreed not only to attend major Lancel events, like worldwide store openings or product launches, but also to create her own bag.” Clearly Lancel has now found a niche, the star as designer, not the designer as star. Hermès do it more discreetly.

Mining the Brand

When Karl Lagerfeld joined Chanel, the label was little more than a perfume company with some clothing boutiques producing the iconic Chanel suit for ‘middle-aged lady politicians in the provinces' (Guardian). Today it has become one of the most profitable luxury brands in the world, with revenues estimated at more than $4bn a year. There was no shortage of depth in the brand’s history for Lagerfeld to work on as a foundation with which to revive the brand, and what a success he has made of it. It’s a great case of tradition inspiring trend.

Architect Peter Marino, before designing the Chanel Tokyo store not only delved into the brand’s archives, he went to all the places that he could find where Coco Chanel had lived. This technique is what LVMH would term, ‘mining the brand’. Dig out what you can. It’s a way of finding out what the brand’s DNA really was relative to what it is today. A rich brand has a rich heritage. How much better to have a brand based on a real person and their life than a fictional concept story that had no life beyond that of a mannequin in the shop window? These are the things that should be obvious to the luxury brand connoisseur.

Louis Vuitton's original business was travel services not products. When European aristocrats of the nineteenth century travelled, they called in specialists to pack their suits and gowns carefully into trunks to protect them against creases. In 1837, Louis Vuitton, a young country boy who couldn't find work in the provinces, went to Paris and became an apprentice to a master packer. By age of 30, Vuitton was the exclusive dress packer for Empress Eugenie, wife of Emperor Napoleon III. Vuitton quickly realised that the old domed trunks shaped like treasure chests were fine for horse-drawn carriages, but they were not very practical for the new transportation world of trains and ships because they could not be stacked on top of each other. So he (or someone commissioned by him) built the world's first flat-topped trunks. Vuitton's trunks caught on quickly and Vuitton became established as the leading luggage maker to the aristocracy of the

Western world. The business grew as ships, trains and, later, cars greatly expanded leisure travel. Since 1998, Louis Vuitton has successfully diversified into ready-to-wear fashion, watches, sunglasses and shoes.

It comes as no surprise then that LVMH's CEO, Bernard Arnault considers travel and now, the journey itself as the primary attribute of the brand's DNA. Keeping the soul of the brand and feeding its myths is the centrifugal force of modern luxury. The formula, devised by Arnault, goes something like this: Sharply define the brand identity, or DNA, 'by mining the brand's history and finding the right designer to express it; tightly control quality and distribution; and create masterful marketing buzz' (4).
People may feel that the brand is now travelling around the world at such a rate of knots to have harmed its exclusivity but they will still feel an affinity to the brand. The brand is constantly innovating, surprising, adding new layers to its brand story and so it becomes easier to identify with the brand.

Learning from Artists

"When a designer is just reinterpreting old stories he is not a createur", L'Eclaireur's Hadid tells me. " A createur is a visionaire. Createur is something that is very high,…. high!"

Many may consider Luxury Branding to be an art. To an extent it is. We should however, always be aware of the clear differences between the terms 'artist' and 'artisan'. The artisan produces something that has a utilitarian purpose. It is used to serve a functional purpose. So-called 'primitive art' is not considered to be 'art' precisely because, say African masks, were created to serve a functional, ritual purpose. Made to be worn. Can we then argue that one of the world's biggest artists, Michaelangelo is an artisan because not only does his work serve the function of illustrating Biblical stories, but like a designer, he was commissioned to do the work by a patron, the Catholic church. Today this role too has been filled by luxury brands. They too tell their stories through art, notably art, design and architecture.

The artist is normally viewed as a free-sprit creating something that he freely wishes to express. A luxury product then cannot be considered an art because it *serves a purpose*. Branding may have become conceptual but Luxury branding needs to be more grounded. The brand needs to create a universe where their clients can *feel* comfortable, *feel* an affinity to that brand. This means that the more human contact you can bring to it, the better. It also means that the more freedom the creator has to create whatever he wants, the more passion he or she will put into the work and the more we will *feel* it.

Its not just the creator who is intuitive, clients are too. Relationships are reciprocal and clients can *feel* when you are creating just to make money.

Savoire Faire

The best luxury brands come as close to 'art' as they possibly can. Luxury defines beauty; it is art applied to functional items", says Kapferer. In "Judith Lieber: The artful Handbag", Author Enid Nemy Lieber quotes Lieber (born Judith Peto in 1921 in Budapest, Hungary) is a 'world-renowned designer of haute couture handbags' emigrated to the U.S. in 1948 as saying, "I'm not an artist" then Nemy goes on to state "but her creations are closer to art than to fashion, a cult among the cognoscenti, each as easily identifiable and as distinctive in its own way as a Renoir or a Picasso" Sold at exclusive boutiques around the world, her handbags cost several thousand dollars and are said to have become a status symbol for many women including several Presidential First Ladies. In 1994, Judith Leiber received a Lifetime Achievement Award from the Council of Fashion Designers.

In luxury we have become accustomed to hearing comparisons to high-end artists for creators in the decorative arts. Without doubt, to laymen, the high technical skills coupled with a strong sense of aesthetic lead them to such conclusions however an art connoisseur may be quick to point out that high art is not simply decorative, it has depth and conceptual meaning. "My mother always said it was a good thing that I went into fashion because it proved I didn't have any great expectations of myself," says Karl Lagerfeld,"and she was right. I haven't made an empire with my name on it. I don't go around calling myself an artist. If anything, I'm a whore. I go wherever they pay me". http://www.catwalkqueen.tv/2007/12/karl_lagerfeld_4.html

In essence, design is about that. Lagerfeld brings vision, concept, sketches and artistic direction based on the brand's personality, as he sees it, at a certain point of time. The highly skilled craftspeople who embody the knowledge of over 50 years of French 'savoir faire' are the ones who will ensure that Karl's vision is realised to the highest level of quality. As a result of the maison's dependence on the few remaining *'Ateliers d'art'* in France – named as such due to their high level of creativity and craftsmanship – specialist embroidery, costume jewelry, millinery, feather-making, silversmithing, and boot-making ateliers in order to compliment the company's 'haute couture' collections – which are done almost purely for image – more as an art than as an income generator and considered a rare and expensive activity that provides the aura around the brand, Chanel began to acquire the best of them in 2002.

Métiers d'Art

Many of these '*Atelier d'art'* houses were established in the age of couture, the 1860's. They represent the essence of France's famous haute couture 'savoire faire'. It comes as no surprise that Chanel chose to acquire them. Only the best creators are considered capable of producing haute couture, not any fashion designer can do so. Working with them therefore is the ultimate accolade for a creator. In Loic Prigent's 2006 film "Signe Chanel" which can now be found on Youtube, Lagerfeld modestly states that he is merely a graphic designer. He is clearly considered a visionary by all in the field and a great creator, but for Chanel, he simply takes the founder's place and continues her life for her.

We have already mentioned that a *griffe* is created by a living person and therefore *is* the embodiment of the living person. It is necessary to come back to this term griffe in order to understand its subtle differences and meanings. Because these terms do not exist in English, we miss some understanding of luxury brands that the French have. For instance, in English we don't differentiate between creator, visionary, artist, and designer. Once we get it, we discover that in fact there is an entire hierarchy of creative titles that mean different things and therefore can bring different things to our brands. Why employ a designer to simply reproduce existing brand codes when a visionary can expand on what the original visionary started out doing instead?

In 2007, Chanel staged the Métiers d'Art collection "in honour of the couture ateliers whom the event celebrates". On a fashion blog, I find the following comment," I wonder why we're suddenly seeing a lot more publicity about the inner workings of Chanel? New business model? Good times? Bad times?" No, the house has clearly understood the need to show that they guard the most precious assets of French fashion - its savoir-faire. No fashion house in the world can make such a claim. The house has deep roots in Couture with the most highly skilled artisans that embody the 'savior-faire' that sets France apart from the work done by artisans in the emerging economies.

"How does the French 'savoire-faire' come into this, if you are all New Yorkers," I asked Peter Copping, Vuitton's R2W Design Director who has worked in the Marc Jacobs team for 10 years? ""I think it completely does," he exclaimed. The savoire-faire is not very linked to the design process. It's more about the construction and how they are made. Once we've done the sketching and have given it to the ateliers, that's where the French savoire-faire comes into play. There's a *real* knowledge of clothing here and a very high level of finishers. We don't get the samequality in New york, maybe in the 50's we did. The same can be said for London. It's pushed our standards up by working here."

The French Ministry of Culture takes this knowledge very seriously indeed. In 2006 it awarded the "Chevaliers des Arts et des Lettres" distinction to 4 craftsmen and granted four artisans the honorary title of "Maître d'Art". Paradoxically, thanks to the growth of the big luxury houses in France, we are very likely to see a massive return to the ateliers and the emergence of more of them because not only to the grand maisons need them more, the bespoke independents needs them as well.

As art has evolved over the decades, most Luxury brands too have evolved. They have had to. All brands have to keep moving and evolving in order to remain competitive or relevant, even if much of the portfolio remains unchanged and timeless. Luxury brands are always under threat from improvements in mass technology producing better quality at lower prices and in cheaper countries thereby creeping up on the luxury brands. Luxury brands have to continually add value and raise the bar. How much greater value can they add than to add the personal touch of an established artist who's work can sells for millions? Imagine the value of a Louis Vuitton bag that has been hand-painted by an artist with the stature of Picasso? A work hand-painted by Damien Hirst or Murikami could fetch the highest of prices, but then again, it could just be more 'bling'.

The world's biggest luxury brands are now seen to be working more and more with artists. Not only fine artists, but all artistic experts, from the ateliers to 'Name' industrial designers to architects and other known creatives.

"Some people might think that the collaborations that you've done with artists are really rather an indulgence in the company. Do you think that, or are they essential?" asked International Herald Tribune's famous fashion editor, Suzie Menkes of Louis Vuitton Chairman and chief executive, Yves Carcelle at the IHT Supreme Luxury Conference, Moscow 2007. " There are two aspects, our values and history are key and we must respect them but are only useful if you reinvent them permanently. Creativity is a big element of luxury too. It has to be values *and* creativity. You mention Takashi Murakami it started in mid-2002 and what is fascinating is that more than 5 years later it's mythical and has become a complete part of the vocabulary of the brand. So it was not a game. It was a new reinvention exactly as George, Louis' son invented the monogram in 1896, Murakami, together with Marc and the Vuitton team invented the Multicolore monogram which is now a complete part of our territory."

Brand Identity and Image

Brand *identity*, it has been shown, begins with the star product / creation and the griffe-person who may one day evolve into a brand

and then be continued after the physical departure of the griffe-person by the publicist or other custodian of the brand. Identity is something that communicated from the inside outwards and as such, is controlled by the brand. In the case of an old brand, its history makes up much of its DNA codes and the company may enhance or play down aspects of that identity to modify the brand's DNA. What cannot be controlled though is the brand's image.

Image refers to how the consumer interprets all information received regarding your brand. This will be based not only on communication put out by the company but on word-of-mouth, comparisons to competitors, brand behaviour and other aspects that may influence perceptions. The resulting perception then becomes the brand's image to that person. The term *brand DNA* is used and often misused to refer to the company's perception of what it is, whereas it is the *consumer's* perception that is the brand's reality.

As brands only exist in the consumer's mind, we must be totally in tune with how the brand image DNA is being formed in their minds. Realistically every person has a slightly different interpretation of what the brand represents. We can only do our best to control the brand identity attributes and then try to communicate it and live up to it so that the image DNA perceptions that we would like to see in the minds of consumers, match the identity aspects that we have been building on.

The mismatch of perceptions can be seen by this little Tiffany example:

"At Tiffany & Co. I was told that the brand is about 'superlative goods' and 'feel goods.' An ex-Tiffany manager told me." Tiffany does not consider itself a 'brand' or 'a company,' but rather is sees its identity and renown as a destination, an experience, an institution to celebrate life's most important occasions. Tiffany is also about design. Rather than a purveyor of precious metals, gemstones, crystal and china, it is an emporium of design celebrating the best there is. Its customer's come to Tiffany to purchase the best there is, to mark the milestones of their life. Quality+ design+ service+ experience+ value= a lifetime customer. In addition, Tiffany takes a democratic approach to luxury. This is not better exemplified than the Tiffany diamond that is always on display on the main floor of the Fifth Avenue store. A beacon of the most beautiful and precious stones, as well as a representation of the most exacting 'gemological' standards. People are encouraged to come and discover the Tiffany experience without pressure to purchase, and that happens on a daily basis."

Then, just as luck would have it, at the time of writing this, I receive an email from a friend that reads as follows: "This morning I was writing to someone in my network about an advertisement for diamonds and I

told him that Tiffany's is such an American middle class brand with such a preppy image - it just does nothing for people who know better." Now that's how brand image works in reality. To this person, the entire brand image has been reduced to the attributes of "middle class, preppy, not something that I fit into". As Tiffany, we would have to assume that all the above DNA attributes that we had assumed to be built into the brand's identity and its aura have been undermined by our mass appeal and would need to be reinvented and reinforced by actions and not words. It would be a good time to dig into our past to see what heritage we should reclaim and possibly even consider introducing a Privé bespoke sub-brand outlet as Armani has done.

Of course DNA includes history as well as the present, which is why it is something that can only be built or lost over time. It is normally only after a founder-griffe has died or retired that the brand custodians will start digging into archives and everything to try to reconstruct the codes and character of that griffe to understand what the critical success factors were, what the references were and so on and at that point the team will start to use brand terminology such as 'brand DNA', or speak of 'respecting the brand codes' and so on. Celine's management is a fine example. Jean-Paul Gaultier often refers to 'respecting the codes at Hermes' and Lagerfeld clearly does so for Chanel.

Everyone working for the brand has to know and respect these codes because if not they could end up losing their core customers. When a company changes designers every two or three years, consistency in product or communication can be lost. "And once you become inconsistent, the customer says 'Thank you very much,' and goes to another brand," says Polet. The Jil Sander and Kenzo brands were perfect examples. The strategic challenge is always one of how to gain new customers whilst retaining and building further on existing customers.

Changing Hands

The Jil Sander fashion brand is known to have had three bad years. The first came just after Prada bought a 75% stake in the business and as a result of a disagreement regarding the direction of the brand, its founder, German designer Jil Sander left. Prada appointed retailer Milan Vukmirovic as creative director; his experience was as a founder and buyer at cult shop Colette. Reviews were bad, sales stagnant. Then in May 2003, Jil returned. The fashion world rejoiced. Unfortunately, in November 2004, she left again. The fashion world, by now through with crying, signed and wrote off the brand."This brand is not a brand; it is one woman's vision. It will die without its founder!"shrieked the fashion world (x).

“In July 2005 Prada appointed Belgian men’s wear designer Raf Simons as creative director. Simons, who is very well respected, has never designed a women’s wear collection. Still, the fashion world suspends its disbelief,” wrote Vanessa Friedman of the Financial Times (x).”Simons’ first collection is greeted with rapture: the brand is saved. Then, three days after the show, Prada announces it has sold the brand to private equity firm, Change Capital Partners. “By 2007 the company had proven everyone wrong about both the survival of a brand after its founder’s departure and the effect of private equity ownership on fashion,”Friedman states.

According the company’s CEO, Raf Simons gave the brand a future. He is not a ‘star’ designer, never made himself the story and remains discreet and little known out of the fashion industry although his “eponymous men’s clothes are more written about than widely available and Simons is almost unknown outside the fashion world.”(X) Simons was interested in proving everyone wrong and needed both the financial and profile boost for his own company.”In my first period at the brand I wanted to deal with the heritage out of respect, but also as a way of sending out little tentacles of exploration to find out what would be necessary to make the brand feel very alive,” says Simons.”I felt a real responsibility to the brand, and to the people who work at it. I know what it is to feed the mouths of the people who work for you.”

For the more recent collections, simons rethought “the cliches of the Jil Sander brand” and transformed the much vaunted tailoring into unexpectedly sexy suits, amonst other additions of sensuality and fluidity. “What’s interesting is that, though in rigour and quality the process and products are absolutely Sander……they are also a departure from the brand’s traditional comfort zone,” says Friedman. “There is still acustomer for the tailoring, but now there is a new customer as well,” says Joan Burstein, owner of the trendsetting London boutique, Browns. “Raf has managed to make another Jil Sander. Now it is just a name.”

As the brand’s true DNA only exists in the consumer’s mind, those responsible for developing a brand often need to make conscious decisions to maintain strong attribues whilst adding new positive attributes to help offset negative attributes until such time as a successful formula has been found. Key successful attributes need be constantly reinforced and made to act as deep roots for the brand while additional attributes are added as young roots. Kenzo and Helmut Lang are two other fashion brands that suffered a similar fate after the departure of their designer-founders, but these brands too have now managed a strong comeback.

“The closer you are to the DNA, where you should be, the more success you are going to have,” says fashion brand Celine’s CEO Serge Brunschwig. “It starts with research- in what has been the success of

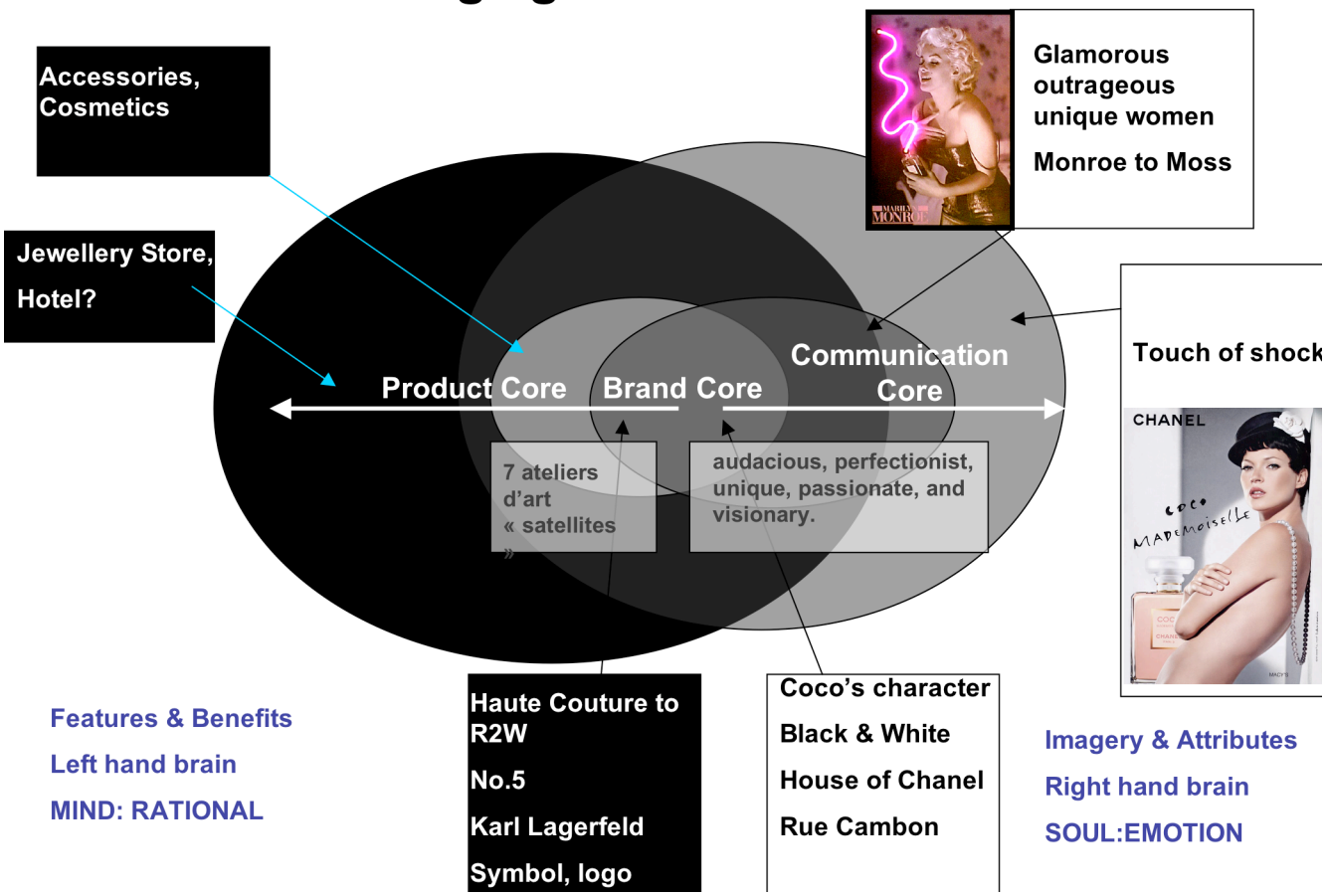
Celine historically, to understand what Mrs Celine, the founder wanted to do. Once you have understood that clearly, then of course you discuss it internally with the team and everybody then knows what to do, where to look and what part to play. What we discovered was that Mrs Celine had created this very distinctive silhouette for the independent, active, feminine woman and that's still very valid today." Unlike the Jil Sander example, LVMH's Celine team does not attribute its success to one visionary designer."It's a collaboration", says Croatian design director Ivana Omazic.Collaboration it would seem, relates mostly to researching the brand's historical codes as well as agreeing on its future direction and codes.

For established brands such as Celine and Chanel, it is fundamentally important to delve into the history to define the brand's DNA. This includes what made up the original griffe, the personality of the designer, her private life and her universe. From that 'codes' are discovered which are then adhered to in order to develop the brand without betraying its universe. DNA then often supersedes griffe in cases where the designer in not permitted to be a creator. In cases where the creator was never known, as is more often the case with mass brands, the brand needs to be handled as a man-made person, a type of Frankenstein with a body, mind and soul.

Rational and Emotional

For us to fall in love with it, it needs to appeal to both our rational left-brain as well as our emotional right brain. This process is illustrated in fig. 7 below.

- **Brand building eg CHANEL**



At the core of the brand's DNA, we find Coco Chanel's character, her lifestyle, her colour codes, her philosophies, symbols and even her address in Paris. The emotional part to the brand has been driven by its communication style in which the brand extends the life of her personality by associating itself with women who live their lives as closely to the one that Chanel herself led, or women who she would have aspired to. Glamorous, outrageous, impertinent, sexy and confident women such as those already mentioned from Marlyn Monroe to Kate Moss.

Her No.5 perfume, which was selected from a series of numbered samples that she was offered to choose from was chosen because she launched her collection on May 5, fifth month of the year, so she believed that the no. 5 will would carry chance to it. This number becomes part of the core DNA, especially since the fragrance has been timelessly successful and even served to swing the reputation of fragrances away from Grasse to Paris even though the House of Chanel has become the main grower of May rose and Jasmin in Grasse.

In 1954, during an interview, a journalist asked Monroe what she wore to bed. "Why, two drops of Chanel No.5, of course". Without wanting

it, the declaration from Marilyn made a superb advertising slogan and forms part of the fragrance's DNA. Andy Warhol sealed Chanel No. 5's status as cultural icon when he made nine silk screens of the perfume, elevating it to Campbell Soup status and in 1959 the packaging itself made it into the collections of the Museum of Modern Art, New York. Who would dare to dramatically change its shape? Its iconic.

On the rational side Chanel remains *Griffe-Branded* by Karl Lagerfeld *as* Coco Chanel. As an actor would do, Lagerfeld is clearly able to assume Chanel's character to design a new collection. He seems to understand her well enough to help her grow to heights beyond where she may have been able to go. The maison's exclusivity and quality image has not weakened by its expansion into Ready-to-Wear, Fragrance, Beauty, Accessories, Eyewear, Timepieces and Fine Jewellery. Even her room at the Ritz hotel still exists. Chanel today is a perfect example of excellent collaboration between brand owners and great creators. Few know who Chanel's owners are and fewer have ever seen them. Who owns it is less important than how it is run. The owners are not looking to get richer quicker and Lagerfeld is not imposing his personal DNA over and above those of Chanel herself. Obviously there may be some who hate what the brand stands for, but at least the brand cannot be accused of sleeping around – too visibly.

What the super-rich luxury brand shoppers really love these days, of course, is to have something created for them. Something bespoke. Chanel still offers that service, and still shows at the Haute Couture collections. Haute couture remains core to the brand. The DNA remains intact and the brand simply expands its DNA over time with new, fresh stories that are within its timeless universe. The more it does so, the more it entrenches itself and protects itself from cheaper brands such as the unoriginal Hugo Boss which recently launched a very Chanel-esque collection using Chanel's signature black & white codes. Chanel could of course, launch a more affordable Coco or CC fashion line to attack downwards, but is clearly not tempted to do so. The difference to Vuitton' strategy then? Primarily the mentality of the owners coupled with the fact that Chanel *begins* at the high level of Haute Couture as opposed to Vuitton's travel trunks made to pack the robes into.

Attributes make up a brand's DNA. When people say that they ***know*** a brand, what they are saying is that there are attributes that they can attach to that brand. The more attributes, the deeper the brand's heritage. Chanel has a very well developed Emotional & Soulful side to the brand as well as a well-supported rational side of strong features and benefits. Under the leadership of Karl Lagerfeld, the maison has defined the style and fashion of Chanel as being the five essentials: audacious, perfectionist, unique, passionate, and visionary. Clearly Karl is the main visionary. For beauty, there is another.

Stories add Attributes

It's not surprising that many women feel a close affinity to Chanel. Its DNA is no doubt very compatible to theirs. The identity that it seeks to establish could be considered to match its image DNA in people's minds, a place where perception meets reality, with no promise gap in-between. A brand cannot afford to rest on its attributes of the past however but must grow and add more layers of stories in order to remain relevant. As such, we should not forget the extent to which a brand's story is also partly derived from its unique clients, as has clearly been the case with Hermès and Cartier.

One example is the La Doña de Cartier collection that Cartier introduced based on María Félix, "an important client of Cartier, considered once to have been the most famous Latin-American actress in the world, an actress with an incredible magnetism, half Indian, half Spanish. The star visited Cartier along with a live baby crocodile in a jar and insisted that a miniature, jewelled version of the reptile be made as quickly as possible, as the original would not stop growing! Cartier rose to the occasion-it was not the master of the largest jewellery animal collection for nothing-and shaped María's dreams in the form of a beast lying in wait. Head, tail, and feet were articulated, its eyes glowed with life, with 1,023 jonquille diamonds for one and 1,066 emeralds for the other." Such stories are developed by the brand team who research the archives and then brief the Cartier creative team of twelve to create a new collection as a tribute to the client. Hermès Kelly and Birkin bags provide

Luc Besnier, CEO of Reflexgroup, a worldwide creative agency, headquartered in Paris that specialises in servicing luxury brands says that the big houses such as L'Oreal Luxe and LVMH have 'amazing books' on what is the brand, the meaning of their brand, what is the brand perception in China, the USA etc, but if you go to smaller houses they don't have those kinds of briefs so Reflexgroup has to help them to define their DNA, their core values, how they can differentiate from others and so on."

Surprisingly enough, the ex-window design director for Vuitton told me she had never been shown one of these books. In the mass market where Brand Management rules, these 'amazing books' are commonly referred to as 'Brand Bibles' and often they are too restrictive to allow for much creativity to take place within the brand. It is perhaps for this reason that we see with every jewellery collection from old established luxury jewellery brands, a sad set of rings and necklaces created around the brand's logos or symbols. The founder-creators of these brands would turn in their graves. Where has the creativity gone?

"Once I wanted to project the Vuitton monogram onto the pavement but was told that it is not accepted to allow people to walk on the

monogram," my window designer friend told me, "but eventually it happened for the event at the Grand Palais but only because the monogram was moving". It is these very simple means of communication (logos and symbols) that Besnier feels is working to bring in the Chinese and other emerging economy clients because they can recognise them. Vuitton is known to have specifically emphasised the monogram for its Japanese audience.

In Paris however, so much excitement was generated by the new Chanel fine jewellery store two doors away from Van Cleef and Arpels on the Place Vendome when it opened. Chanel was offering exciting jewellery that women wanted and not just variations of logos and insignias made out of expensive metals and stones. Chanel has understood how to create an affinity with their western clients. They are creating stunning eye-stopping moving masterpieces. Not brand symbols in precious metals but fashionable, fun pieces that would make Hollywood stars and princesses dream.

Chanel shares its brand personality with us so we feel we know it. We feel its soul. It remains more true to its brand principles than to its brand symbols. The brand is creating today in exactly the way that Coco Chanel is likely to have done, even though she preferred costume jewellery to the real thing. The brand evolves as if she were still there moving it forward, keeping it fully alive, ageless instead of timeless. We feel her pleasure. She must be delighted to know that from her window at the Ritz, she now has such a noble presence. We celebrate with her. We feel she has never left us. We feel a true affinity.

It is interesting to note however, that the concept of 'star designer' only seems to apply to the fashion arm of the luxury brands. Almost never do we hear who the designers are behind the 'accessory' lines even in cases where 'accessories' represent the core of the brand, as is the case with Hermès and Vuitton. In these instances, it is the bag shapes that become the iconic names i.e the Kelly, MacPherson and Birkin bags from Hermès or the Keepall, Speedy, or Lockit from Vuitton. Added to this we find that special collections act as sub-brands i.e the Monogram, Graffiti or Murikami bag series for Vuitton. We can conclude that for watches, jewellery, sunglasses and the rest, the product is the star, not the designer, and unofficial product brand names do come into play. Only for perfumes do we find real product brand names in the same way as we do in the mass market. For most luxury brands, its only the House brand name that is promoted.

In fashion, there is no point giving a product brand name to each item of clothing as they rarely live beyond a season. If the house allows, the designer becomes a star as a result of his visionary talent to create desire. A designer who just repeats the tried and tested formulas of the past may actually be doing great harm to the brand by freezing it

into a form of stagnation. Not only that, they kill the authenticity of the brand because we can *feel* that the griffe is no longer there.

The more we know about the brand, the closer we can get to it, the more we can develop an affinity for it and the more we can get attached to it, just as in human relations. But desire is the ultimate. Desire is the key attribute and sustaining desire is where the true visionaire's savoire faire comes into play. We feel like fools if we desire something that is not authentic.

Authenticity

Anything that does not feel real threatens the brand's authenticity. The true luxury customer does not like replicas. No replica art on hotel walls, no replica furniture. Rather give real, hand-made by anyone than a replica of a masterpiece. Art from a local school may be more appreciated than a cheesy replica print in a fake vintage frame. We feel the same way about people. If your staff are not sincere, we don't feel warmth. We prefer kindness over service, true knowledge and passion over robotic rehearsed lines. "Made by hand" always looks better even if it just means not from mechanised production.

"We live in a mechanised age that is mad for authenticity, for individuation" wrote Jan Dalley in the Financial Times. "We may preach democratisation, yet the word "exclusive" is used to promote opera ticket offers and crocus bulbs, holidays and handbags, without a twitch of ironic self-knowledge. Talking of handbags, in fact, takes us straight to the very heights of idiocy in the craze for the "real". Women spend many thousands on a single item, simply because it accords with some notion of the real thing – as marketed to us, as seen on the arm of this celeb or that. It is not intrinsically more beautiful, certainly not more functional, than a bag costing a fraction of the price, or indeed than one of the knock-offs that abound on every street corner, but it is far, far more pleasing. It's real. In cultural terms", she continues" the real, the "authentic", is all-important. But it has always been a tricky notion, a blurry concept even more complex in the contemporary art world. If we paid the astronomical prices of the current artist-celebrities, would we be paying for some invisible "hand-made" label? "

Dalley goes on to cite Edwin Heathcote's FT interview with artist Sir Anthony Caro which "gives a vivid picture of how a large, modern sculptor's studio works and how an artist can, with the help of assistants, create something that he does not know how to build in practical terms. Such studios are the essence of modern conceptual art but they have something almost medieval about them too, the idea of apprenticeship to a master, and of craftsmanship that backs up the artist's vision. Thus authenticity, in terms of creative art, may be about

a vision or a concept, and need not have much to do with a label declaring something to be hand-made. Rodin employed some 50 assistants in his studio and probably never laid a finger on "The Kiss". But he made the maquette for the larger sculpture, his was the vision and the creative energy: it is undeniably his work. It is nothing like handbags."

"That's the theory, and the practice, at its best and clearest" states Dalley "where it gets blurry is when it appears that artists' names have become brands: then the handbag analogy suddenly seems to apply only too well. Hirst's venture into designing jeans for Levi's, and the fact that those jeans are going to cost $4,000 a pair, might underline the point. The photographer Ianthe Ruthven, had a show not long ago of wonderfully intricate, mysterious, abstract patterns. When you discovered that these were the tracks of a certain kind of worm, superbly photographed at low tide, all was made clear – and all was completely changed, in your perception of what you were looking at. Authorship – our knowledge of who made a certain thing, and how – does matter. Even when the author is a worm."

If we go back to humanising the brand, in human relations, authenticity remains a key factor. We cannot be expected to fall for a phoney. Well, a story I did like recently was one from a young internet billionaire who told me that at first he bought a counterfeit Swiss watch because it was so beautiful and the minute he could afford the real thing, he bought it. Nowadays, many of us would rather wear nothing than have the fake, especially when it comes to timepieces. In fact, some would argue that the only purpose of a watch in today's world where we are surrounded by digital time on cellphones and computers, is to show wealth unless we just happen to be crazy about real mechanical watches of true craftsmanship.

In her Masters degree thesis paper entitled "Getting real: Authenticity in Personal Luxury Market",(x) Hanna Virtanen states that "When a brand appears too commercial it risks being viewed unauthentic as well. It is important to give your brand a face" she adds. "Customers are especially interested in finding out who is behind pieces they invest large sums of money. Giving a face is like giving a warranty. This face contributes to the griffe of the brand, and also to the brand's authenticity". The key is to be honest. Honestly shows integrity. It is essential to know the real source: Who is the creator? What are his skills, achievements, beliefs and convictions? An authentic brand stays true to certain values, and stands up for something. It is transparent. It does not hide behind a fake identity or a mask, just as we would expect a person with integrity to do.

STEP 4 WHO'S IN YOUR PAST?

Your history, how your got here

There is nothing worse than being asked about past relationships but when it comes to creating a luxury brand, we like to know that the griffe that we may invest in has a strong pedigree. It's the expertise that we are seeking to know more about.

In the earlier chapters we discussed some key issues and stages that give rise to the luxury brand. We started with the visionaire/ creator/ griffe but the reality is that it does not start there. This visionaire/ creator is normally found working for someone else first. He or she may at some point dream of breaking out independently but it's always a question of timing. Cardin built his name at Dior before starting out on his own. Apprenticeship adds value, and often brings pre-launch fame. Fast rising star watchmaker Francois-Paul Journe first worked for his uncle as an apprentice in Paris and attended the horological school there. "It was in Paris that I learnt most of my horological cultures and skills. I am very lucky to have seen most of the, incredible, fantastic, beautiful vintage pieces being restored by my uncle. And I realized that it was the best place I can learn about the history and skills of watchmaking," he explains.

"In 1994, I was wearing my self-made tourbillon, and I had a lot of positive reactions from the public about the design and the technical implementation of the watch. This gave me sufficient confidence to start my own brand. The idea started in 1994 and it took 5 years. By 1999 I had presented my products at the AHCI booth, and the reactions from the visitors were very positive. In Basel-2000, I had my own booth for the first time, and even more visitors expressed their interest to buy my tourbillon. I was further encouraged," he adds. "The way I started, it wasn't easy to find the finance. One of my friends suggested that I find a group of collectors to buy my watches. At that time, I was able to find 20 people who were willing to put down deposits to order my tourbillons. It was this project that provided sufficient seed money for me to start my own brand." Let's also examine a real life 'House in the Making' scenario that is probably taking place right now:

In 2007, the press announces that Dior Homme's designer Hedi Slimane has left Dior Homme after Dior and Slimane failed during drawn-out negotiations to agree on a way to support a new label under his own name (as Dior does for Galliano who heads their female collection). Immediately comments started to pour in on fashionist blogs such as Fashionverbatim with "*Yes, it's true, Kris Van Assche will replace Hedi Slimane as the artistic director of Dior Homme. The split is said to be the result of Dior being "fed up" with Slimane's demands.*

And while Van Assche is a close substitute for Slimane, it will be interesting to see what happens to this iconic brand. Fashion ethusiastics proudly boast that the noughties will be as an era that turned its back on the 'celebrity designer' - except maybe Lagerfeld - but in the realm of menswear, Slimane was as close as it got. Some speculate he may move to YSL, other say he will fall under Chanel's umbrella and introduce a womenswear line. Wherever he goes, I don't doubt Slimanabbes (I didn't say Dior Homme devotees) will follow."

"The news is far more significant to the luxury industry than this latest round of designer musical chairs suggests" says Suzy Menkes. "With the big brand conglomerates needing deep talent to plump up the bottom lines of publicly quoted companies and with aging designers about to reach the end of their illustrious careers, the 30-something talents are at a premium."

On a Style.com blog we read:
I just read on the vogue uk website that Slimane has left Dior. He will be replaced by belgian designer Kriss Van Assche. what do u guys think?

Very good move of Dior, I'm happy that they have listen to some people. Hedi Slimane is an overrated person, I shall say it very kind I'm not a fan of him, and I'm not alone in this world. Maybe we are a minority but a very important minority. Let's see what Kris Van Assche can bring to the house of Dior, I give him all my blessings for the coming time. Ciao

Oh yes, Hedi Slimene is very overrated! No Valerio you're certainly not alone in this world who loves to see him go. I'm not mild at all. He's over-overrated. So. I love to join that important minorty. Kris van Assche has my blessings as well. I do love him already. And well I've a weak spot for the charming Belgiums. That small country is big when it comes to designers with guts and a spark of fun.

Sometimes I do wonder what the master, Christian Dior, would think himself...his career was far too short but so important to fashion. So HIS house and name needs real interesting designers. Kris van Assche is such a designer. Hedi Slimene isn´t. Well he can always go on and design for rockers as Pete Doherty!

i love Van Asche, i'm going to try to go to the same school. but we have to give Hedi some credit. he changed men's fashion. whether you like it or not. to me the styling: no, but when you put it on it's so good, high quality.

You're right Kingries. It's just simply stupid to say Slimane sucks and only say it because it's not your taste. Hedi Slimane is the man who has most influenced today's men's and even women's fashion, and I

think he should be respected because of that. You can fight over what you like and don't like for your whole life, but you can't deny the facts.

I love Slimane 'cause he influenced men to become skinnier,it's so nice to be skinny,i love skinny men,i am a skinny men.and he influenced men on wearing skinny jeans.so he's just really cool.

ok you all are absolutely ridiculous. first off, if you're going to bash viably one of the most influential and important figures in menswear at least give a little weight to your argument with why you dislike him. secondly, that is an absolute shame that he's leaving. There's been talk of this for about a year now, i was hoping he would stay but deep down i felt he would leave. i'm very skeptical about Van Assche, it'll be interesting to see what he does though i highly doubt it'll be anything as revolutionary as slimane's work. LVMH wants a return to form for Dior menswear? So be it. But Van Assche will be gone in four seasons or less...

Actually you do the same as which you accuse us of, you don't give Van Assche even a chance to proof himself. As you know he was the longtime assistant of Hedi Slimane, so give this fellow a chance. Mr. Slimane isn't God, he's just an designer and far from the point Mr. Tom Ford and John Galliano and others have reached with their creations. Ciao

Skinny jeans have been in and out of fashion for women and men since the 60's. So there's no influence as well. "Inspired by" is better formulated in my opinion. The Mods? Yes?

Why I don't like Van Assche:

1. It's run-of-the-mill, stereotypical menswear. Anyone can send a tank-top with a pair of briefs down the runway, but at least D&G and Dsquared can give it some edge.

2. He's known for his tailoring and construction? Well, WHERE THE HELL ARE THEY!?!?! Everything looks very basic. There is nothing revolutionary about the clothes at all.

3. he hasn't proved himself with his own menswear line. maybe up and coming menswear deisgners are just lacking at the moment but if Kriss Van Assche is menswear's future, i'm sincerely worried.

So this "someone" cannot separate the artist from his work? You, as such a great Hedi Slimene fan must have the knowledge that Mr. Doherty is or was Slimene's muse. Doherty got his suits from Dior through Slimene for free. Is this detailed enough?

If we try to visualise the image that Slimane supporters have expressed

versus the image of him that Pro-Dior anti-Slimane supporters expressed, we could try to visualise this by drawing up *for* and *against* perceptual image of Slimane in their minds. For instance:

for

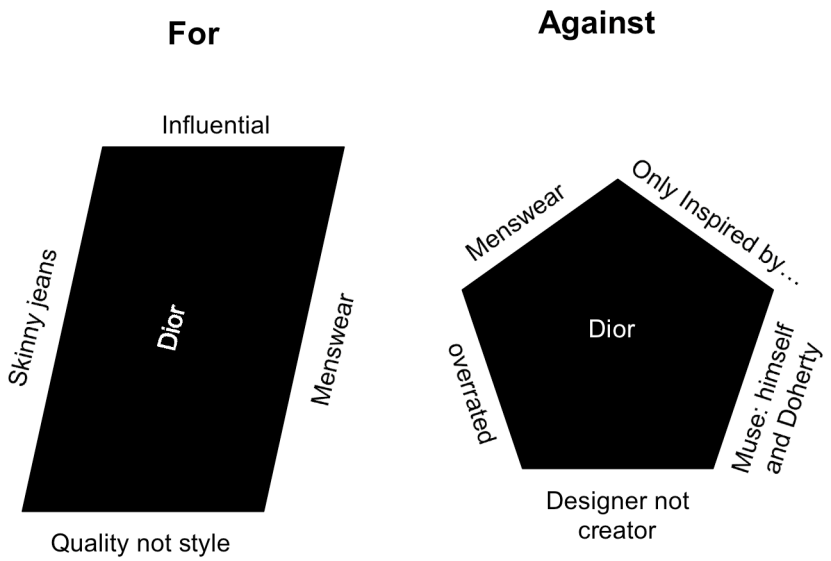
- 100% Dior
- 35% Skinny Jeans
- 35% Menswear
- 15% Influential (inspired Lagerfeld to lose weight)
- 15% More quality than style

against

- 100% Dior
- 20% Menswear
- 20% Designer not creator
- 20% Muse: himself and Doherty
- 20% Only 'inspired by..'
- 20% Overrated

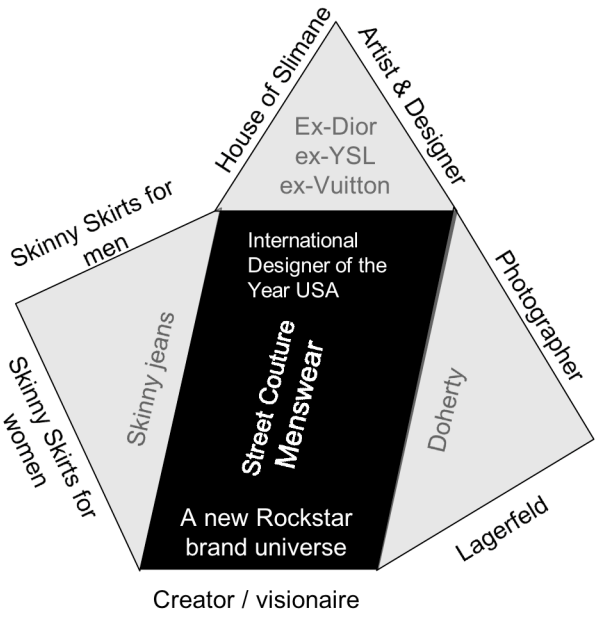
These are then presented in the diagram (fig 5) below to try to visualise a DNA of Slimane attributes in blogger's minds:

'guesstimate': Hedi Slimene's DNA to Style.com bloggers



Assuming that Slimane decides to move on to create his own *Maison*, he will be starting with a DNA that includes the prestige of the Dior brand to his name, and a reputation for menswear. Those against him will not be the first to line up at the door so he should first focus on building up his reputation amongst his fans, and it's a skinny look reputation at that. He does not seem to represent a unique Universe other than to have used the look of Doherty, and the Mods and Rockers of England's past. His skinny jeans were welcomed, but what look or universe does he represent? One would expect him to develop a rock-star universe, enhance his menswear reputation and take more risks and truly innovate. He has to prove that he does not only design for himself and Doherty (the British pop icon ex-boyfriend of Kate Moss better known for his personality and drug addiction than for his music), and that he is indeed a creator and is not over-rated. His target could be to achieve a DNA such as that shown in the next illustration.

Hedi Slimane's possible DNA evolution plan



He would either need to earn a stronger reputation for his fashion creations, which would have to be newsworthy to get noticed. So let's assume he evolves from creating skinny jeans for men to creating the

first skinny skirts for men and women. He will be building his brand story off an existing credible reputation, If he wishes to be known for his furniture designs, store design, as well as fine art and photography, he would need to create newsworthy items in each of those fields too. The House of Slimane would then be one that encompasses all his art and design talents and therefore would be best developed as an art gallery/fashion store concept with perhaps strong links to his rockstar friends that too would be newsworthy enough to get noticed. Within a short while he may easily succeed in reversing negative perceptions of him whilst building new positive attributes into his image DNA.

The really big issue facing Slimane at the time of his Dior departure is that he was not considered ready to be accepted as a creator. This may mean that should an opportunity arise with YSL or another big brand, he would be well advised to take it whilst continuing to develop his own label simultaneously as Marc Jacobs, Galliano, Lagerfeld and others have done. This would also allow him the freedom to take risks with his own label. Designers, like fine artists, normally find it difficult to attract financial backers if they have not as yet defined their own brand universe (in our minds) and therefore not considered mature enough or famous enough to found his own maison, as Tom Ford clearly was. Of course there is nothing to stop him opening tomorrow.

“The future of Slimane will depend on his ability to find funding for his own label and for that”, says Antoine Colonna, a financial analyst with Merrill Lynch, “any investor would need patience. No one today can do anything like Armani in the 1980's. It will be very interesting to see who puts money in and takes the long-term stance.” Chloé CEO Ralph Toledano adds “Today, it's too expensive for a young designer to launch his or her own brand. To commercialize your business—production, distribution, advertising—you need a lot more money than before." So designers either need to be independently wealthy and fund the businesses themselves, or look for financial backers. "And backers want assurance," says Toledano. "They are much more assured by a name than by a non-name who supposedly has talent." (x) “What’s more, the factories would generally expect to be paid upfront, creating burdensome cash flow demands for the designers who aren’t paid for their own collections until well after they are delivered in stores” – on time!

Zac Pozen is a case in point. Selective Beauty, the global fragrance distribution company, has rushed to license his name on the grounds that “he has a lot of talent, he’s already very visible – especially in the US press, he has a lot of celebrities asking him to dress them for special events. He is not just a creative designer, but has a real business side to his mentality. We have expectations between $10 m to $30m over the first five years” says co-founder Christophe Carvel (FT). The reality is that these days many of the big fragrance licensing

companies try to offer designers a zero per cent royalty on the grounds that they will spend a fortune on advertising thereby help to build the name into a brand, then its up to the designers to launch clothing stores around the world on the back of that new fame- a tough call.

"A brand can have huge hype, but still only be a tiny business," says Aslaug Magnusdottir, who has recently joined former Bloomingdale's chairman Marvin Traub to form TSM capital, a group that will find investment and help manage fashion and luxury brands. That means that the cost of entry is relatively low, allowing individuals and family funds with a passion for fashion – more than a pressing need for financial result – to buy in." (FT) To survive, most designers are forced to take on investors and many have lost the rights to both their names and their archives as a result. It is often for this reason that they are reluctant to use their own names on the label and opt for a made-up brand name, but then it's harder for us to feel the griffe and obliges their new company to build two names at once, the designer name and the second line brand name.

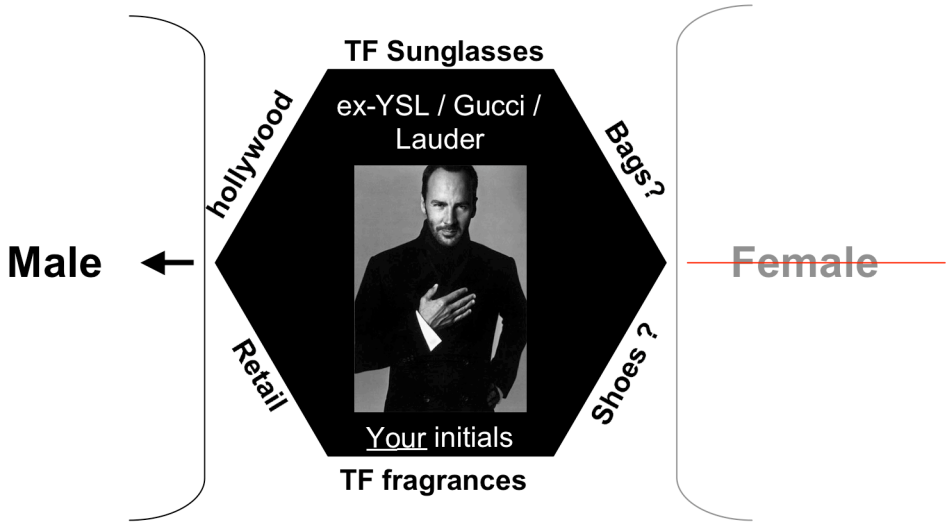
The Paris-based Brazilian designer, Anne Fonteine, has like others before her, shown that one can break into the fashion scene without having had an apprenticeship under a master creator. Her story is linked to her love story with her now husband who owns a garment factory and was prepared to fund her, however she had spotted a gap in the market for women's white shirts for the office and decided to create a spa in her clothing boutique for that woman to relax in. Her shirts were an instant hit, as was her spa and she has since opened a concept store in New York as well. The product as a star should always precede the designer as star. Slimane's fame is considered to have been more hype, thanks to his journalist friends, than real substance.

The Tom Ford approach

"In his ten years as creative director of Gucci, American-born designer Tom Ford not only turned luxury fashion into a hedonistic fantasy, he helped take it global and mass-market." claimed Newsweek. "Three years ago, after failed contract negotiations with the Gucci Group, he abruptly left Gucci and his post as creative head of Yves Saint Laurent Rive Gauche, and withdrew from the fashion scene. Now Ford's back, and with a new model: bespoke men's wear in a sumptuous setting with impeccable service. His first store opened on New York's Madison Avenue and he has announced plans for expansion which include stores in London, Paris, Milan and Beverly Hills within three years and another 100 or so franchises worldwide by 2017." He aims to have fewer stores and fewer clients than the big brands, but wants the clients who will spend one day in the store and buy an entire wardrobe for the year.

Ford has spotted a gap in the menswear market – for bespoke Savile Row-type suits from a Star designer such as Ford, although it does look like Armani got there first with his custom-made suits under the Giorgio Armani Fatto a Mano su Misura label "respecting the craft that Savile Row has for so long made its own". Perhaps the difference is one of 'bespoke' versus 'made to measure'. The Tom Ford line now covers Menswear, Beauty (luxury brand of fragrances), Eyewear, and both Men and Womens' Accessories. Already actors George Clooney and Brad Pitt have been seen wearing his line. Ford believes that he owes his success not to talent, but to his energy. Ford has clearly mapped out a brand strategy that could well reach the levels that Armani has, but in less than half the amount of time. Like Armani, he will have his suits manufactured by the prestigious Zegna maison which controls everything from yarn to finish – all the 'savoire faire' that he may need, from just one house. He's a designer with an exceptionally strong DNA although still unproven in menswear.

America's Armani



Tom Ford's DNA?

Why menswear when his background is in womenswear and bags? We would guess that he no doubt signed a non-competition clause in his settlement with Gucci that will run for a period of time. The clause would not have included perfume, sunglasses and menswear. The high visibility of the licensed products serves to maintain the high visibility

of his name and help to promote his menswear line in the process. For those 'in the know', his life partner Richard Buckley is the former editor in chief of Vogue Homme International, so mens fashion is not alien to Ford. In true Armani tradition, he is aiming his menswear firmly at Hollywood stars first. Like Armani, he can always evolve into womenswear and other areas later. The dangers with this approach are that not only could the visibility of his licensed lines serve to establish a strong masstige DNA image in the minds of consumers, but what if his fragrances fail, even with Estee Lauder behind it?

Over the last ten years the fragrance market has been slowly shifting towards real authenticity – higher grade, more natural, less chemical fragrances made by real perfumers or 'noses'. His first range Tom Ford Black Orchid (2006) was closer to Estee Lauder's look than to the apothecary-like bottles that represent the authentic nose-named fragrances sold under the successful Frederick Malle label. One year later Tom Ford Private Blend, a collection of 12 fragrances, was launched in limited distribution, as is Armani Privé, also in black bottles, except that they resemble those of Frederick Malle. Tom Ford is not a 'nose' however his scent Tuscan Leather is said to smell like cocaine. "That's what everyone says," admits a counterboy at the Ford store on Madison, who adds that one customer even bought a bottle because he thought it smelled like coke."
http://nymag.com/news/intelligencer/35827/ Clearly, it could become a best seller for its own reasons. Perhaps not quite the nose reputation Ford was aiming for.

Although Slimane does have a menswear heritage, Ford has other major advantages over him. One being that he has been at the head of a few blue-chip fashion houses and has a solid pedigree and proven track record. He also has a major following and is already world famous. On top of which he has the over $100 million pay-off that he received from Gucci so has no need to earn an income out of the brand, plus due to his heritage he has no need to invest either as investors are surely knocking at the door. He has model looks so will use his face on ads. He has a great business partner that he worked well with at Gucci and together they have a wealth of experience. The strategy that he has chosen is unusual though. Unlike the designers before him, he is cashing in on his fame by licensing his name to fragrance and eyewear companies to generate an income to fund his launch into bespoke menswear.

Freedom within the Framework

Returning to our comparisons to Slimane, overall Ford comes in with a more developed DNA consisting of a powerful but fading reputation from Gucci, a more faded one from YSL and a new strong one for a limp fragrance line, eyewear and a new griffe being formed in high-

end bespoke tailoring aimed at the few who will buy the most. Of course it is still a huge advantage over a relatively unknown young designer like Hedi Slimane who would seem to still need to establish a longer track record before he is considered ripe for launch.

A brand's DNA can only be derived over time. Clearly Slimane has not quite proved himself enough yet for backers to rush in to fund his personal label. His own griffe is still in the making. He needs to show that he has developed his own universe that he is not just 'inspired by' but actually represents something of his own, just as is expected of artists. For a new brand, the DNA objectives can be and should be defined at the outset. With Slimane, it should still be a lot easier to get started than it would be with a made-up brand story and an unknown name. As his work matures, his identity will mature and he will finally be identified by certain codes or some other DNA attributes unique to him. But for now his pedigree remains too limited to tell what his real potential is. He recently exhibited his installation art at an art gallery in Paris. The crowd was more impressive than the work.

Kris Van Assche has since taken over Hedi Slimane's role at Dior Homme and appointed Karl Lagerfeld to conceptualise and photograph their next advertising campaign. Although Dior is Chanel's fiercest competitor, Chanel does not (as yet) compete in menwear so there is no conflict of interest, Lagerfeld also creates and shoots the prestigious Dom Perignon campaigns. Unlike Cardin, Armani and many others, Lagerfeld prefers to work for the big houses, he excels in them, can work for a few at a time, earns a fortune and takes no financial risk. Many of the visionary designers including Galliano, Gaultier and Marc Jacobs work for the big houses as a day job and for themselves for fun – or perhaps it is the other way around. They don't have egos too big for teamwork and as with many intelligent designers, they work even better when they have brand parameters to work within.

Robert Polet, an ex-Unilever man, now President of the Gucci Group has brought f.m.c.g thinking along with him. "We have a concept called 'freedom within the framework', he explains, noting that it includes "three year plans and budgets, within which we guide our creativity over time". Ultimately he believes that designers relish with such structure. Time fall06p52 When there is no guidance from the brand team, the creator can end up very far from what the essence of the brand, its established DNA and reasons why and what its clients love the brand in the first place. Surprisingly, not one person that I had spoken to in the luxury industry had ever come across a Creative Brief, let alone write one! Today, the Gucci Group is a true multi-brand business with each CEO in complete charge of operations and designers free to express creativity within the specific DNA of each brand, but is the CEO the right person to design the framework. Too often they have financial backgrounds, not branding backgrounds.

Diane Pernet, Video/journalist and Editor in Chief of both IQONS Magazine and ashadedviewonfashion.com, co-Editor in Chief of ZOO Magazine amongst many other roles, totally disagrees. “Luxury is honesty,” she argues. “A beautiful cut is honest, a ray of light is honest and can be a luxury, and time is luxury. A golden cage is not luxury because there is no expression of freedom or of being. The designers and craftsmen that break the rules and express themselves open the cage. I would like to see the focus more on creation than on marketing. Freedom is against marketing rules.”

There is room for both schools of thought. Creator founders will always have total freedom because it’s their own brand. When the brand carries the name of a founder designer other than the current incumbant, the company is better off also having Chief Branding Officer in place to act as custodian of the brand, just as the Queen of England is custodian of that place brand and not the British Prime Minister. Fashion companies are only discovering this now. The brand needs a long-term thinker in place for the long term, precisely the role family dynasties have traditionally played in the luxury business. The brand custodian should be able to facilitate the achievement of both the commercial and creative goals whilst protecting the creative person from having to become a businessman or having to deal with the commercial tigers as well as protect the brand from an ego-centric designer that does not understand the essence of the brand. The best designers work better within a defined universe, however it is essential for a company to recruit a designer that already fits the brand’s needs.

The Virgin Group’s creator founder Richard Branson feels that “the creator’s job is to find someone with expertise who understands the vision and is prepared to follow the path.”

Is your story authentic?

Authenticity is probably one of the most important attributes that separate one luxury brand from another. The differences in the French ‘griffe’ (history) approach to the American ‘story’ approach all boil down to authenticity.

The griffe approach implies that this great visionaire/creator is an expert in a specialised field. He or she has one name and one life and they are interlinked. His reputation is attached to his work forever. Everything he does for the rest of his life adds value or devalues his work and the history that he has started may get richer and richer with each new experience. This ‘layering of stories’ relate to real true actions and experiences and provide total authenticity as long as the visionary is alive.

Hermes never made much of the skills of its founder the House seems stated with the heritage of fine saddlery., but who made the saddles? Was it Mr. Hermes' 'metier'? Few even know that Mr. Hermes actually existed. They assume the name comes from the Greek god. Authenticity is provided with stories of clients who appreciate the Hermes quality, as well as stories pertaining to their atelier methods and loyal 'drawers' such as Henri d'Origny who has been with the firm for forty-eight years. The backbone of respect lies in the fact that the original family still owns the house.

If we compare Hermes (est 1837), to Caron (est 1903), Caron was created as a perfume laboratory by Ernest Daltroff and Felicie Vanpouille-Bergaud. The Caron name is a mystery but may have been inspired by their respect for the work of French master glassmaker and court painter, Antoine Caron (1521 – 1599) as their first creation Narcisse Noir was presented in a Baccarat crystal bottle and fast became a hit in France and Hollywood (Gloria Swanson in film "Sunset Boulevard").

In 1946 Caron established prestige premises at 10 Place Vendome, Paris' prestigious jewellery spot, next to Boucheron and Van Cleef & Arpels. Already the house was attaching itself more to jewellery with its Baccarat perfume bottles. Love was always a source of inspiration for the brand and after Daltroff left for America in the forties, Felicie took control and managed the company until 1967 when she was 93 years old. Bulgarian Rose had become a core brand ingredient to be used in future perfumes and face powders.

The company history becomes invisible until 1998 when hairdresser Patrick ALES and partner Myriam Pariente take control and continue to claim French "Haute Parfumerie" tradition, by keeping an in-house perfumer, as does Chanel. In the mid-eighties, the company diversified into selling pure gold-painted glasswear from Clerik, hand-painted porcelain from Vialard, 'shagreen style' cases from Jacques Robin, embroidery from workshop Les Idées d'Annie, shawls from Jean-Pierre Saks and silks from Andre-Claude Canova. Always the best of French craftsmanship.

The difference to Hermes is that Caron contracts out its work, except for perfume, to the best ateliers. What artistic credibility does a perfume house have with home objects and textiles? What does Caron *mean* today? Haute Perfumery or Haute Bazaar? Now Caron has brought in artistic director, Jean-Philippe Evrard to add a design griffe to the brand, so it could work.

Caron recognised that it lacked authenticity and credibility to support its line extensions and tries build pillars to support the gaps, however what the brand stands for today is still unclear. "A gift shop for Middle-Eastern princesses", an ex-employee jibed. Hermes on the

other hand expanded into perfume in 1951. What credibility did the brand have for that? Image? Who was their perfumer, or did we not ask?

Today we see that consumers expect more than just a celebrity name on a perfume bottle. They start to ask where the perfume expertise is coming from. Brands benefiting from the trend are Serge Lutens, Le Labo, Jo Malone and Frederick Malle amongst others. Times have changed are consumers are becoming connoisseurs of everything!

Both Hermes and Caron have very different stories and each lacks a certain credibility and authenticity for certain categories but have managed to maintain an ongoing brand story, a certain meaning or promise which has simply evolved and have been accepted over time. With the Ralph Lauren approach, the story has already been written from beginning to middle to end. It has no evolutionary growth and no depth. As such it lacks authenticity, but at least Lauren is honest about the fact that he simply creates brand stories.

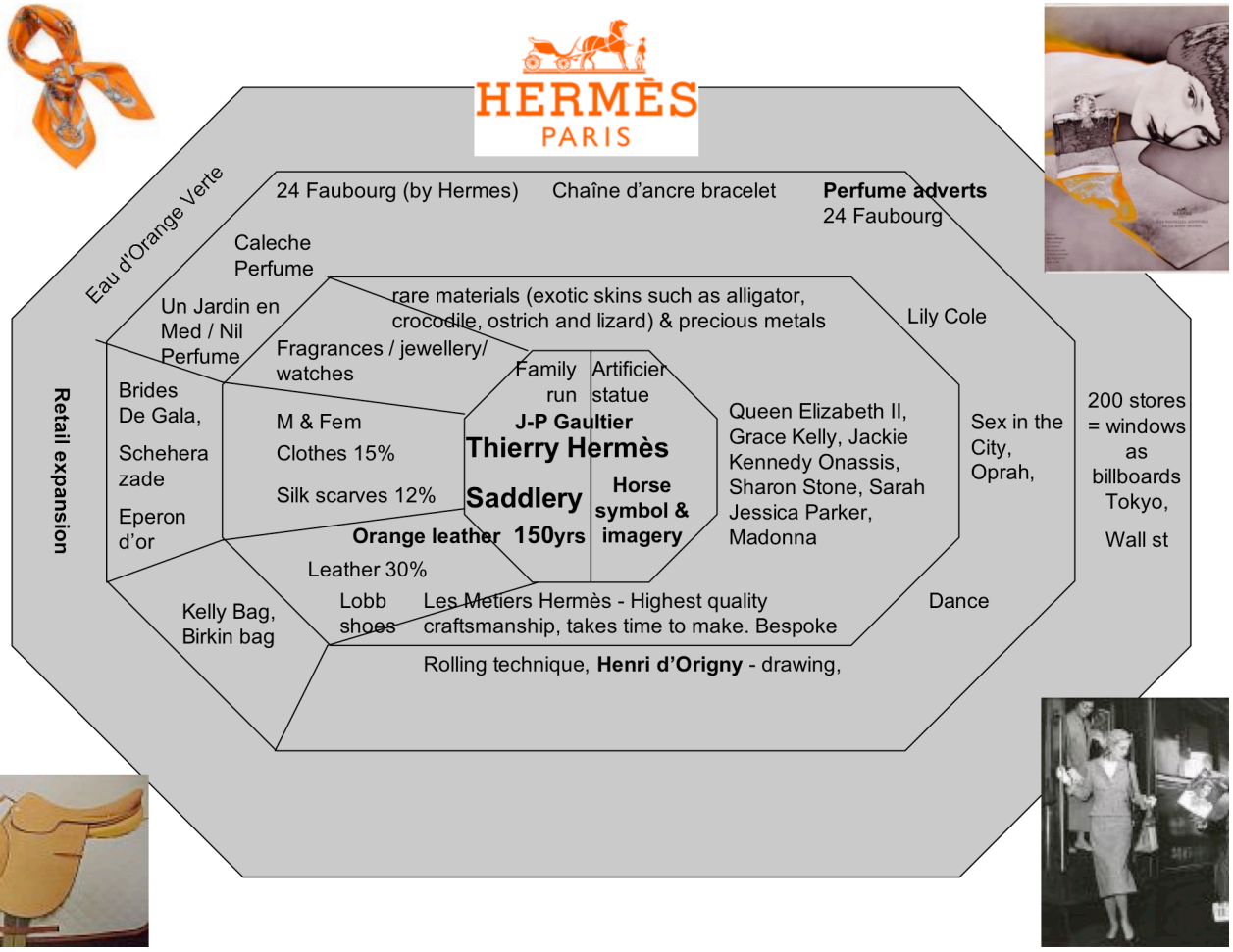
Do you lie?

Did you hear the one about Gucci's equestrian heritage? When FRIDA GIANNINI reworked the Gucci Indy bag for the house's UNICEF link-up – by purchasing one of the special edition designs, customers will support the health of an orphan in a developing country for a year – she was quoted in WWD as saying, "I think this new version of the Indy is super fresh and the rosette is a fun and playful touch that is an authentic nod to Gucci's equestrian heritage." What equestrian heritage? We cannot question Hermès' equestrian heritage.

Honestly is critical to the success of a luxury brand today. Don't lie! Don't deceive. As in relationships, you can only lie once and once caught, you will never be trusted or respected again. You don't have to pretend that your brand's origins are aristocratic if they are not. Vuitton was a simple clothes packer to aristocrats. He was not an aristocrat himself. We like that story. Ironically, many of today's new luxury brands are being created by aristocrats who have to find ways to earn a living. The prestige gardening brand, Le Prince Jardinier is a good example.

Authenticity to the luxury brand is the equivalent to the idea of brand promise in the mass market. It gives truth to the meaning of the brand. This authenticity could have its roots in know-how or simply in ideology. 'The power of a *promise* to communicate dedication, intent, and an assurance of excellence cannot be understated. Genuine brands make a promise and they deliver that promise consistently, eagerly, and at the customer's convenience. A genuine brand creates relationships with customers centered around its promise" (Knapp86)

As history and authenticity are absolutely critical to creating and developing a brand, it is proposed that the brand DNA model shown earlier is used to try to understand your and your competitor's brands. It tends to serve a rough graphical resume of the brand's development in terms of both *mind* and *soul*. It is useful for us to try to build up a DNA model based on key attributes about the brand that may exist in people's minds blending together the best of the models shown earlier for Slimane, and Chanel. The key is to start with the 'sun' in the centre and work outwards over time. The 'product / rational' side of the brand is shown developing to the left, and the 'communication / emotional' development expanding towards the right. To use another analogy, If we chop through a large tree we find that we can examine its growth rings to work out its age. This DNA model serves the same purpose.



We see in one instant what attributes and elements make up the brand. Interestingly enough, we can see that, unlike the Chanel DNA chart, there is little imagery linked to Thierry Hermès himself. The brand's imagery is derived primarily from the celebrities seen to be wearing the brand's identifiable scarves and bags. Gaultier acts as a stand-in *griffe* for the Ready-to-Wear to provide the maison with a

serious fashion heritage, whilst the artist who originated most of the famous drawings associated with Hermes, Henri d'Origny, is not of any interest to the public at all. The celebrities are not, as far as we are aware, sponsored by the brand – especially not the Queen of England – to *pay* a celebrity to endorse your brand is a very cheap mass-market thing to do. If your brand is truly the best, celebrities will seek you out and even be happy to purchase your goods.

The more the brand competes in a mass area, say perfumes, the more it may need to pay celebrities to lend their faces to the product. Chanel is a case in point. "The brand has had contractual relationships with stars since the 50's (Suzy Parker, Catherine Deneuve, Ali McGraw, Candice Bergen and Carole Bouquet) however its Nicole Kidman $4-5 million No.5 advertising contract and total budget of more than $40 million surpasses any single-ad commitment to date (28Time F/06)"

Relative to Chanel, the Hermes brand is perhaps more discreet, is steeped in equestrian (mostly for image these days) tradition and heritage, and remains primarily a leatherwear, silk and fragrance company with no imagery for make-up or even skin care as Chanel has. Chanel on the other hand lacks the imagery for mens' clothing and saddlery. Hermes may have been first on our ASW 'blingdex' but it certainly cannot be first in terms of soul. Few, if any, have ever heard of Hermes' owner-family artistic directors, Dumas and Mussard. They do not lend a face to their brand although they have found a way to add *soul*. Visitors are personally offered a copy of their in-house 'The World of Hermes' magazine that presents the new collections whilst at the same time reinforcing the brand heritage by explaining what their 'savoire faire' is based on. They have now added the world of dance to their universe and renovated their flagship boutique.

This is how Godfrey Deeney at Fashion Wire Daily described it:

Our prize for the smartest boutique renovation in the past few years has to go to airy overhaul of the Paris flagship of Hermes, luxury's classiest brand.

More a smart dusting down and cool lightening up than radical overhaul, the new look Paris emporium was celebrated with considerable élan with a 24-hour multi-part happening that will continue to 8PM local time this evening of Wednesday.

Designed by Rena Dumas, wife of former Hermes president and family member Jean-Louis Dumas, "le relooking" was an astute example of the French ability to edit what's best from an illustrious past and include what's coolest of the present and future.

The opening also heralded the extension of this super store further down that famed Paris shopping Mecca, the Rue du Faubourg Saint-Honoré. The store now stretches from its original address at number 24 all the way through to number 30, encompassing some 1,700 square-meters, or 18,700 square feet.

"The whole idea was that the place should not look that different, just fresher," Hermes International CEO Patrick Thomas told FWD.

The new space adds an extra 300 meters on the upper floor, which extends into new property the label acquired. Hermes first opened a boutique at this location back in 1926, though the house's ateliers had moved here back in 1880. Hermes has since moved most of its offices out to Porte de Pantin in north Paris, but a creative leather atelier remains on the fourth floor, a reminder of the house's origins as a saddle maker.

"It was vital we keep everything on just two floors. Do you know what percentage of people go up to the second floor in most boutiques? 15 percent. Men are particularly lazy shoppers," smiled the CEO OF Hermes, which located the men's department smack center on the ground floor.

For such a storied brand, Hermes is famously iconoclastic, right down, or up, to how it throws parties. This store's fete lasted a whole day and featured Indian dancers, a rousing concert by Gospel singers, classical pianists and circus performers who circled the store handing out fresh oranges, the signature color of Hermes packaging.

Truly serious party tigers enjoyed onion soup served at dawn – a romantic Paris tradition – in a bash that included a performance by torch singer and actress Jane Birkin, an icon here since Hermes named a bag after her.

Dumas very much respected the original 1926 design by the decorator and antiques dealer Henry Panier. So the new, cleaned up setting serves to highlight the existing Grecian frieze, classy mosaics, charming wooden figureheads and massive hunting scene oils.

"If the concept of the boutique is permanently evolving, it's with respect for the roots of the house," said Dumas, who called the original design "the golden thread… linking the evolution of this extraordinary place."

Heritage counts and Hermès knows that only too well however it does not allow itself to get stuck in the past as we have seen so many hotel brands, jewellery and watch brands do. Even for new brands, heritage counts. This is mostly noticeable in the field of watchmaking. For instance Franck Muller, a noted Swiss watchmaker known for creating complicated timepieces is a case in point. His brand of watches carries the slogan, "Master of Complications". He claims to design the mechanism of every watch by himself. His timepieces are famous for their fusion of "modern" style and traditional Swiss watch manufacturing and are worn by various celebrities, among them: Demi Moore, Robin Williams and Elton John. In the early 1980s, he graduated from the Swiss school of watchmaking (French: Ecole Horlogerie de Genève). Afterwards he began repairing top-quality pocket watches.

Muller studied under Master watchmaker Svend Andersen, and became responsible for handling watches from the collection of Patek Philippe. Svend Andersen created the world's smallest calendar watch and then again later for the world's first perpetual secular calendar. Later he distinguished himself by creating erotic automaton wristwatches inspired by the escapades of Bill Clinton and Monica Lewinsky and when he wasn't busy breaking world records or achieving the

impossible, he took the time to establish the Academie Horlogere Des Createurs Independants. The Academy has given many independent horologists an opportunity to exhibit at Basel each year as part of the group as well as the recognition of being associated with other Master Watchmakers. The roster of Academy members reads like a who's who of watchmaking greats and Svend Andersen's name is all the more distinguished by his role in establishing the organization.

Franck Muller is clearly a talented man but without doubt the Svend Andersen background gives him a blue chip heritage.

STEP 5 MEET THE FAMILY AND FRIENDS

Will I like those closest to you?

We have noted how historically customers would visit the maker of a luxury product at their *maison* which would be an all-in-one boutique, showroom and workshop. At the maison, the client would receive a personal service and would be able to experience the quality of service, craftsmanship and creation throughout the process. It was an intimate experience. Of course this can still be found to exist today. The *maison* Cadolle, mentioned earlier, still offers that very orginal experience as much as possible, representing truly rare luxury, as does Goyard for now. However at this stage it starts to make sense to use more defined definitions.

If we stick to the definition of maison to mean an intimate place which houses a designer and performs made-to-measure, if not bespoke work, then House Brand can be freed up to represent something more mass, more *brand* which shares similar communication and visual codes to the maison, for example a retail outlet, a spa, a hotel or other place that consumers can visit to experience the brand, not a factory. Ralph Lauren clearly is not a maison and neither is Donna Karen, Calvin Klein or Tommy Hilfiger. They fit better with the term House Brands (HBs). By this definition, a maison may be considered as a House Brand but not the other way around. Corporation is something else.

A Corporate Brand is defined here as the registered holding company name, born as a business to business (B2B) name and sometimes used as a business to consumer (B2C) brand name, for example Groupe LVMH or P&G but they do not provide an environment for the consumer to visit. They represent a business-only entity – a factory or an office rather than a home.

A House Brand presents itself as independent from the corporation that may finance or own it, and that is one of its key purposes. So Louis Vuitton, Kenzo, Dior and the like are House Brands or *maisons* owned by the LVMH corporate brand. Most luxury brands were *born* as griffe and evolved into Maisons, whereas in the mass market most brands are born as Product Brands with little if any communication links to their Corporate or House Brands i.e Camel from R.J Reynolds, Lux from Lever Brothers and so on. Historically mass brands tend to be independent Product Brands that are developed to specialise in a particular product market which may have little in common, if any with the reputation of its parent corporation.

It is very important to note the perceptual differences of having a House Brand or *maison* to represent the luxury brand instead of a

corporate trading name. Here is where many entrepreneurs start out badly. They start their new luxury brand without thinking this through. Most would be better off using their personal name than a made-up name.

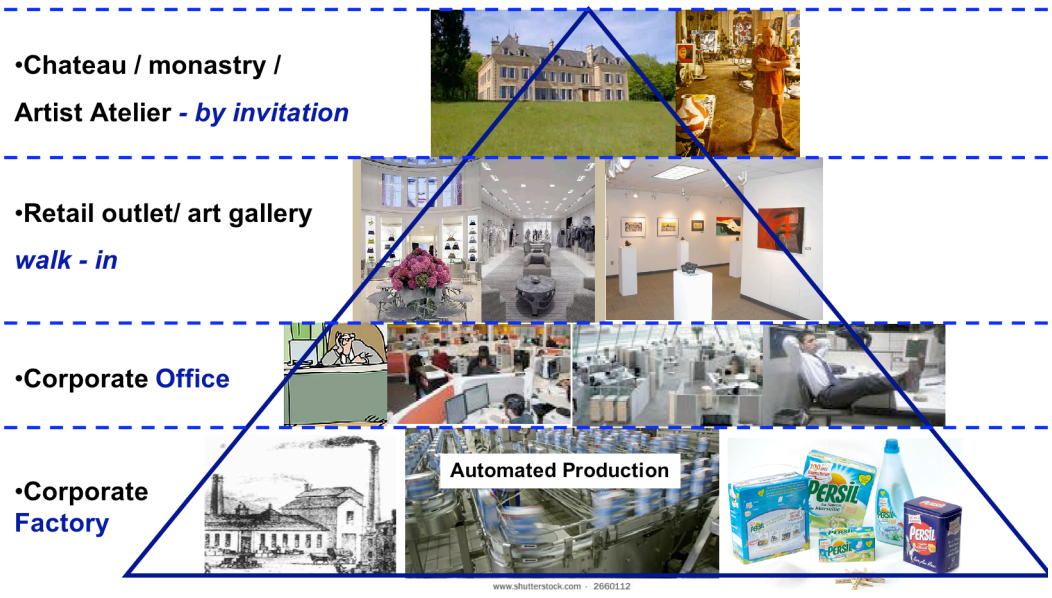
Some mass brands were born as House Brands but over time lost their roots and evolved into big 'faceless' industrial corporations, for example, Gillette, Arden, Colgate, Schweppes and Hershey's amongst others. Many retained a specialised house expertise as the luxury houses do, Sara Lee being an exception. In luxury-speak, the word company is often replaced by the word, *Maison* or *House*. Louis Vuitton chooses to use the term *Maiso*n. LVMH does not. It represents the company or corporation. LVMH is not a B2C brand. If it were to create LVMH retail stores to compete with department stores, we could argue differently. LVMH would become a sort of Multi-brand House or even a Multi-House Brand.

When planning a new brand, an important strategic step is to decide upon a brand architecture with which you can grow with well into the future, as we will show Armani to have done. With brand architecture, at least two brands with different reputations need to be kept in mind: The House Brand (representing the parent or family reputation) and the Product Brand (which may or may not fit in as an offspring from that family).

Within the House Brand category we can define a perceptual hierarchy within which the brand can live. These are as follows:

House brand / Corporate brand

reputations



At the top of the hierarchy we have the most personal of visits coupled with the most impressive of places. Think of how special you feel when visiting the atelier of a great artist and the artist explains his or her works, beliefs and inspirations. To visit his or her home as well and to enjoy a unique moment is even more special. Its very personal and clearly a more powerful and memorable experience than seeing the work in a gallery and discussing with the gallerist, no matter how reputable. Imagine being invited by friends to their chateau (castle/manor house) for a private dinner? Imagine how wonderful it would be if they invited you into their wine celler to select a vintage wine that they made which you are welcome to share with them at dinner? Isn't it just as special to be invited to dine in someone's home rather than to meet in a restaurant – perhaps it depends on the restaurant.

The point is that a personal invitation into an intimate space, especially a special space, beats meeting someone in an office or in a retail store. We rarely feel that we know someone truly well until we have been able to visit them in their home. These are the feelings that luxury brands wish us to have when we visit. It feels like a lesser experience to visit a Vuitton flagship store than to visit the original family maison in Asnières on the outskirts of Paris where Patrick-Louis Vuitton, a fifth-generation member of the founding family oversees all of LV's custom projects. Here's where the concept of Maison truly adds value.

In the past, experts worked in their homes, enjoyed life with their families and guests would visit. Industrialisation and urbanisation changed all of that driving the growth of cities with their offices, retail outlets and factories to supply them. With the internet, this trend has to a certain extent, started to reverse this trend. The internet alongside mobile phones has given us a new freedom away from offices. Offices, other than the exceptional Google-types, tend to be soulless. We rarely connect as well to people disguised in suits and sitting behind desks as we do when we meet them in a place of common interest and dressed in a way that expresses their personal taste. So how can we expect people to fall in love with a corporate brand over and above a maison brand? We are more likely to fall in love with a spa experience than with a visit to the factory that makes the products.

The maison hierarchy serves purely as food for thought. Think about how you would like your clients to perceive your maison to be. The more you hide, the more distant you are and the less likelihood that they will develop an intimate relationship with your brand.

Brand Architecture

The term brand architecture should define the different levels of branding within the organization; how the corporate brand, maison brand, sub-brands and product brands relate to and support each other; and how the sub-brands reflect or reinforce the core purpose of the corporate brand to which they belong. It is the way in which the brands within a company's portfolio are related to, and differentiated from, one another.

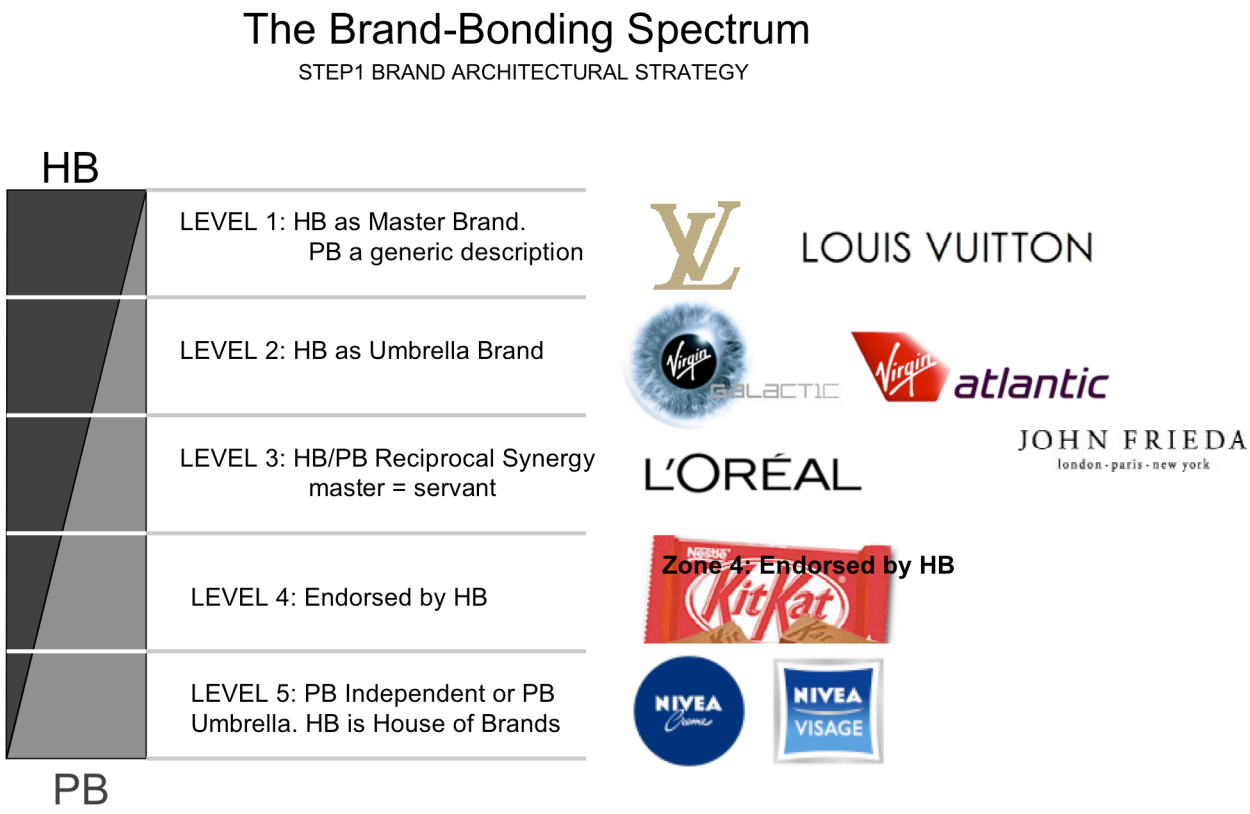
The 'Brand-Bonding Spectrum' (BBS) shown below was initially developed by myself with the input and guidance of a leading British brand academic, Professor Leslie de Chernatony in the 90s as a strategic tool to decide how closely product brands could and should be linked to their parent brands. This became a key model for the foundation of brand architecture as we know it today. It is indeed flattering to see modified variations of it appear in books by esteemed American branding gurus such as David Aaker a few years later. Unfortunately such authors seem to have overlooked some of its key elements, such as the importance of the Level 3 strategy, so this occasion is used to clarify how it works.

Traditionally, the preferred strategy for industrially-produced mass-market brands was to have a stable of unrelated product and brand names not in any way attached to the company trading name, such as Lux, Timotei and Dove with no link to Lever Brothers, now known as Unilever. Aaker has since described this approach as a 'house of brands.' When each brand has its unique name and positioning it requires its own unique communications campaigns. Clearly it was not very cost-effective to house many brands with different names, images, formulas and reputations. The key is to understand what the House Brand image is or should be as well as if and how it could add strength to the Product Brand and vice versa. L'Oreal successfully built up a strong house reputation simply by using each of its Product Brands to add value to its parent brand in all communications.

Essentially, the BBS serves to help brand architects understand the strategic dynamics that arise out of the different relationships between House or Maison Brands and their Product Brands. It outlines the different permutations that can exist in a brand-bonded relationship and should be used as a primary tool in the formation and planning of brand strategies and policies. The key issue is to decide how you would like your brands to expand in the future. Without planning this in advance, you could end up 'painting yourself into a corner'. From the outset, it is best to decide which levels of branding to emphasise i.e corporate/house or product-level brands or some combination of both. Even though this is a fundamental issue, the leading texts on branding today still offer little strategic advice in this regard yet it is

this that separates the luxury strategies from the mass, and the mass brands are learning the luxury brand tricks very fast indeed.

Let's examine the five main strategic options:



Zone 1 Brands

Brands that lie in Zone 1 of the spectrum represent a situation in which the *Maison* or House Brand (HB) as Master Brand is the only brand name emphasised and the product or service is simply differentiated by a descriptor, such as a colour, a generic description or catalogue number eg the $42,000 Patchwork bag from Vuitton. The HB can be viewed as a family name representing the reputation of the family. In a Zone 1 situation, the HB is the one and only brand communicated.

We have noted how Fashion and Luxury brands tend to avoid creating Product Brands in general with the exception of fragrance – as each perfume needs a well-defined identity and mood of its own. Asian brands traditionally use this approach so that the Corporate name becomes the 'famous brand'. With the rare exceptions they create Product Brand names such as Sony Walkman and Sony Playstation. We are more likely to name the product by catalogue numbers i.e the Samsung E500 mobile phone.

For Luxury brands we have seen the emergence of 'pet' reference names such as 'the Birkin' or 'Kelly' Bag from Hermès. Normally these are used as iconic descriptive titles as opposed to being marketed as independent Product Brands (PBs). Vuitton, for instance: one house, one common reputation. This route is the most classical of the luxury brand architectures.

Zone 2 Brands

Brands that lie in Zone 2 of the spectrum are sub-brand-names which are subordinate to the HB which is providing an umbrella for the PB eg Each will be a House Brand derivative of the main HB. Giorgio Armani's sub-brands are a good example of this form of umbrella branding. Each House sub-brand will represent its own universe, will have its own DNA, and its own reputation. The use of a descriptive term attached to the back of the House Brand name, i.e Virgin Atlantic - Virgin Galactic, helps to minimise customer confusion as to what the brand represents.

Where brands in zones 1 and two lose out is that their sub-brands have no value without the mother brand and therefore cannot easily be divested ie Easyjet cannot sell off Jet as a brand on its own without selling part of the company name as Virgin had to do to some extent when it sold off Virgin Megastores. What would No.5 be without the Chanel name or the Kelly bag without the Hermes name? A place branding example would be Caspian Caviar or the French Alps. Inseparable. The fact that that it helps to separate the businesses and thereby avoid confusion is a major plus. Pierre Cardin could use this approach to differentiate between his couture arm and his licensed arm. Perhaps Vuitton too needs to think of a way of separating its bespoke service from all the rest by sub-branding it too as Armani has done with Privé.

Zone 3 Brands

Zone 3 is a hybrid model whereby both House Brand and Product Brand can be built simultaneously. This approach can offer an excellent way forward for corporate, luxury, mass and place brands. Both HBs and PBs are considered to possess a unique positioning and value in equally relative proportions;for example Studio Line *from* L'Oreal, Elseve/Vive *from* L'Oreal. The branding of the PB always communicates the HB as the source. Each advert for a PB, adds value to the L'Oreal HB. When L'Oreal acquires a PB, say in China, it can immediately add its HB to the PB as a way to introduce the HB to loyal customers of the PB, and then introduce its entire range of PBs into the country. The idea is that each brand adds value to the other in a synergistic balanced reciprocal relationship.

Zone 3 brands develop Product Brand names *of relevance* to a specific target market e.g Studio Line *for styling*, Recital *for colouring grey*.

Each Product Brand is targeted to a specific audience. They have to do that because the products have to sell themselves off the shelf without the help of a sales assistant/advisor.

An entire portfolio of strong PBs continually feeding values back to the HB provides a very forceful representation of the HB, especially in instances where the HB has focused on building its reputation in relevant product categories, such as L'Oreal in cosmetics and toiletries 34. The interaction that takes place once these brands have been bonded, and the relationship that they enter into with each other, can add reciprocal values to form their sum equity in the mind of the consumer, and thus enhance their competitive edge.

In Luxury, we could perhaps argue that Anna Wintour *for* Vogue, Marc Jacobs *for* Vuitton, Gaultier *for* Hermes and Lagerfeld *for* Chanel, or various well-know make-up artists *for* MAC, Nick Knight *for* Swarovski, Marc Newson *for* Dom Perignon and various supermodel, sports or film celebrities *for* a brand i.e. Tiger Woods *for* Rolex, has the same effect. More commonly we see *alliance-branding* whereby a product is made by a luxury brand exclusively for a luxury retailer, such as Colette or L'eclaireur in Paris however simply being available in a luxury retail store serves to provide a reciprocal branding effect. For instance a Hermès scarf from Barneys is a form of reciprocal alliance branding between two maison brands. Its not important that one does not own the other. It's the alliance to the two reputations that is important in the minds of the customer that adds value.

The new luxury retail models that have been seen to be emerging along the lines of house brand-product brand reciprocity are well represented by the Frederick Malle perfume store in which we find the best perfumers represented by a product brand bearing their names but the maison brand and bottle look and style remais that of Frederick Malle. This kind of concept can be expected to emerge across all luxury categories from watches to jewellery to hotels where 'griffe' creators are commissioned to create for the maison.

Zone 4 Brands

Zone 4 brands represent strong PBs which tend to feed more value to the HB than vice versa, which puts the HB in an endorsement situation. Kit Kat does that for Nestle. Polo by Ralph Lauren or Rugby by Ralph Lauren could possibly be considered to fit in here but is more likely to fit into Zone 2 as the two names cannot easily be split. Co-Branding, such as Barclaycard Visa, or Breitling *for* Bentley, Lagerfeld *for* H&M could be said to fit equally as well in this category as one brand acts merely as an endorsement or co-creator/collaborator for the other and they are normally able to separate. It is rare to find examples in luxury goods because when House Brands are acquired they do not tend to take on the name of their holding group. When the ownership of the luxury carmaker Jaguar was transferred to the Ford Motor

Company it did not take on the Ford HB as this could have destroyed the brand's image. Perhaps Ford should have changed its own company name to that of Jaguar to add image to its lower-image Ford auto brands! Too late.

Zone 5 Brands

Zone 5 brands represent totally autonomous PBs which have no intentional link to the HB. It is more commonly practiced when the HB is a corporate brand or 'house of brands' and is not intending to present its corporate trading name as a brand with consumer appeal. As such, no reciprocity of brand equity is expected to take place. This strategy works well for risky PBs that could harm the HB if something were to go horribly wrong, eg tobacco, Dasani water from the Coca Cola Company. Coke too, originated here but then became the Corporate name as well. The name is still linked to one flavour though and cannot be used as a HB for a fresh orange juice without our assuming that the juice contained a dash of Coke in it. In the case of Dove, it does not want to associate itself to its soap-powder parent brand.

Many mass brands began their lives in zone 5 as a result of past branding strategies which tended to create one specialist brand for each product category i.e a deodorant brand, a shampoo brand and so on. Of late, we have seen that as these PBs extend into aligned product categories, they seem to need to create a HB for themselves in order to extend further. There are great limitations regarding the extent to which a PB's reputation can stretch across categories without changing its status to a HB first. As such, they perceptually evolve away from being PB umbrella brands into Zone 2 HB Umbrella brands by establishing a maison which people can visit to experience the brand, as Dove has done by establishing a Dove Spa concept in the UK (see diag below). This is a good example of mass learning from luxury. The last thing Dove wants you to know is that it is a synthetic product made in a soap powder factory. As it does not have a griffe, but by acting as a maison, begins to look closer to a prestigious maison brand than a factory brand found on supermarket shelves.



The Zone 5 strategy applies less to luxury brands than to mass brands however we do find examples within the luxury alcoholic beverages market. Grey Goose does not have a house brand to speak of. Clearly the Bacardi corporate name has no consumer value to bring to Grey Goose unlike the added value that a Chateau name brings to a heritage luxury wine or champagne. The latter are normally positioned as maisons with product brand names as seen in Zone 3. In general we may learn from this that to venture into Zone 4 and especially zone 5 structures of brand architecture could be suicidal for a luxury brand. It's the domain of the mass brands. It's for brands that have something (the HB) to hide such as the source of origin or ownership. They tend to be 'griffeless' brands, orphaned from their Corporate owners, and normally because the reputation of one may harm the reputation of the other, if too closely linked.

Knowledge adds trust

This is not what the most discerning luxury brand client is looking for. They want knowledge and transparency. They want to see the family name and know about its heritage. They are making an investment when they buy your brand. Would you buy a 'luxury' car if you did not know who made it? Would you trust someone that you've just met, enough to marry them on the spot? In luxury, the more a customer spends, the more he wants knowledge. Would you buy a house without asking questions? Would you marry someone without knowing

anything about their family? When interested, we *want* to know more.

Clarins can be said to have made this fatal mistake when it came to its successful Angel perfume. The company followed a Zone 5 mass-market type strategy for years to the point that Angel is now better known than its griffe-creator, Thierry Mugler, especially out of France. The company even discontinued Mugler's Haute Couture activities not realising that it is *this* that feeds aura value to the brand and its creator. Had Mugler been developed as a HB in zones 1 or 2, the brand would most likely have succeeded in developing as a maison as did Dior, YSL and Chanel and would not perhaps have failed in skin care.

Instead the company line extended non-stop off the successful Angel perfume to the detriment of its creator. They then found themselves faced with a perfume launch from Tommy Hilfiger and Beyonce backed by Estee Lauder, called True Star, using both the star and light blue colour that Angel had traded off for years. Both Hilfiger and Beyonce are better known to Americans than is Mugler. No doubt some now think that Angel is a copy of True Star! The moral of the story is that the creator *is* god of his brand and therefore temples to these gods (maisons) are a necessity. A true luxury brand *must* be developed as a *maison* with a griffe and a family from the outset and all efforts should be made to ensure that the griffe builds and maintains a strong aura. Its believers expect that. With the exception of fragrances, it ventures into product branding at its peril. Its family reputation must always be treated as sacred and should be protected at all costs.

Hotels have different rules

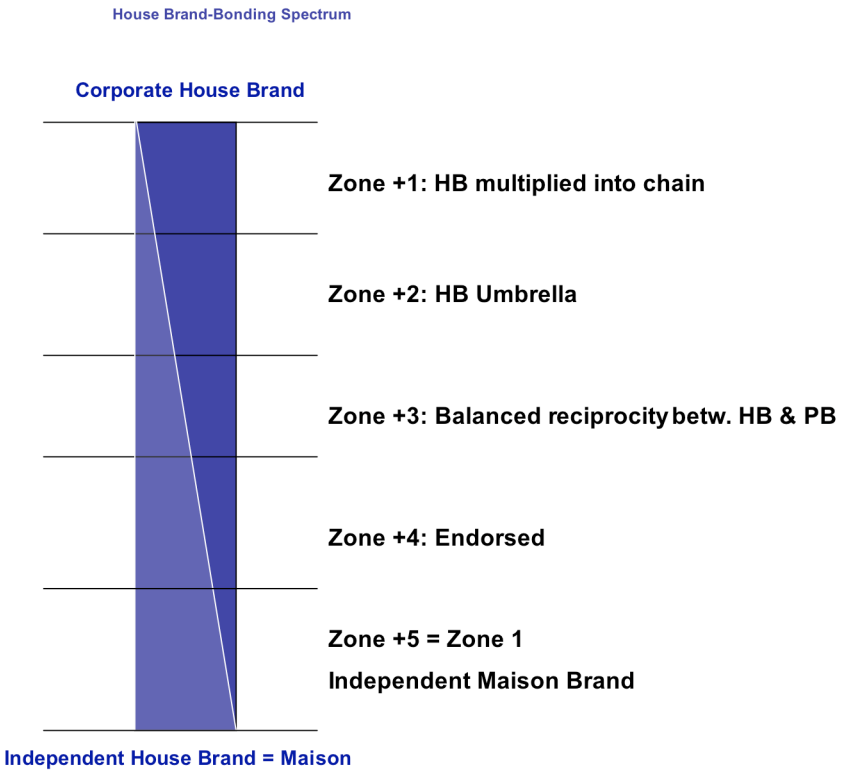
For those interested in luxury hotels, the Harvard Business Review case study, "The Corporate Brand: Help or Hindrance?" by Chekitan S. Dev, Kevin L. Keller, Horst Schulze, Jill Granoff, Jez Frampton outlines the big dilemma faced by boutique hotels which look like independent Zone 5 brands yest are owned by a group. Each of Lilypad's boutique hotels in the study, has its own sense of place and definition of customer experience. Though loyal to their favorites, guests don't visit other luxury properties in the collection or even realize they're affiliated. To boost the lifetime value of existing customers and reach new ones, CEO Andre Cleary is thinking about positioning the hotels more directly under the corporate umbrella. The company could gain scale efficiencies and possibly increase visits--but does one brand really fit all? (x)

Four experts comment on this fictional case study. Horst Schulze, the CEO and president of the West Paces Hotel Group, says that Lilypad must build up its corporate brand to create long-term value. This would also help the company become more efficient at cross-promoting properties, offering services, and buying supplies in bulk. Jill Granoff, the executive vice president of direct brands at Liz

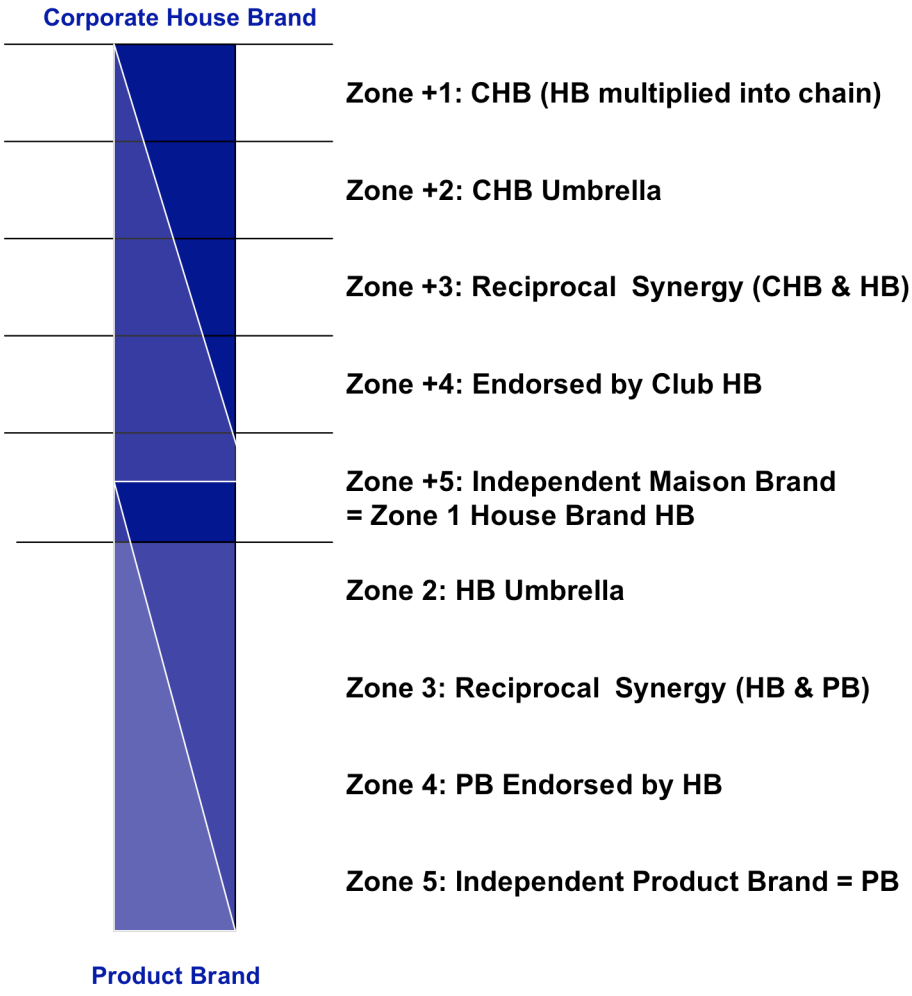
Claiborne, says that the financial risks of putting the Lilypad name front and center may outweigh the potential rewards. The company should instead market its hotels more aggressively to travel agents and selectively acquire new properties to propel further growth. Kevin Lane Keller of Dartmouth argues that Lilypad must clarify what its brand represents before giving it any more emphasis. Rather than making significant changes in the rooms themselves, which could weaken the individual brands, management should coordinate behind the scenes to improve cross-sell numbers. Jez Frampton, the global CEO of the consultancy Interbrand, thinks Andre should systematically examine the brand in terms of Lilypad's customers and culture. That means conducting market research and moving away from the current "warlord" approach of managing each property as a separate fiefdom.
http://harvardbusinessonline.hbsp.harvard.edu/b01/en/common/item_detail.jhtml?id=R0802B

In this fictional case study, the CEO of a company that manages boutique hotels around the world weighs the potential benefits and risks of rebranding the properties under the corporate name. The reader will consider questions such as whether a global brand would help generate peripheral businesses, how to standardize branding across the hotels without compromising individual properties' value, and how to address general managers' resistance to a global brand strategy.

Where hotels differ totally on the BBS to the examples given earlier is that they are all, in essence, born as House Brands. They are brands that one can walk into and experience an entire universe. They are homes away from home. They normally start as one hotel, say the W in New York and then if the formula works they expand with the same concept across the world, just as Mcdonald’s would do. Some have been smart enough to adapt a bit to each place to avoid offering the cookie-cutter experience of the identical thing everywhere, just as Vuitton have done with their global expansion. However, to the traveller who seeks new authentic experiences, these hotels are a complete no-no. As a result we have witnesses the explosion of niche ‘designer’ boutique hotels across the world, each with a unique name and personality, to attract such discerning visitors. As the BBS was developed primarily to identify the five strategic positions that the HB and PB relationship can be occupy, it needs to be extended upwards to explain the same scenario with regards to Maison Brands and Corporate House Brands as shown below:



In order to maintain the same structure as shown in the BBS, the House Brand-Bonding Spectrum (HBBS) simply shows that the House Brand can multiply and expand into a Corporate Chain Brand as shown in Zone +1 at one end of the spectrum, or it can remain as a private family maison, independent of its corporate owner at the other end of the spectrum in Zone +5 which is exactly the same position as the Zone 1 Brand on the BBS and could have led to an elongated spectrum as shown in diagram below.



Ian Schrager, the founder of the boutique hotel concept with no overt link to the Corporate Brand or anything that feels corporate, understood what trend-setters were looking for. He is one of them himself. The hotel chain that he created never overtly used a hotel group name to umbrella each of the independent hotels. To do so would be directly opposed to the reason why he created them as independent entities in the first place. It's amazing to see how Horst Schulze, the CEO and president of the West Paces Hotel Group, cannot get it. He totally sees the hotel from a business point of view rather than tap into what such clients are looking for. He would totally destroy the brand by overtly adding the meaningless group name. Jill Granoff totally gets it because she works with such niche brands in her daily life. Kevin Lane Keller suggests a smart compromise, to co-ordinate behind the scenes. That's exactly what these boutique hotels do. They either link under one website, one magazine or join groups such as Small Luxury Hotels of the World, The Leading Hotels of the World or Relais et Chateau. They could even create their own club or simply use the founder's name and creativity as a common behind-the-scenes branding to add value to each, but most surprising of all is

that not one of the 'experts' even questions the relevance, or non-relevance of the groups' trading name LilyPad! Does it mean or represent anything?

Hotel strategic brand-bonding options

Brand names aside, the strategic choices for high-end hotels are as follows. If your customer is traditional or corporate, go for the CHB approach in Zone +1. They don't want to take risks and the cookie cutter hotel suits them perfectly well. If your hotel is simply a sub-brand or line extension of a famous luxury brand or similar, then Zone +2 is the obvious route as Armani and Bulgari Hotels and Resorts have done. For those customers who do not like to be in chain hotels, the inbetween route shown in Zone +3 is an interesting option. A good example is the Rajvillas in Jaipur, India. A wonderful, well designed hotel where almost everything you sleep on, eat on or see is for sale. It's a living showroom. Local artisans make all objects under the design direction given by established creators in New York, Paris and the like. It is a totally unique place offering a unique experience. The Oberoi family is behind it. We like to know this because we know what philosophy comes with everything that they do. It does not feel corporate and the hotel is not named The Oberoi, Jaipur.



Just as we saw with the L'Oreal example, every hotel that the Oberoi family create has its own distinct identity and each feeds back value to

the Oberoi family's reputation. In Zone +4 we may put all independent hotels that are linked to an independent Quality Assurance Club such as Relais et Chateau and Small Luxury Hotels of the World. These clubs act as endorsement house brands. Included here are those that use their famous founder's names as a behind-the-scenes branding to add value to each, such as Schrager's Gramercy Park Hotel in New York or the Castiglion del Bosco in Tuscany created by Massimo Ferragamo, son of the late Italian shoe designer, Salvatore Ferragamo. Finally in Zone +5 (which is the same as Zone 1 on the BBS), we find the independently owned niche hotels. What we should be aware of is that the closer the maison is to being a corporate brand as shown in zine +1, the more it begins to feel like a Mcdonalds franchise formula. The maison that remains unique feels more precious and personal, just as a one-off piece of art would feel. Are we still surprised that Schrager commissioned an artist to design an entire hotel? A major reason for clients choosing Zone +5 hotels is for the pleasure of experiencing something totally different. They reject corporate-type Zone +1 hotels and that's exactly why there has been such a boom in Zone +5 types.

Although all of the five strategies are known to work, it is imperative is to understand the customer's psychographic needs and wants over and above their demographic profiles. Luxury brands are primarily about psychographics and sharing the same universe as your customers. Know what they like. Hopefully they will like what you like. That's how many honest relationships start. We respect the other for their good taste, their values and principles, their lifestyle, their backgrounds, their friends and so on, normally because we share similar ones. As a creator, you have to be true to yourself and your clients will appreciate it. Build the maison brand that you would live in yourself. Be authentic. It's when you create a brand ust to make money from clients that you have nothing in common with that you are risking failure.

What we have witnessed with the global Accor hotel group is that they have finally decided to drop their overt use of the Accor name from many of the hotels that they own, especially the high-end ones such as Sofitel which evolved from Sofitel: Accor Hotels & Resorts to Sofitel Luxury Hotels. The Accor group also owns Novotel, M Gallery, Pullman Hotels, Suitehotel, Mercure, Adagio, All Seasons, Ibis, Etap, Formule 1, Motel 6, and sold off Red Roof Inns in April 2007. Linking the Accor name and/or logo to all of these hotels from Luxury down to Base Backpacker Hostels and others only served to cause confusion. What is its promise? Is it an ingredient brand such as 'Intel Inside' offering the same level of service throughout the range? Doubtful. Is it a club or affiliation brand as is AirMiles, FairTrade, or Small Luxury Hotels of the World or is it simply a show-off brand – "we own it, we own it, we own it"? What does the brand stand for? No promise, no meaning, no point. It's not surprising that they dropped it. It is surprising that they did it

in the first place. At least if the brand meant ‘organic food at all our hotels’, it would make sense.

What all the house brands in the HBBS have in common is that they can all create their own PBs just as shown in the BBS. They can in fact brand everything from products to services to their ingredients such as who is the chef, who is the cocktail barman, who created the place, which other experts are involved, who goes there, which awards have these talents have won and so on. As far as endorsements are concerned, they can have many small affiliations such as those from FairTrade or Organic suppliers as well as the Small Luxury Hotels of the world and other brand-enhancing links. Ferragamo’s Castiglion del Bosco offers its own Sangiovese wine, has its own organic kitchen garden and adds further value to its brand story by stating that its textiles have been designed by Hispano Suiza in collaboration with Tessitura di Rovenezzano, known for their hand-weaving, fine furnishings and upholstery fabrics as well as ‘hand selected fabrics from the most exclusive collections including Nobilis, Pierre Frey, Christian Fischbacher and others.’ If the hotel is known for its as Hotel Costes in Paris is, they too can launch their own CD compliations worldwide, or as Costes do, launch scented candles worldwide based on their signature fragrance.

Of course, philanthropic projects are highly encouraged such as supporting authentic art from the local blind school or organic farming in their area, or anything else that helps to reduce poverty and environmental damage. The Brand enhancing options are endless yet the more they evolve into a Corporate House Brand, the more they will tend to devalue their product brands. Brand architectural choices outlined in the HBBS should not be taken lightly. Maison is more personal and thereby able to provide a far more luxurious image than a Corporate House Brand. Exactly the same logic applies to Luxury Brands with retail outlets. When LVMH expand their Vuitton, Dior and other maisons across the globe, they are following the same threats to image as those facing the hotels. Hilton New York, Hilton London, Hilton everwhere is equal to Vuitton New York, Vuitton London and Vuitton everywhere. We travel, we notice. The maison is no longer the unique destination in Paris that it used to be, but the brand has to make money somewhere. The minute a luxury brand has reached the Maison stage of its life, it begins to face risks of image damage as it accumulates wealth and few, if any, have found the perfect solution.

STEP 6 ARE WE RIGHT FOR EACH OTHER?

Time to let the head have its say

Where the brand's personality is seen to begin – often the first successful product – is critical to the brand's credibility and its ability to stretch further over time. A brand always has to entrench its reputation somewhere before it attempts to broaden its activities – as with a rubber band. To stretch it, it needs to be fixed at one end first. We saw how brand DNA is formed. It begins with these fixed ends or roots and if those roots are not developed, the brand may not be strong enough to support any stretching. We have discussed brand architecture outlining the different zone levels that brands can transcend upwards and downwards. Lets consider those solutions as vertical brand extension solutions only. Brand elasticity is about horizontal stretching. Why do it and what is the best way to do so?

All brands need to keep moving and to keep building their stories by bringing us new and exiting products or experiences season-by-season or year-by-year. Each new story sows the seeds of new legacy. It may start as a belt-maker and end up as a brand making shoes, bags, fashion, watches and eyewear. A place brand develops in just this way. Japan had no fashion designer heritage to start with but today has a whole stable of powerful designer brands. How did they do that? China will do doubt do the same one day. Having a long-term vision (objectives) and knowing which steps to take to get there (strategy), is of utmost importance. The key is to start sowing the right seeds from day one.

Conventional brand theory suggests that if a brand stretches beyond it's peripheral traits, the brand runs the risk of introducing something that could be considered 'out of the brand' (Kap, 2004) and representing high risk most often leading to failure. Virgin is one of the few companies that has taken such risks and has mostly succeeded (Mih, 1995). It could be argued that Virgin now has two cores, one for music, the other for travel. Virgin's founder, Richard Branson has built his brand extensions from the brand concept – but had it not been for the personality of the man himself, it is doubtful that the airline would have succeeded. He acts as the *griffe* of the Virgin brand. A living *griffe* has more chance to break rules than a brand with a rigid DNA, frozen in form. With a *griffe-brand*, there should be no limit to the seeds that can be planted in the brand's core. The success of one seed rubs off on others, primarily those in closer proximity to the core of that seed. Fashion creators have added value to Paris via fashion, fragrances and other luxury goods. Every successful launch alters the DNA of France, creating new kernals, new seeds that can grow and stretch as far as the consumers will accept them. We have seen how Chanel has stretched its brands across many categories, and each time they have been successful. Armani has not

as yet faced problems either. Not all brands can do this.

Traditionally companies tend to consider line extensions on the basis of the line of business they're in i.e 'stick to what you are good at'. If they work in the fashion business, they may naturally prefer to extend into textiles instead of fragrances. The brand architect, on the other hand, considers what business a brand's believers would accept or even like to find *their* brand in (as reflected in Fig 10). It is here that the life of a brand can become infinite.

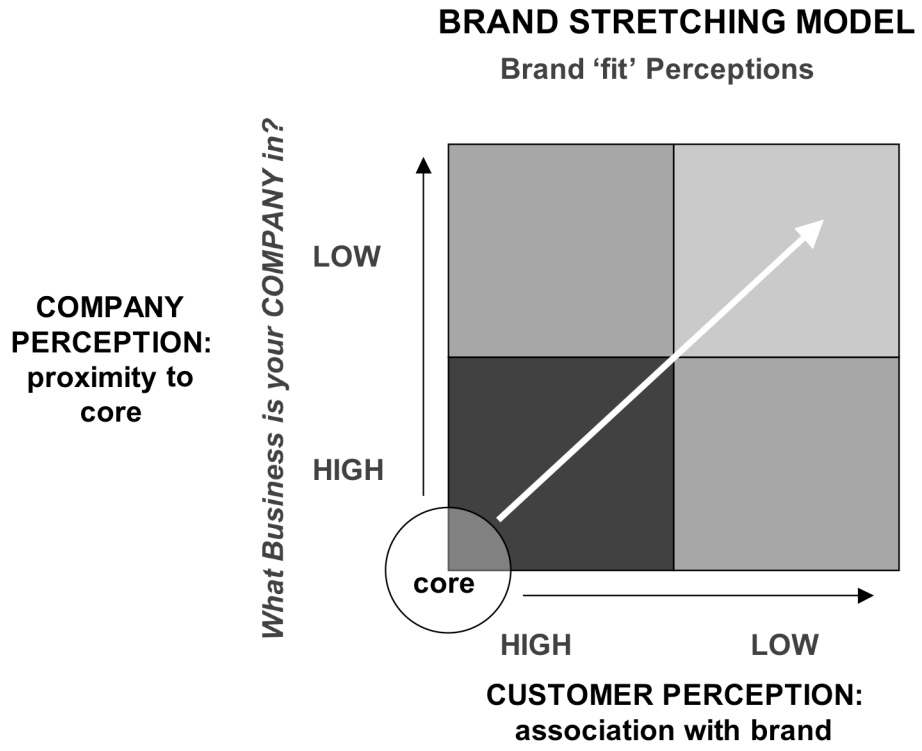


Fig 1

Story building

As we accept Chanel to be in fashion and we accept that fragrance is linked to fashion, we can accept a fashion brand entering into the fragrance field. We can even readily accept the brand entering into make-up, fine jewellery, timepieces and sunglasses, but skin care requires a different justification altogether. What heritage does a fashion house have in skin care. Where will the expertise coming from? Chanel is not a pharmaceutical brand but a fashion brand, yet it has

succeeded in skin care. If we are to accept the brand in this category, it will not be due to the fame of the brand or its fashion heritage. It is more likely to be due to the personality of Coco Chanel herself or the high quality of goods attached to the House Brand or another attribute altogether.

The brand's attributes need to be nurtured and developed step-by-step, just as we would develop the story for a documentary – note: non-fiction as preferable to fiction. Let us share your story with you step-by-step. We cannot accept a brand being in the music business today and flying us to space the next day unless we are able to follow the evolution of the brand's DNA, bit-by-bit. For Virgin it helped that Branson is a living griffe, made transatlantic flights in hot air balloons and became totally associated to flying, travel and the like. Pierre Cardin confused us because we could not see the link, not even a design link, between one category and another that the brand has entered.

When a brand has a living griffe as a founder-creator and especially if it shares the name of its founder-creator, the brand has the advantage of being born with the complete personality of its founder. For a brand with a made-up name created by a businessperson with no personality to impart on its brand, it needs to construct such a personality. But what are the actual attributes that we need to build in. First, we need to present a strong mental image of the brand. I have already spoken of the need to appeal to both our left-brain and right brain. The brand needs to have a defined domain, an anchor, and the key attribute here is *reputation.*

Reputation

Reputation takes time to build but we should be aware of which elements can be called into play to do so. In his book entitled, *Global Brand Strategy*, (x) Sicco Van Gelder identifies six key criteria that make up reputation: Pedigree, Quality, Endorsements, Origins, Promises, and Personality associations.

"*Pedigree brands* are often connected to a region, a legacy or a founder. The pedigree implies to consumers that the brand has special qualities that cannot be matched by competition who lack that specific background." Van Gelder gives examples of geographic areas such as the Champagne region in France, Ferrari's legacy of motor racing and for founders gives the examples of Ralph Lauren and Giorgio Armani. A Pedigree brand normally implies a specialisation in a particular category, such as fashion. If however, the founder has a universe which stretches beyond their specialisation, the already the brand will have attributes to stretch. Chanel has a universe of glamour. Glamour does not stop at fashion. "Generally held beliefs usually provide the main strength for pedigree brands, in the form of a mythology

surrounding the brand", states Van Gelder.

"*Quality brands* derive their reputation from the appreciation of consumers for their product or service excellence, and subsequent consumer loyalty", he suggests, and gives as a luxury brand example, the Phaeton limousine built to achieve speeds of 300kph. For luxury brands, the aspect of quality is a necessity. "Endorsed brands rely upon third parties that are relevant to their product or service category to provide credibility or authenticity", he writes. Examples could be the luxury tooth whitening line, Go Smile by dentist, Dr. Levine being endorsed by the US dental association. Such specialist endorsement provides the brand with the credibility that it cannot build on its own.

"*Origin brands* derive their reputation from their contexts or backgrounds, just like pedigree brands". However, origin brands will have reputations that are not exclusive to a particular product or service category. What Switzerland brings to watch brands, chocolates, cheese, skin care, or what Paris brings to fashion, fragrance and creativity. "An origin brand is formed by an emphasis on the unique qualities that are bestowed by consumers upon its birthplace or the place that it currently calls home". This is in itself a strategic decision. Van Cleef & Arpels moving to Place Vendome, Redken moving to New York, Armani showing at the Haute Couture collections in Paris and so on. Origin brands are very sensitive to commonly held beliefs about their places of origin. This is an attribute that could make or break a luxury brand.

The reputations of promise brands "are based on attitudinal, behavioural or ethical promises by the brand, or at a minimum, the expectations that consumers are allowed to have of a brand." We have already mentioned the skin care line from Dr. Perricone supported by his book, The Perricone Promise. The prestigious Vertu mobile phone offers a 24 hour concierge service and more importantly, all high-end luxury brands promise something exclusive. The values expressed by the brand could also encompass matters such as social, environmental, ethical, lifestyle and attitudinal issues. Stella McCartney is firmly against cruelty to animals. Promise brands are often vulnerable to a consumer's social needs, their senses of belonging. Break these promises at your brand's peril!

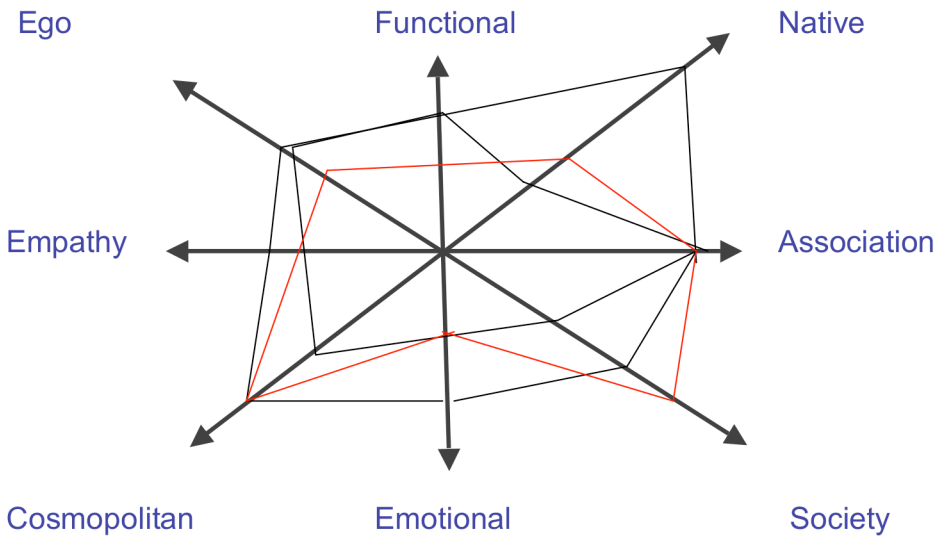
Finally we have personality brands which differ from endorsed brands in that the endorsement comes from a source that is not specific to the category. "Rolex's celebrity endorsement – ranging from Sir Norman Foster to Tony Bennett to Tiger Woods – provides the brand with the right mixture of superior quality and aspiration to make it one of the most sought-after watch brands in the world." The fit between the celebrity and the brand must make sense, for instance, 'precision' fits both Rolex and Tiger Woods. For a luxury brand, the danger is that celebrity endorsements can look cheap. Mass brands do the same

thing such as L'Oreal with its 'Because I'm worth it' campaign. Celebrities are high risk too. What if they are accused of a wrong doing, as Michael Jackson was? Chanel did not renew its contract with Kate Moss after the 'Cocaine Kate' scandal, not that it really shocked the fashion world. Dior continued its ad campaign featuring her, H&M did not have the courage to go ahead with their planned campaign but Agent Provocateur, the daring British lingerie brand, snapped her up and had a video filmed by Mike Figgies made of her which attracted so many hits on their website that it was crashing hourly!

Endorsements that really add value to luxury brands are those in which celebrities are seen to *want* the brand or to be part of the brand team. When Dom Perignon uses Karl Lagerfeld to shoot their ad, they don't only benefit from having a great photographer with a great vision doing the shoot, they benefit from his reputation as an aristocrat, a great creator, someone who is a close friend of supermodel Helena Kristensen. They are all seen to work together because they have chosen each other and the brand is truly part of their lives, their shared universe. The celebrities in the front row of fashion shows are putting their faces to the brand as fans and supporters of that brand and certainly don't look like paid endorsers. Armani built his brand on dressing Hollywood stars and later football stars and the like. Even Sex and the City mentions of a brand acted as endorsements but all are believable endorsements and not the cheap mass-brand type endorsements where the celebrity's name is mentioned in the ad and looks obviously paid for.

Ideally, a luxury brand will try to use as many of these six Van Gelder attributes as possible instead of simply choosing one and sticking with it. Each one can add another layer of the brand story and it is things like this that enable the brand to begin to stretch across market categories.

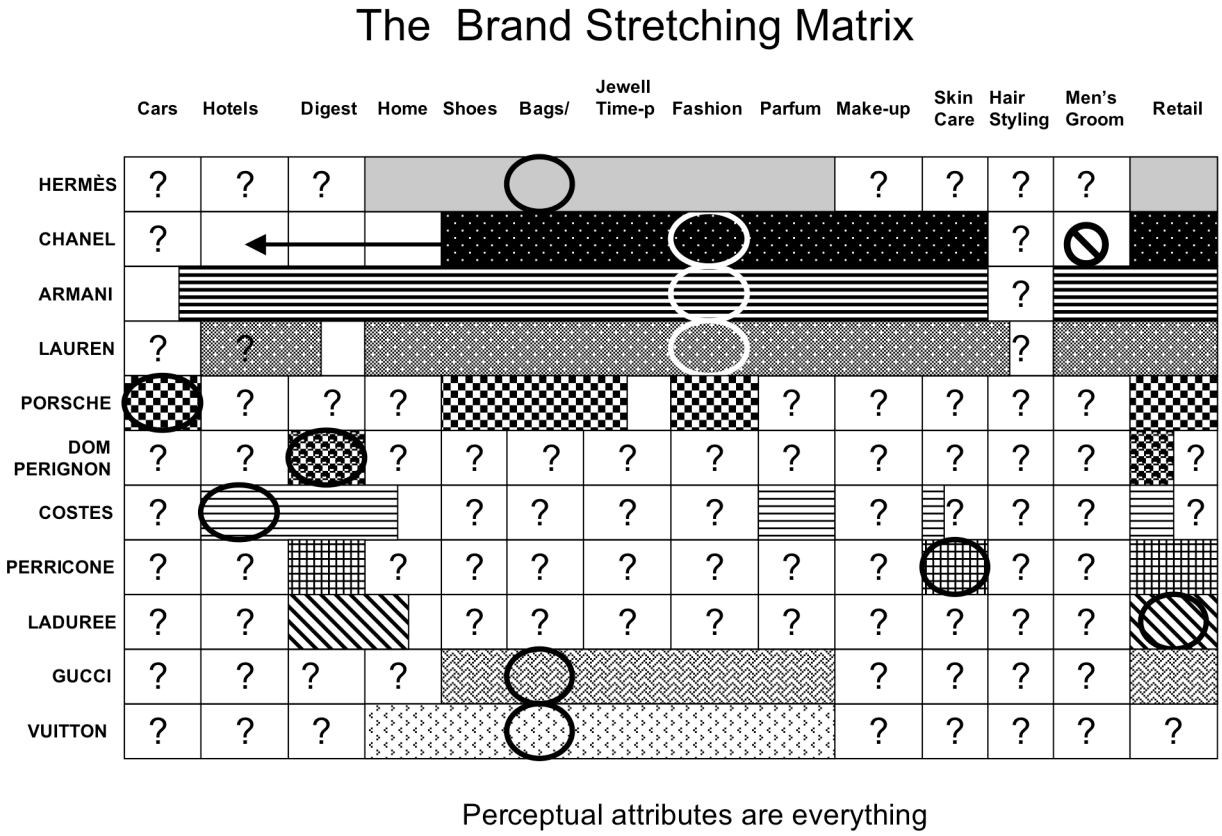
Our Brand vs Competitors



Van Gelder's Dimensions of Brand Affinity

Vision

To design a brand that will have an ability to stretch, it is always useful to consider the long-term vision for this brand before deciding on its brand name, positioning, and category expertise. It should then make it easier to decide on the universe that the brand can represent. To plot the elasticity potential of a brand based on its planned or existing DNA, a Brand Stretching Matrix is proposed (See diag below)



The Brand Stretching Matrix shown in Figure 11, is in reality, a simple model that can be used to test how far a brand's reputation has or can stretch in the consumer's mind. It is perhaps more useful as a tool for examining the extent to which the DNA of a brand may have to be adjusted in order to make a line extension fit, i.e which seeds have to be sown or which attributes need modification to provide the right conditions for such a seed to grow. The rings show where the brand was born.

We see how, due to Dom Perignon's monk and strong champagne heritage as well as its consistency in reinforcing it's champagne-only positioning, the House Brand cannot readily stretch into aligned areas such as skin care or fashion with much credibility. Should it wish, it could probably extend into champagne bars and restaurants, and then later, perhaps high-end luxury hotels and spas in line with the brand's heritage. To stretch into fashion, it would have to build on another attribute such as its relationship with Karl Lagerfeld but even that would not be enough for us to accept this luxury brand into fashion. The closest it could get is perhaps to offer venues for fashion shows or launch an events company.

If we return to Chanel, The brand has extended across most of the

fashion-related categories but has always resisted moving into men's fashion remaining loyal to its feminine heritage. It has not moved into home products either but due Coco Chanel's attachment to the Ritz hotel, the brand does have a heritage which it could well leverage in order to enter into the boutique hotel world and once there, decide to extend into spas and even champagne and fine cakes. Thank goodness it hasn't. It has not even been tempted to trade down to the lesser categories as Armani has done with AX. To go into luxury cars would be ludicrous but we could imagine a sexy limited edition Chanel Smart car. Even Chanel has been unable to resist stretching into menswear though. Cunningly entering into Men's toiletries with Allure Homme Sport and the like, the brand began to groom consumers into accepting Chanel as a universe in which men too are catered for. As such, the personal care category plays a leading role of bridging gaps in our minds and preparing us to accept the forthcoming Chanel Homme fashion line – stretching strategically step by step.

Armani has stretched across almost all the categories on the matrix. This is a phenomenal feat considering that the visionary man started out in menswear. It would seem that the key attribute for Armani was first his Cerutti heritage coupled with the fact that he unveiled an unstructured jacket for women only three months after his menswear debut. Made with traditional menswear fabrics, it was as simple and soft as the man's and bore a masculine authority. With this alternative to long, flower-child skirts and classic French *tailleurs*, Armani joined Paul Poiret and Coco Chanel as an emancipator of women's fashion. The film American Gigolo in which he dressed Richard Gere secured Armani's fame with the general public and marked the beginning of a long and fruitful history of collaboration on films.
http://www.guggenheim.org/exhibitions/past_exhibitions/armani/history.html"
.|http://www.guggenheim.org/exhibitions/past_exhibitions/armani/history.html
Could he become a film director next? Why not?

Ralph Lauren started his brand with neckties and a new name. In 1967 he founded Polo Fashions of New York mixing old England with America. Four years later he had his first retail store and launched a women's line. He succeeded in stretching his brand upwards, downwards and across before Armani did, but is now clearly lagging behind. He has yet to reach the heights of Haute Couture but is fast on the heels of Armani to open hotels and restaurants. No doubt their brand DNA's allow them to be accepted in most, if not all, lifestyle areas. Would Armani and Lauren be tempted to attach H&M too or would they prefer to be guest designers for the brand?

Porche has successfully introduced a Porche Design concept store in at least 21 countries, trading obviously on the brand's design and engineering and performance heritage. Like Harley Davidson, the brand offers strong social affinity attributes from drivers bonded to the brand. It is a highly aspirational men's brand with the potential to

stretch further. Like Vuitton however, the brand has not as yet ventured into fragrance, which even Bugatti has done. Obviously fragrances are not seen to fit with their brand DNA's, yet.

Ladurée, famous for its macaroons, started out as a bakery in rue Royale, Paris in 1862. In 1871, after a fire, the bakery was transformed into to a pastry shop decorated a famous turn-of-the-century painter and poster artist, Jules Cheret, who was inspired by the painting techniques used for the ceiling of the Sistine Chapel and the Garnier Opera and at a later date evolved into a tea room. In 1993 the maison was bought by current owner David Holder who ois currently building on the great reputation of this *salon de thé*, as well as create an environment for gastronomic creativity in Paris. Ladurée is being prepared to become a tea salon, pastry shop, restaurant, chocolate shop and ice cream parlour in all the main capitals of the world. Clearly it will have the right attributes to extend to boutique hotels one day should it wish to but as a specialist in gourmandises it would have more credibility to open up a hotel school than a fashion house.

Costes, the luxury Parisian hotel and restaurant group has successfully expanded into a very large network of restaurants in the best parts of Paris, usually where there are parking lots nearby, and part of its success is not to use their name on the restaurants. They simply publish a very high quality magazine called Palace Costes of almost Vogue calibre, which lists the all the restaurants under the title, *Le Club Costes.* Most are partnerships with independent owners and the Costes brand remains hidden as the ingredient brand providing all the food, drinks and service standards. What is smart about this approach, it that it's image is not cheapened by visibility.

The brand has very successfully entered the world's lounge music seen with its series of innovative compilations and has also succeeded in creating trendy fragrance and vodka lines in its deep red house colour. It has enormous potential for home stores based on the tasteful eclectic aesthetics of the two owner-brothers. Their first restaurant was designed by Philippe Starck and helped to propel his career to new heights. As the brand has a hotel heritage attached, as well as a highly respected reputation aside from hospitality, for travel, lifestyle and design, there is no reason why the brand could not extend into travel bags one day to challenge Vuitton, but even for this brand, it would take an extraordinary bridge to enable it to cross into the fashion realm.

The most usual bridges come about through collaborations. Harry Winston, one of the most respected independent jewellers in the world is a case in point. The haute joaillerie is all hand-crafted in New York and the company is still family owned. Ronald, Harry's son, is the owner and Chairman. As a designer, he created jewellery which took the House of Harry Winston into modernity. Just as his father's

diamonds delighted Marilyn Monroe, the jewellery designed by Ronald Winston captivated Madonna. This small company was created and based on exclusivity, quality and personal relationships and still is. The trust of their clients is seen as an intrinsic part of the brand's DNA. So when the Harry Winston legendary search for rarity and excellence in Haute Joaillerie was to be transferred into Haute Horlogerie, the potential was seen as limitless.

"To bear the Harry Winston name, it seemed clear to us that the product had to be exceptional. For ladies, the diamonds are truly exceptional, for men, the movements had to be innovative and exceptional," says Maximilian Busser, Managing Director of Harry Winston Ultimate Timepiece SA Geneva. "Because we are jewellers, we have to overcome a certain amount of skepticism towards our watch-making creations. This gives us one more reason, not that we needed it, to create very innovative timepieces that separate themselves from the rest of the 200 year old house-hold names. We have lead this way since our first watch, the double retrograde perpetual calendar, and have created one watch-making world premiere every year since 1999. Our team now has the definite feeling that the world of connoisseurs is waking up to this fact.

"The Opus concept is to mix the DNA of Harry Winston and that of the Master watch-maker. The children, the timepieces, are therefore inheriting the characteristics of each parent. So, each Opus is different and each Opus remains recognizable as part of the Harry Winston family. The company worked with talents such as Jean-Marc Wiederrecht and Francois-Paul Journe, manufactures its own cases and bracelets and uses dials mostly made by 'Les Cadraniers de Geneve", a dial manufacturer jointly owned by the company, Cedric Johner and Francois-Paul Journe and has developed into a fully fledged high-end timepiece operation, which integrates design, R&D and manufacturing in house. The timepieces are 100% crafted in Switzerland and most of the parts in Geneva itself, where the Harry Winston Timepiece headquarters are located. François-Paul is in my opinion the heir to Abraham Louis Breguet. He has managed over the last twenty-five years to master and synthesize the past with the future of watch-making. Locked in his head are quantities of projects that will amaze the connoisseurs. Clearly, our friendship, and later on collaboration, was based on a shared philosophy of independence, craftsmanship and passion.

A weakness of the company? Some would say that we are not easy to find. Be it for a Harry Winston piece of jewellery or a timepiece, because we are, and want to remain, very exclusive." (x)

The Source

It is worth noting that many leading fashion brands started with bags or moved very quickly into bags. Vuitton, Gucci, Prada, Hermes, Bottega Veneta, Loewe, Fendi and the list goes on and on. “A lot of those companies cannot service the clothing business effectively”, says Chan of Ports in China ”They have to choose a lazy way which is bags and those don’t change for two or three years. So they create fuss with these bags. Clothing requires a lot of fine-tuning. Can you react fast enough with stuff that sells well? “ That being said, clearly it is easier to launch bags first, make profits and then extend into fashion.

It is important to recognise too that when a founder is alive and is creating his brand DNA along with his own life, such as as Richard Branson, he is able to bridge product categories far more easily than is the case when a brand is ‘brand managed’ by employees for example taking Virgin from a record label through to offering space flights. I cannot imagine the CEO of EMI records proposing to the board that the company start an Airline business. Most of the brands shown in the above Brand Stretching Matrix, are owner-managed, so in fact, they can choose to break almost any branding rule at a whim but unless they have the personal brand charisma to do it, they should beware. We would quite easily accept seeing the name Karl Lagerfeld on almost anything creative including a photo studio but only because he has already developed his reputation in that direction. We love those personality brands too because they are not faceless corporations. We can share in the fun, excitement and adventure of those characters. We can’t feel the same for the tycoons. We want owners to be fully supportive of only *one* brand, just as we are! Put one face to one brand, and preferably the creator’s. One *griffe*!

In Chapter 1 we referred to the trend towards specialised niche brands. This does not mean that the days of the broadly diversified brand is over but we should be aware that specialisation could imply a more focused promise, a focused brand identity and therefore more authenticity, credibility and integrity. Goyard is a fine example for now. To stretch or not to stretch depends totally on what your actual promise is. If your brand started out as a specialist making something, such as timepieces, then no doubt diversifications would have to be taken in small steps which hold onto and reinforce some core attribute such as ‘precision’ or ‘precious metals’. If, on the other hand, your brand is built on a philosophy or ideology, it will be more able to stretch across any product market category without harming the brand’s integrity because its roots are linked to a single focused ideological identity instead of a product-focused identity. An easy case in point is Easyjet that suggests uncomplicated and affordable. With that promise it could stretch into anything from Easycars to Easymobile telephones.

The success of retailers such as Colette and L'Eclaireur are examples of this. They can do anything from clothing to music to restaurants to hotels should they wish. What they are totally clear about what they stand for. Their focus is clear and therefore the psychographic profile of their customer is clear. Here is where these brands most closely resemble magazines. The buyer acts as an editor and as one griife and face. As brands, rather than as 'titles', magazines tend to be amongst the most well thought-through and focused brands in the world. They tend to be designed to attract a very specific well-defined market, they have editorials which enable them to create an intimate bond with their readers. They can cover whichever subject they wish, as long as it fits with the philosophy or ideology of the title. Inside the magazine, they are seen to cover the 'best of' with objectivity as they don't have to sell off the pages. These new multi-brand stores do exactly the same thing. It is not surprising then to find that they too, like magazines, attract a cult following. Stretching up or down is more more complicated as the following chapter will show.

Peter Copping, the Design Director at Louis Vuitton Ready-to-Wear, who has worked with Marc Jacobs since the beginning ten years ago, feels that "clothing heightens the level of the brand." It's not just a matter of stretching sideways then, in his view, fashion stretches a bag brand upwards. Like Vuitton, Bottega Veneta, Prada, Loewe and others have all done this. Fashion shows give a greater visibility and at the same time, Peter says,"the more you expand, the safer it gets," meaning that you are no longer dependent on one market. Few stretched brands are ever market leader of any sector though. In fashion, it's the designers who are the brand managers, not the marketing teams. It is they who dig into the archives to understand the brand's DNA hallmarks, but is is management who decides whether the brand should stretch or not. In most instances, the minute a maison is acquired, the new owner begins to stretch it to the maximum to recover borrowings and investments.

Under the direction of PPR's Gucci Group, which took control of Boucheron in 2000, the jeweller, Boucheron is expanding the brand into sunglasses and Vertu luxury cellphones. It may also decide to chase Bulgari down the hotel route. For some reason it just feels more authentic when the founders such as Armani and Branson stretch their brands than when new owners or licensees do. It's a question of integrity and authenticity.

STEP 7 CAN I TRUST YOU?

If it's to be long-term, I need to rely on you

As we get to know a new person over time, we tend to ask ourselves if we can trust them. Of course, this could mean many things from having confidence in them to their fidelity. Naturally, once we give this trust, we don't want to be betrayed. We feel the same when we buy into a luxury brand. We don't want to know that they offered massive discounts on the same item that we bought, soon after we bought it. We don't want to hear that it was made on a conveyor belt when we were led to believe it was hand-made. We don't want to find that it was glued when it should've been stitched. We don't want to find that they bluffed us into thinking that the goods were unique and rare when in fact they have sold thousands of them. In fact we don't want them to sleep around. And if they do, we don't want to see it or know about it. Discretion is demanded.

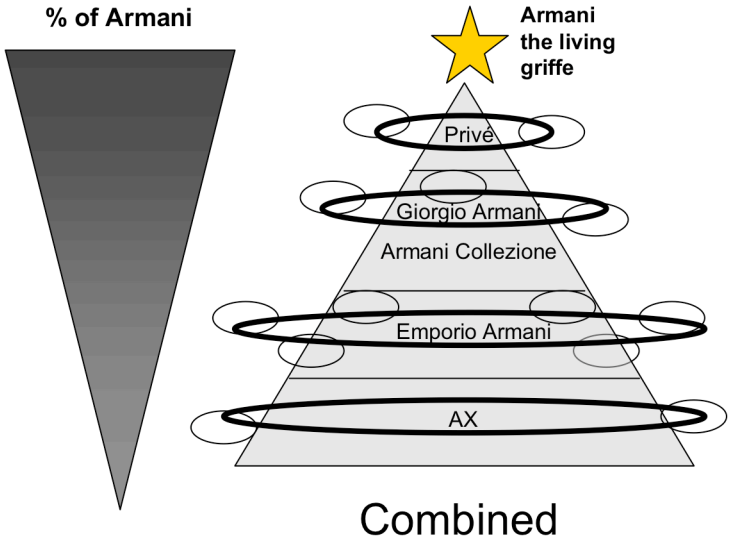
Once more heritage plays a huge role because a reputation can only be *earned* over time. If the brand adds positive attributes year after year, it becomes extremely difficult to compete with it in terms of trust. Integrity is a major critical success factor. Your brand is expected to have integrity. We want to believe in you. We want to trust you. We want to believe you are the best. We want to respect you. We want you to be authentic. We need to feel that we are compatible, share the same class, universe, values and pleasures. So if we see your name on cheap pens just after we have spent a fortune buying an expensive outfit from one of your stores, we will not be happy. Pierre Cardin has his name on everything from Haute Couture down to cheap items so no one knows what the brand stands for anymore. It no longer seems to have any meaning, and it certainly does not seem to have a luxury one at that. Many have lost respect for this brand. We cannot relate to you anymore. We are not compatible.

The Pierre Cardin brand today is mostly thought of as a supermarket brand. We have already forgotten its couture heritage. We have forgotten its furniture design heritage and we have even forgotten that the creator himself is still alive at the helm of the house. We are ever grateful to Pierre Cardin for the risks that he has taken with licensing. Its thanks to some of his successes and failures that we know what we do about the luxury brand paradox of income versus image. But essentially branding is all about image and this brand has some major restructuring to do if it wants to modify the DNA image that we have of it in our minds. It no longer feels like an authentic luxury brand.

What a shame. I personally contacted Mr. Cardin in the eighties to get the rights to use his name to develop affordable housing facades to cover up the ugly government matchbox houses that the South African apartheid government had constructed for residents in townships such

as Soweto. The houses were to be designed by Sowetan architects and agreed by Pierre Cardin. He readily agreed to this for a small percentage of net sales. I am convinced that he agreed out of kindness and not out of greed. It saddens me that his image has been destroyed as a result of his belief in democratisation. Brand architecture did not exist at that time. It does now, thanks to the grand master, Giorgio Armani.

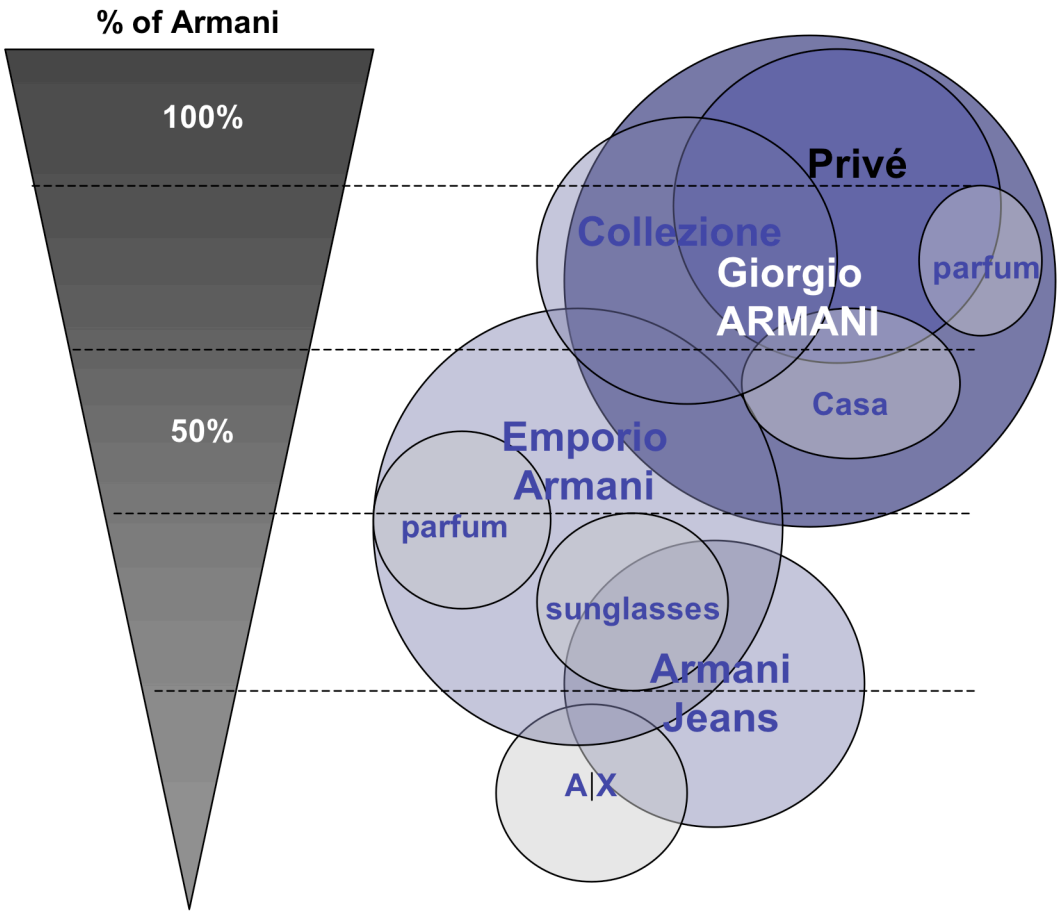
In order to avoid the kind of consumer confusion created by one brand name, Pierre Cardin representing various different quality levels and price points, Cardin could simply develop a brand architectural structure as Giorgio Armani has successfully done whereby each sub-brand represents a different Armani universe, for instance Pierre Cardin Haute Couture, Cardin Pret-a-Porter, Pierre, PC and so on. When we see one brand name, we expect one price, just as Ralph Lauren does. Armani has ingeniously combined both the French pyramid model and the American satellite model into one, no one is confused and he enjoys the best of both worlds. Its as if he has rolled Dior and Ralph Lauren into one.



He is the star, the creator, the griffe. As with Cardin, everything he does will carry his name on it however unlike Cardin, and more like Ralph Lauren, if there is a different price point or concept, there will be

a different sub-brand name ie Giorgio Armani versus Emporio Armani. Where Armani differs greatly to all of his predecessors is that each of his different sub-brands contain a different percentage of Armani involvement and quality in them. To try to reflect this in an illustration is almost impossible and ends up very confusing so the combined pyramid-gallaxy model is preferred.

Armani-type HB and PB extentions



Every Brand should create its own unique structur

Armani clearly is the one who has the aura. Armani Privé, the more recent haute couture line, created with couture help from the established *Ateliers d'art*, can be said to represent his ultimate griffe, Giorgio Armani represents 100 % Armani *style*, *design and original quality*, Emporio Armani being perhaps 40% of the Giorgio Armani label design, style and quality, whilst AX is simply the lowest percentage of Armani design and quality in the mix. Whether this was the idea or not is unimportant. Most relevant is that each sub-brand is

treated as a *maison* with its own store and unique universe. There is no confusion here. As each is a house brand, it can very easily launch product line extensions across various categories from menswear, to female to fragrances, cosmetics and so on. We know where we fit, and which maison we are compatible with.

Of course such extensions have somewhat devalued the luxury image of Armani but the man is smart enough to focus all publicity around himself as an Haute Couture designer to build aura, whilst also designing *for* Mercedes Benz, private jets, yachts and hotels. Each of Armani's sub-brands make a different offer, derived from essentially the same universe, from the same griffe, but with a different specialisation. With each, Armani brings some new innovation to the category.

Giorgio Armani's numerous lines over the years include:

- Armani Privé, the haute couture line.
- Giorgio Armani Fatto a Mano su Misura (Hand Made to Measure) – custom-made suits for men – respecting the craft of Savile Row.
- Giorgio Armani, the premiere line of Armani's clothing, sometimes referred to as "black label".
- Armani Collezioni a more expensive line of ready-to-wear clothes aimed at an older market.
- Emporio Armani, a line of ready-to-wear clothes and accessories aimed at a younger market.
- Armani Jeans, a lower priced collection of jeans and clothes aimed at a younger market.
- Armani Exchange (A|X), the most affordable diffusion line, sold in freestanding boutiques that sell this line exclusively.
- Armani Casa, a line of furniture and accessories for the home.
- Armani Junior, a line of clothes for boys and girls.
- Armani Occhiali, an eyewear line that includes both frames and sunglasses.
- Emporio Armani Cafés
- Armani Bar
- Armani Jeans Café
- Armani/Nobu
- Privé, an Armani bar/club
- Armani Dolci (a small line of Armani-branded confectionery)
- Armani Fiori (flowers and flower arrangements)
- Armani Libri which sells books.

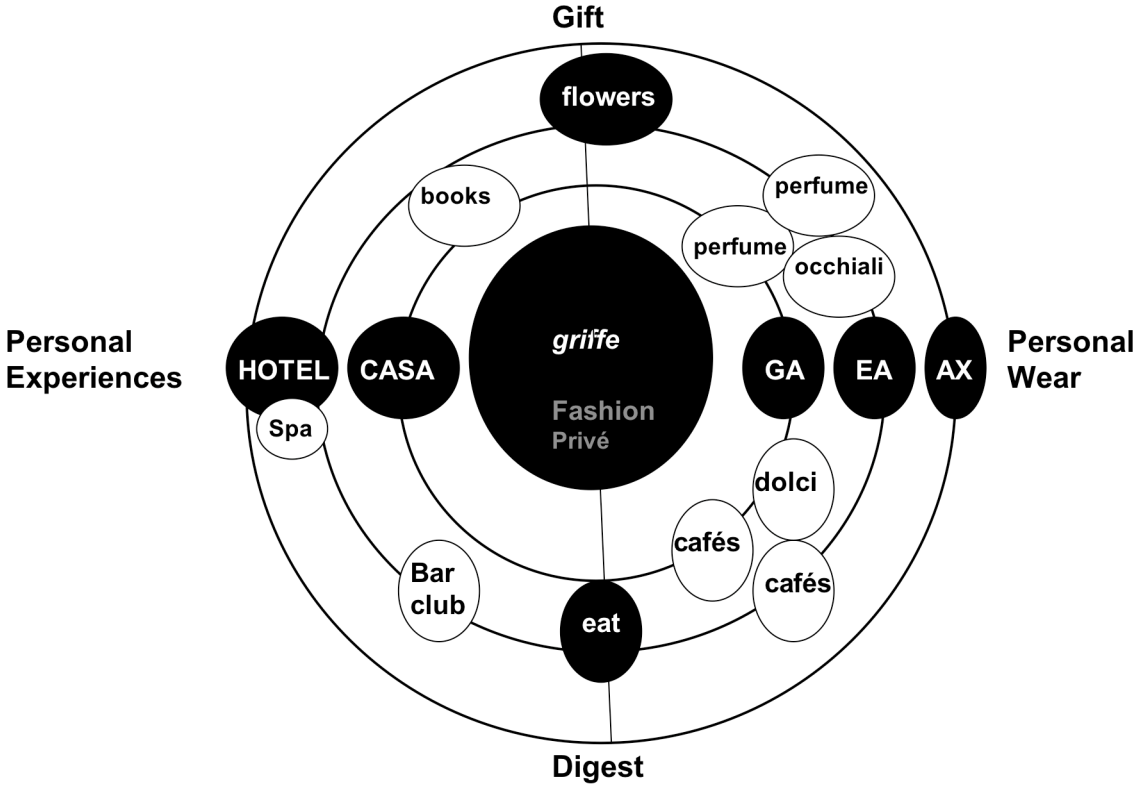
These smaller specialist lines are typically found within larger Armani stores, such as in the world-flagship in Milan as well as the superstore in Hong Kong. (x) The first Armani hotel is in Dubai.

Giorgio Armani probably represents of the best-known griffes in the world. His method of extending a brand up, down, sideways and across borders without causing any major damage to its reputation, is unmatched. Armani has developed a *griffe* that has been diversified into jeans, undergarments, neckwear, golf apparel, fashion accessories, fragrances, eyewear, cosmetics, coffee shops, confectionary, chocolates, flowers, bookshops and hotels. With more than a dozen clothing lines, consumers have not abandoned the brand through confusion. He has merely attracted a wider clientele that in turn attracted the notice of luxury conglomerates LVMH and Gucci Group. Both approached Armani with acquisitive offers, but he refused. Instead, he has increasingly bought his licensees and brought most of the Armani brand in-house.

After awarding a long-term license to EMAAR Hotel & Resorts for the operation of a collection of luxury hotels and resorts Armani was quoted as saying, “I cannot think of a more energising prospect than bringing my philosophy of style and design to a collection of hotels and resorts. This continues our ongoing strategy of building the Armani universe into a comprehensive lifestyle brand.”(X)

The word universe is good because it enables us to appreciate the Sun as a central force and a starting point to highlight distances from the sun’s direct influence. The pyramid model mostly represents income and population reach relative to distance from the aura, and this tends to reflect prices of items. In reality each of Armani’s houses can be seen to have its own pyramid and galaxy. The galaxy model may perhaps be the simplest way to visualise and understand this universe.

The Armani Universe



Armani has truly created a full universe in which he is the Sun and his HBs are planets in their own right. By plotting his brands in the form of a universe we can start to get an idea of the elasticity, breadth and depth of his universe (see Diag 5). This approach places him firmly at the centre of the universe with other planets in proximity of his core universe. This form of brand visualisation shows that the planets circle around the sun (griffe) and cannot be separated from it, but each has its own distance from the griffe. Like solar system, a brand universe must evolve and be in a state on constant change. His brand does this.

Similar models have been used in brand theory before such as the one developed by Nivea which has its north-south east-west poles as head-toe cleansing-moisturising and the orginal crere as the sun in the centre. The difference is that these existing models call the sun the 'core'. This word *core* is useful but problematic as it removes the creator from the brand. For a luxury brand, the creator and his/her griffe plays too important a role to reduce it to that of a pip in a fruit.

What we trust in the brand, first and foremost, is its creator. The creator is the god of his universe. Is it any wonder then that we see mega-brands building mega-stores as temples to their gods? They must deem it important to show that their god is bigger, richer and more powerful than another. In many languages, the words God and Creator are interchangeable. When brands forget their gods, we do

too. We can't remember who created Lancel. Its bad enough when their 'popes' leave, as witnessed by the fears expressed for Gucci following the departure of Tom Ford.

As mentioned earlier, Luxury brands very rarely have distinctly different product brands. Instead they may develop different House Brands to identify quality, price and positioning differences i.e. Giorgio Armani Privé, Emporio Armani and so on. Each HB will be extended into different product categories without the need for a separate Product Brand(PB) name but there are exceptions. In the Emporio Armani perfume line licensed to L'Oreal, we find the HB represented as Emporio Armani but each perfume has its own PB such as City Glam (for Him, for Her) or Armani Code and Armani Black Code. His architecture is very complex, yet very clear. No confusion. Genius.

We may feel that we are really compatible with at least one of these Armani houses but over time it is becoming harder for us to see Armani as a luxury brand due to the very visibility that the brand has from all of its activities and slowly but surely it begins to look less and less exclusive and more and more like a mega-brand. Do Hollywood stars still dream of wearing Armani or is this the gap the Tom Ford will take for menswear and Halston will take for womenswear? Are we beginning to feel less compatible because everyone knows that the brand is starting to sleep around? We do not doubt Armani's energy and passion to create, but is he becoming greedy? Is he becoming just another retail corporation? It would be hard to imagine Chanel or Hermès stretching from sub-brand to sub-brand as Armani has done.

The Extended Family

"When Kim Winser became chief executive of venerable British brand Aquascrutum in 2006, her immediate concern was not, as one might expect, factory profitability, lack of prime retail space, or emerging market intelligence," wrote WGSN's Sandra Halliday (x). "Rather it ws demographics: the Aquascrutum men's wear customer was getting old. Sure, the bankers were still buying, but they were also retiring.

The brand 'just wasn't attracting new customers, and you have to do that', says Winser. Enter Aquascutum Ltd – "a collection designed by Savile Row tailor Nick Hart, inspired by the sharp British tailoring of Auascutum in the 60's" claims the brand's website. The line is made in different factories to the Aquascutum main line with different labelling.

It's not exactly a diffusion line – not in women's wear terms anyway, where diffusion usually means more accessibly priced and less avant garde. Nor is it a "second" or "junior" line. It is more like the cool niche cousin to the main product family, and when it comes to men's wear, this type of sub-brand is increasingly the strategic diversification of

choice, Halliday suggests. The brand name is a slightly questionable choice because it simply sounds like that of a faceless corporation however if the young corporate male is the target client, it could possibly work. It sounds far less luxurious than the name Gieves & Hawkes though.

“Gieves & Hawkes launched its more fashion-forward Gieves line in 2003 in the wake of the crunch on tailoring businesses caused by the trend for dress-down Fridays,” says Hallywood. Since then, Brooks Brothers has introduced its Black Fleece line; Austin Reed has launched the catwalk-inspired AR Red, with its slim-fit tuxedos and skinny ties aimed at 30-plus “urban males”; high-street retailer Burton has created Black Label, a 35-piece collection using Italian fabrics, merino wool and mother-of-pearl buttons; and Kilgour, the Savile Row tailors. Has launched a collection of slim-fitting, pared-down lightweight and layered pieces under the working title “Kilgour Unstructured”.

“Our customers, even older ones, didn’t want to be seen as old-fashioned,” Mark Henderson, Gieves & Hawkes’s managing director told Halliday. “But we had become out of fashion at a time when fashion is an essential component of any luxury item, whether you’re Smythson or Aga”. By starting Gieves, he says, “people could see the brand awake and moving on”.

Sub-branding is an essential component to brand stretching. Not only does it stretch the brand, it helps to stretch our minds to accept new facets of the brand without creating confusion of what the brand, as a family name, stands for. It serves as an expression and a clear understanding that it cannot be all things to everyone, and that each of its sub-brands has its own unique passion, speciality, and expertise just as children from one family would have, within the promise of upholding the family reputation and value systems.

Some no longer trust Louis Vuitton or Dior as much as they used to. They no longer trust Pierre Cardin as much as they used to. Why? For a start, they’ve confused us. They both use the same mono brand name to cover many markets or categories. They have almost no brand architecture. Giorgio Armani has been shown to be a genius at this. He puts each of his sub-brands in a well-defined box, separate stores, separate house brand names. There can be no confusion between them. Easy. Simple. Even Hugo Boss understands this, to a point. They have Hugo Boss, Boss and Hugo (unfortunately they put them all in the same store!). Luxury brands must do something to separate the exclusive from the inclusive. Develop a brand architectural plan. It’s never too late! Don’t confuse us. Don’t mix what you are selling all over the world with what you are custom-making for us.

Having said that, we would not consider Armani to be as prestigious as, say Maison Fabre or even though he has established Armani Privé

as a separate brand to the rest. Haute Luxe brands seem to retain more intergrity because they have not stretched their brands too far down to mass as Armani has done. But none have gone as far down as Cardin has done. Although Vuitton are trying to keep Louis Vuitton Malletier and Louis Vuitton apart, as the brand's aura is coming from the brand's star fashion designer, Marc Jacobs, LV Malletier is dwarfed, and the brand feels stretched. At this stage it is important to note that there may be no need for a maison to develop comprehensive brand architecture if it ignores the tempation to make too many accessible creations, or to stretch into new categories. Compatibility with its core client is fundamental. The maison must fit with *their* universe.

Maison Martin Margiela has developed perhaps the most complicated brand architecture to differentiate one sub-brand from another. He has a number system instead of a name system with the following rationale:

- 0 = Artisanal collection for women and men (as seen on the runway) – a totally white label without the 0.
- 1 = The collection for women
- 4 = A wardrobe for women
- 8 = Eyewear collection
- 10 = The collection for Men
- 11 = A collection of accessories for women and men
- 13 = Objects and publications
- 14 = A wardrobe for men
- 22 = A collection of shoes for women and men
- MM6 = Garments for girls

It takes some getting used to, but perhaps its helps to give kudos to customers who are in the know. It is not as complicated as it seems due to the fact that the men's store is separated from the women's store, but its not an approach that is easy to advocate although it fits very well with Margiela's mysterious, maverick and innovative image.

It's when a house loses its core clientele by alienating them, that the dangers become more acute. The big dilemma with all brands is how to gain new customers without losing existing ones. Louis Vuitton must be pleased to have grown its business thanks to its new core clients who spend more than its historically loyal 'old moneyed' clientele. However this is partly why the image of the house is no longer what it once was. Not only has it extended its offer into fashion, eyewear, jewellery and other items, it has spread itself out of Paris across the world and the original family no longer own it. The brand is perceived by some defectors as a 'raped brand' and by others as 'sleeping around'.

"Adultery is a big sin in France, like elsewhere, but not the same kind. In the United States, adultery is a breach of trust, or a breach of contract. The French are primarily concerned about the impact it has on family life," say Nadeau and Barlow (x) "The family is still pivotal in

France, and ruining a family is more appalling than a breach of contract which happens all the time." This could explain the sentiments of many ex-Vuitton customers. Vuitton was a family business and its customers felt that. For Cardin, the sentiments are different. All accept that the creator has the right to do whatever he wants with the brand – seen as a bachelor's brand not a family brand - but are saddened by his failure to control the brand's identity.

More and More

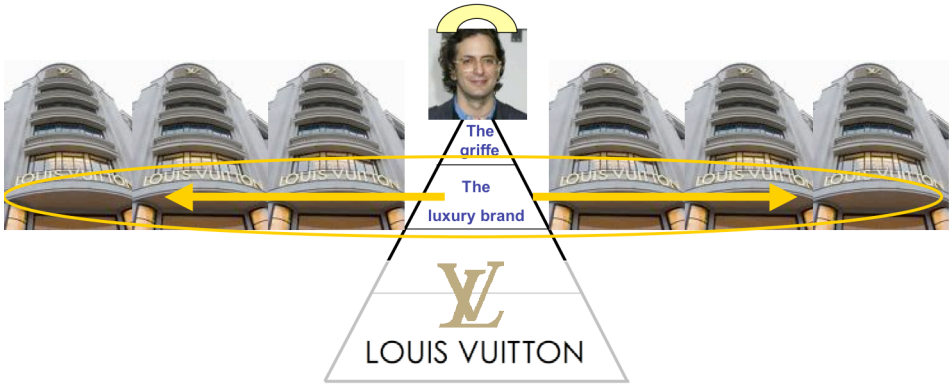
The factors that may have led to the demise in the Vuitton image are unlike those we have witnessed before. Most, like Cardin, suffered image damage through over-licensing and thereby losing control over the quality of the products that carried their name, or finding the products sold in undesirable distribution channels at varying price points. Vuitton took great care to only sell through its own outlets. Not to over-extend the brand into too many product categories, and certainly not the cheaper ones. For instance, they are one of the few that have not as yet launched a signature fragrance. The brand took great care in selecting the best locations for its stores. It employed the best architects it could find. Each outlet was built to fit in as well as stand out, in its unique environment. They employed only the best contemporary artists to build installations in each store. They even built an art gallery in their new Paris store to host unique exhibitions, each one having some relevance to the markets that they wish to seduce. Each exhibition has some link to the travel positioning of the brand and store carries reminders of the brand's heritage and its codes.

LVMH has consistently pursued a luxury pricing strategy, which means high mark-ups, limited availability, and few if any markdowns. When asked by a reporter whether the Louis Vuitton store in Paris would have a post-Christmas sale, the company's president Yves Carcelle answered "No," saying, "That would devalue the brand." Louis Vuitton sells its products only through a global network of company-owned stores. This keeps margins high and allows the company to maintain control of its products through every step in the channel. Bernard Arnault explained, "If you control your factory, you control your quality; if you control your distribution, you control your image." The company has just opened its 387th store and by the time this book is in print the brand may well have over 400 stores. Due to these new stores and the extended product categories since Marc Jacobs joined, It has achieved double-digit sales over the last five years but like-for-like business grew a mere 3-4%

"These stores sell an estimated average of $1,800 per square foot. Some of the best-selling stores sell as much as $8,000 per square foot. Additionally, since maintaining an upscale image is vital to a luxury brand, LVMH devotes over ten percent of annual sales to

promotion and advertising. The company advertises its brands primarily in fashion and lifestyle publications. Some of the leading brands sponsor major international events with luxury cachet, as Louis Vuitton does by sponsoring the America's Cup. Since image is an essential part of marketing luxury goods, LVMH is careful to evaluate every advertising and promotional opportunity for consistency with the image of its brands." http://wps.prenhall.com/bp_kotler_framework_2/0,,427619-,00.utf8.html" ,|http://wps.prenhall.com/bp_kotler_framework_2/0,,427619-,00.utf8.html

Now brands are **extending retail** across borders



Emerging markets, tomorrow's fashion Mecca

More and more **countries,**
More and more **stores**

So what went wrong? Well for starters, the brand became too visible and seemingly over-exposed. Not only were there too many stores in too many cities and continues to do so, just as Benetton are known to do. The stores are not discreet maisons hidden off the main streets as are the Armani Privé locations. They are huge architectural sculptures can cannot fail to be noticed. Worse still, their bags are seen everywhere carried by everyone who represent nobody that we aspire to. Of course, many could be counterfeits and the company's efforts to combat this are well known, even to the point of briefing all their staff to say that counterfeits fund terrorism, drug trafficking and child labour. Well surely they should be of such a high quality, using unique materials, or even recycled fabrics that only they have access to, so that no one can copy, no? We cannot copy Van Goghs very easily. True griffe. The point is that the cumulative visibility of both the real and the fake bags make the Vuitton bags look as common as backpacks in a camping site.

Too easy

"My argument against luxury brands," Mark Tungate tells me, "is that there is a certain amount of snobbery attached to luxury brands and it

should be because once it becomes easily accessible, it's not luxury anymore and that is the mistake that Vuitton and Dior have made. They made it too easy to get hold of and too easy to copy as well. Too many brands think luxury means overpriced. I like the idea that you care enough about something that you have to get hold of it. You have to discover, or be in the know. There's a sense of mystery around it. Probably the world's most luxurious brands are brands that you and I don't know about. Only connoisseurs would know – such as a wine grown by some guy with 500 meters of vinyard."

"I think that many brands have co-opted the word luxury to mean premium or just expensive whereas for me luxury is about delivery- what you get at the end of it. A luxury object is where neither side really cares about price," says Tungate. "The maker is not necessarily interested in doing it to make a profit, and the purchaser is not necessarily interested in the value in it. You want to feel as if the maximum amount of effort has gone into it. Whether it is mental toil or physical touch, there has to be a reason why you reveal this physical object, because you know that there's an intense amount of care that is attached to it – that's why Hermès is still a luxury brand- I have a feeling that they still have that incredible craftsmanship attached to them, an image of their ateliers – with others you feel they are just a name."

"Hermès is a family home more than it is a luxury home", says Blanckaert. "It is a home of beauty and of what is small, a shrine of the imaginary mind, a haven of creativity. Hermès, in other words, is at the heart of emotions, and almost of something surreal". We *feel* that the brand is family-run and not corporate run. We know who works behind the scenes and that the atelier is in Pantin, just outside Paris. Best of all, we know who their clients are! The clients are the stars and their association makes the products stars, but most of all, every client is made to feel like a star and love them. Like Chanel, Hermes can be considered as a soulful brand. Chanel has attitude and fashion whilst Hermès is more classical. Both are seen to be discreet and both concepts seem to work. Both may in fact appeal to the same elegant woman. Neither house is flashy or 'blingish'. Neither is over-fashionable, or over-trendy. Both are consistent, chic and timeless. Both have *griffes* and both have *maisons*, but for them, *soul* is greater than *griffe*! They break rules and make their own. They attract good press. Are there some lessons to be learned from them?

Then we read about Robert Chavez, chief executive of Hermès in the US claiming, "We have doubled the size of our US business in the past five years, and our aim is to double again in the next five years. We see many potential sites to expand into across the country," and we no longer feel this personal touch, the soul, rarity or authenticity. "I was in Miami Beach the other day, driving up I-95 to Palm Beach, and I saw

this enormous Cartier billboard with huge rings, and my mouth just fell open," says Dana Thomas, the author Delux. "This most chic of all chic French names advertising on a highway. Who are they trying to reach? The commuters of Dade County? It lowers their brand image enormously. There's going to be a backlash, probably first in Europe and then America. But by then the big brands will be busy selling in Russia and China, and they won't care." says FT's Vanessa Friedman and Andrew Ward http://archive.gulfnews.com/articles/06/06/09/10045621.html

Ultimately the debate over how big is too big may be one of the industry's growing pains. Luxury marketers face a difficult challenge. They want to grow their revenue and profits, but one of the major strategies for doing so - growing the basic size of the franchise - risks undermining the brand if not done correctly. "Luxury brands are after all a privileged club in which access and membership are obtained from ownership of a product or consumption of an experiences. Therein lies the rub. The reason most luxury consumers are drawn to such possessions and experiences is because of exclusivity: it makes them feel special or important precisely because so many people can't afford to buy them and therefore are denied access to members' elite inner circle," says the Open Fridge Door blog. We all understand the need for profits but we *want* luxury to feel like a privilege.
http://openfridgedoor.blogspot.com/2007/02/paradox-of-luxury.html

"If the idea is to sell as much as Vuitton or Dior products as possible in one lifetime to buy more art and properties, host great parties as well as enrich shareholders, why not? It's their customer who is made to look the fool in the end," an art collector tells me. "Honestly, it would be great to see the brand spending more on artists and in philanthropic causes. What smarter way to redistribute the world's excess wealth than from luxury brands to worthy causes?" We could even argue that if we knew that 50% of every Vuitton bag went to a good cause, we could possibly reverse the damage done by overexposure of the brand's image, overnight. It won't make it an exclusive luxury though. It's too late. The brand could simply consider opening discreet Vuitton Privé ateliers to offer bespoke services and a totally new line of products that will only be recognised by those who know. The real problem for Vuitton now is that the brand is no longer considered my many, even its own staff, to be a luxury brand. It has betrayed our trust.

"The marketing department (thought they) had the answer: shift the focus away from the founder and/or designer and onto the local artisans, whom the tycoons declared were the only ones who possessed the cultural knowledge to produce luxury items properly. To prove the point, brands such as Louis Vuitton and Gucci took reporters on tours of their old workshops to watch craftsmen sew leather bags by hand. The stories ran in magazines and newspapers around the world" says Dana Thomas (FT). "Many luxury brands have

quietly moved their production to places such as eastern Europe, north Africa and China", she adds "and much of the work is now done on machines and by assembly lines, not by craftsmen in old European workshops by hand. But most do not admit it".

Star-is-cow

One of the few brands to escape the accusation of cheapening itself is Chanel, a fully private company that derives the bulk of its profits from sales of the perfume Chanel No. 5. This allows it to avoid the pressures facing most of its peers, many of which are part of large luxury conglomerates composed of formerly family-run businesses. What we are seeing with the big luxury brand conglomerates today is the introduction of brand portfolio management techniques for luxury maisons along the lines outlined by the Boston Consulting Group where some brands are stars, others 'cash cows' and so-called 'dogs' are divested. LVMH set out trying to treat all brands as star brands, but inevitably some have had to be divested and others milked. For some of their brands such as Vuitton, it could be argued that the groups' strategy is primarily that of growing *and* milking simultaneously. A new 'star-*is*-cow' strategy?

Thanks to the phenomenal growth in the emerging economies, luxury star brands produce enough profits to play that dual role. "The bubble has already burst," an ex-Vuitton Window designer tells me. "They used to spend a lot but have now cut back from six to seven windows a year down to four and are milking the brand to fund the others," so by taking the Benetton approach of opening store after store, LVMH can grow and milk Vuitton simultaneously.

Clearly the evolution of these brands from manufacturing to retailing has proved highly profitable and seems to become more as that they open stores across the world to reach a certain critical mass. This is a model that most in the luxury industry have been following of late. It is a key factor that contributed to Dana Thomas' criticism of tycoons that have stripped away all that has made it special…. it has lost its integrity, undermined its products, tarnished its history, and hoodwinked its customers. Is it not worse that the Vuitton's grandson, Gaston, the wartime head of the company, had instructed his eldest son, Henry, to forge links with the Pétain regime to keep the business going and was one of the first Frenchmen to be decorated by the Nazi-backed government for his loyalty and his efforts for the regime?

What about the Nazi past of L'Oreal, Hugo Boss and many other European family-run businesses? These episodes may have been far more damaging to those brands today had they not been taken over by large groups who abide by diverse, tolerant and modern rules. Traditionally luxury brands have been private businesses run without any sophisticated marketing or business models in place and the

margins have been big enough to cover errors. Many in the luxury industry still despise the terms *marketing* and *brand*. To accept these terms is to accept that the *maison* may be more about commerce than art. It loses its discreet image and compromises integrity. It is seen to be going for mass and selling its soul.

With LVMH's model, luxury branding is emerging as a field requiring the classical knowledge and solid discipline of brand management. A 'no passengers' approach. LVMH is not the first. Richmond's Cartier brand has long had a marketing team which is in fact used to brief and control its creative team, just as is the case in mass branding where there are no 'star' designers controlling the direction of the brand, but star brand managers. Luxury then, has not only discovered the meaning of the term *brand*, but also the discipline of *brand management* itself. But it risks forgetting the meaning of luxury. "Chanel's greatest luxury is that we never talk about money", says Lagerfeld."I haven't the least idea about how much it costs. I never ask such questions. We don't do marketing, we do collections. We do fashion. Because genuine luxury isn't about the money."

In the Art of Life series on CNN, Monita Rajpal told Tom Ford that he was considered to have a great sense of marketing. "It's funny, marketing and branding are two words I absolutely *hate*!", he answered. "Marketing, for me, is something you have when you don't have anything to really sell. What I've always focused on doing was trying to create products that people couldn't live without. A design business is dependent on the intuition of its chief. If you make something that people *have-to-have*, everything else takes care of itself." Ford aims to "bring back the notion of *true* luxury, which is really creating the *best* that you can possibly have, *real* attention to quality, we won't have logos, most of the products can be made with *your* initials instead of a logo and the service will be *absolutely* paramount", but clearly he is more passionate about the brand concept than any specific innovative creations – more a marketing person than a creator. A key luxury is that his client's needs and even their initials are marked onto items, not his own – an empathy offer.

STEP 8 I WANT YOU

Consuming passions

At Hermès a €98,000 prototype coat stands in the window and women want it. “Lavishly made, incredibly elitist, at atrociously expensive. a few years ago, it would have spent weeks in the window, these days, not even a day.”(x) “Luxury is not rational. It has to integrate the irrationality of its clients and their imagination,” says Hermes’ Blanckaert. The demand for absolute perfection now seems to be driven by the Japanese. The creation’s very perfection could well be enough to make it totally desired. Again Chanel provides a very good example. The brand is never in a hurry to launch a new product whether it be a breakthrough innovation or just a simple cosmetic flow-though brush pen. Instead they will get the ‘creation’ totally perfect, and then, when it is perfect, they will launch. “Luxury is not just about perfect detail it’s an effort to stimulate the imagination of the clients,” says Blanckaert.

“We are seeing some truly remarkable products coming through” John Gusafson, the independent make-up artist whose expertise is such that he has a three-year waiting list at Fenwick in London. “With these products, it’s very much a case of grab them while you can because once they’re gone, that’s it”, he says citing the recent phenomenon of Chanel’s limited edition holographic polish. “It was mind-bogglingly beautiful. To begin with, it was a flat, silver grey but as you moved your hands, it turned into a single, full seven-colour spectrum hologram so that the entire nail changed colour as it moved. But by the time anyone saw the polish and thought, ‘I have to have that’, it had already gone.”

Most luxury brands are obsessed with seduction. We have already mentioned the ‘wow!’ effect. Desire can be a one-off temptation that once you have it, you no longer want it. Desire does not always follow from overt seduction. Luxury to a man could be to possess a beautiful woman whilst luxury for a woman could be to possess a wonderful piece of jewellery. Is desire *that* basic? What do creators put into that ‘*have-to-have’* bag? We cannot fall in love if there is nothing to evoke our emotions. Love comes when we least expect. Desire *has* to evoke the feelings of love and of urgency to create the need for spontaneous action.

Bespoke

"A special order is a compromise between desires and needs from the client and our aesthetic and technical requirements," says Patrick-Louis Vuitton of the founding family who oversees all of LV's custom projects. Louis Vuitton fills 450 off-the-menu orders each year from its workshop in Asnières, France, a metal-and-glass space that's like a

Santa's workshop for the well-accoutred. Once a client has expressed his vision—as well as the travel conditions and hazards that his piece must endure—the product slowly takes shape through stages of detailed sketches and prototypes. This process can take four or five months (but no more than eight, as a policy), and it reflects LV's mastery of both old-world craftsmanship and technological trends in travelware. And in an era of mass production, Patrick-Louis maintains a personal touch by assigning as few as one worker to each custom item to see it through from the first stitches to the final product. Price is determined by size, materials (e.g., crocodile versus, say, Epi leather), and the overall complexity of the piece: A chess set, for example, made of inlaid lacquered wood, Madagascar-ebony-and-maple pieces, and a russet leather case costs around $21,000.
http://www.mensvogue.com/clothing/threads/articles/2007/03/lv_bespoke_luggage

Of course, for every commodity there are those who abuse it, which is probably why Vuitton reserves the right to modify a request if it's too outlandish, showy, or impractical. When a particularly earnest customer recently asked LV to decorate the interior of his sports car in the signature canvas—a novel interpretation of the portability rule, to say the least—he was politely informed that the company would be happy to make him suitcases for the trunk of his car instead.
“Companies can no longer afford to be brand arrogant," claims Greg Furman, founder of the New York-based **Luxury Marketing Council**. "Until 10 years ago, most of them thought they could live by brand alone” but that's no longer the case. The baby-boomers are the most brand-aware generation in history and they are raising the bar. They want value and they demand to be known on a one-to-one basis. They are insisting on more intelligent courting."

Clearly, the pre-made ‘*have-to-have*’ item now competing with bespoke. Bespoke sounds great because its personalised, but by whom? The talent of the creator *must* be greater than the creation of the client. That’s what makes all the difference. Jewellery house Graff does not take commissions on design, presenting finished pieces because it fears a loss of brand identity, but goes to great lengths to find specific stones for clients. According to Raymond Graff, “The big collectors are mainly men who feel that owning a large, rare stone displays wealth, connoisseurship and an eye for investment”. British jewellery designer, Barbara Tipple, whose business is largely bespoke, states that “men can be as easily seduced by a stone’s beauty as women, and then they want it an any cost.” (FT mag56)

A novel new ‘bespoke’ concept presented at the Cercle Deluxe in Vienna was that of “Swiss Made’ *Augenstern – Ultimate Diamonds* – “totally unique and exclusive, created entirely from the hair of an individual person’! “Grown for you – from your personal carbon.” Unfortunately they look like cheap cubic zirconium diamonds. Although no big house admits to more than 10 per cent of its

production being bespoke, all say it is increasing – Cartier reckons by more than 100 per cent in the past three years", writes Avril Groom (FT mag55) Mappin and Webb's bespoke specialist, Ian Thompson points out, "The number of commissioned pieces may be small, but their value is disproportionately high. Often they involve unusual stones that we have sought out for a particular customer". "The most personal service of all is using the client's own, often inherited, stones. This highlights one of the main differences between bespoke jewellery now and its 20th century equivalent. It all starts with the stone," says Groom. "With simpler, modern designs, the jeweller's art is about creating the perfect setting so the eye is drawn to the main gem".

When American jeweller Harry Winston offer bespoke, it includes flying out to meet the client wherever they are. They will search worldwide for the perfect stone and have a reputation for handling some of the best stones on the planet. With their own workshops in stores they can easily customise (mostly diamond rings) to satisfy almost any request. Winston has said, "People will stare. Make it worth their while." For years, most European high-end jewellery houses turned up their noses at engagement rings. Brands such as Cartier and Bulgari were content to leave this firmly entrenched American tradition to Tiffany & Co., which dominates the $9 billion 'bridal jewelry' market. But that is changing as the lure of the diamond ring spreads. Van Cleef & Arpels opened its first "bridal bar" in its Paris flagship. Salespeople serve Champagne and chocolate to cater for young executives, who are among their major buyers. "Bulgari and other European brands that don't have a long tradition in bridal jewelry first built up their business in Japan, where the engagement-ring tradition has long been strong", says The Wall Street Journal. "You have to be conservative on design because it's a traditional purchase," says Francesco Trapani, chief executive of Bulgari. (WSJp4)

Chinese couples are the latest to be smitten by the bridal-jewellery tradition. In 2007, Cartier started rolling out its 'bridal salon' concept to 14 stores on the mainland. Miao Miao, a marketing assistant manager for a Hong Kong-based airline, bought two Cartier 'Love' rings as wedding bands for herself and her partner. "The legend says the finger links to the heart", says the 25-year-old newlywed. (WSJp4) "Luxury is about adapting globally," my friend at the DTC (diamond Trading Company, formally known as De Beers). "We need to be aware of cultural differences so that we can create concepts and brands attached to them, such as special moments. People want to buy emotions. In the USA, they don't care about the quality they just want the biggest one. The Japanese want the very best quality, no matter how small, and will even put money aside for it. The French, when they see that the D colour is the best one but can only afford an F or a G, would rather not have anything.

De Beers pioneered the branding of the diamond, a pure commodity, with the famous "A Diamond is Forever" campaign but at that time they had a monopoly over the stones. Today, due to increased competition, they don't promote for everyone anymore. De Beers is the world's first commodity to be transformed into a global luxury brand. The company smartly licenced their De Beers name to LVMH to compete at retail level and renamed their wholesale company as DTC

"In the past, people had a family jeweller," Raphaele Canot, De Beers' creative director points out."We aim to establish ourselves in that role with the modern client who already trusts the quality of our stones". Does that mean that De Beers will send someone to our homes with a box of diamonds to provide a truly personal service? This used to be the case in fashion. The creator would go to the client's chateau, hotel, or residence. Worth was one of the first couturiers that managed to get the clients to visit *him* in his atelier, just as an artist would manage to do. As pointed out earlier, bespoke is not new. Every single country that still has artisans, offers bespoke. In Hong Kong Sams's has offered quality bespoke tailoring to Hong Kong military and civilian population for the past 50 years – a landmark celebrated this year with a Hong Kong post stamp. "Sam's offers tailor-made suits, shirts and formal wear at just a fraction of the price of Piccadilly or Madison Avenue. It's a wonder that some delegation from Savile Row hasn't yet come down to confiscate all their chalk, pins and tape measures," writes Dan Synge (FT13)

Armand de Baudry d'Ausson is one of the few independent artists who claims to « care more about beauty than branding and has been keeping the faith for the last seven years with his tailoring service, » wrote Twill magazine's Lisa Hilton (X) « A tall, vulpine French aristocrat-though he is way too cool to use his title-Armand has connsiously eschewed the flimsy dazzle of the Paris fashion circuit to concentrate on building a service that is very, very personal. Citing his own grandfather as inspiration, the Marquis de Baudry d'Ausson epitomised a way of dressing that requires both knowledge and a certain sensual intelligence.»

« His strictly confidential phone number is only known by word of mouth recommendations that have nevertheless swiftly made him a byword amongst the couture cognoscent in Paris and London. What makes Armand's work truly exclusive is that it requires an investment in time as well as cash. Time is a more amusing way of measuring status than money, and bespoke, particularly the Baudry d'Ausson way, requires it. » says Hilton. »Hand-fitted, hand-made, hand finished and hand delivered, whether to St Tropez or St Moritz, an Armand suit is exquitely personal, and practically priceless. » How his business develops from here is another question. Bespoke brands are emerging everywhere offering everything from head to toe. Bespoke

suits can be ordered on-line for $300 from « Tailormen, Shanghai ». But as stated earlier, bespoke is not a guarantee of good taste.

When challenged with this question, Mark Tungate, the Paris-based author of best selling title, « Fashion Brands » suggested that if one were to commission a bespoke suit considered to be in 'bad taste' on Savile Row, he amusingly imagined the tailor responding, « I really don't think so, Sir ». Erotic jewellery designer Betony Vernon got straight to the heart of it, "I think soul is about having access to a *human* and me making the time in the end. I do bespoke pieces, not all of it, but a lot of it". Betony's salon is only accessible to the members of Paradise Found, who must themselves, be sponsored by another member. "But what if your client has bad taste," I asked? " We work together because we work around something that is specific in the end and then I design it, of course *I* design it.

Here is exactly where 'designer brands' come into play. It is well known that designers tend to lend their name to work created by a design team, however we buy into the taste and universe of that design team. Savile row does not have a reputation for fashion but for superb construction and quality. « Savile Row, I think, frightens people, » Tungate tells me. « a bit because it's very English, a bastion of class and drama. It has these aristocratic, more or less old fashioned connotations and Tom Ford and Armani are saying,'we can take that and make something more modern out of it'. »

« Ford's idea is interesting, » says Tungate, » because he is referring back to what he calls 'Old Hollywood'- Cary Grant, Douglas Fairbanks – so he's coming from a completely different universe to most tailors – who reference Savile Row- so obviously it looks like the USA has come of age and can make its own luxury ». de Baudry d'Ausson too uses Savile Row to construct the bespoke suits that he makes for his clients. As such, surely anyone then can do the same. The difference comes in the taste and expertise of the person offering the bespoke service, as opposed to the ones making it. Surely this implies that the demand for bespoke is creating jobs for the creative types by allowing them to focus on their clients and the creation itself whilst Savile Row takes care of the rest. This implies that almost anyone could possibly start a small luxury brand as long as they have a 'bespoke'-demanding client who trusts them. We are entering a post-industrial era that will create self-employment opportunities for creatives and craftspeople who themselves embody true luxury, not the industrialised brands.

When Stuart Weitzman, the American master of magnificent shoes was asked how he creates desire, shared a few little secrets with me. " I treat shoemaking as my hobby, I put everything into it, every shoe is 'whimsy', I want every woman to smile when she sees it, when she puts it on, in fact, my biggest secret is the fit - it is unique in the luxury world. I can't separate function from design. A shoe must fit

perfectly and must feel right, and when it does, she feels good, so I have different widths including a European width, an American width and even a Chinese width that is slightly wider. I spend time in my 40 or so stores to meet and understand the customers. I design for and am inspired by Fashion, Celebrities, Career women, all of them and really understand their needs. I try one time, two times, three times, whatever it takes to get it right. Beyonce just took four pairs that we worked on together."

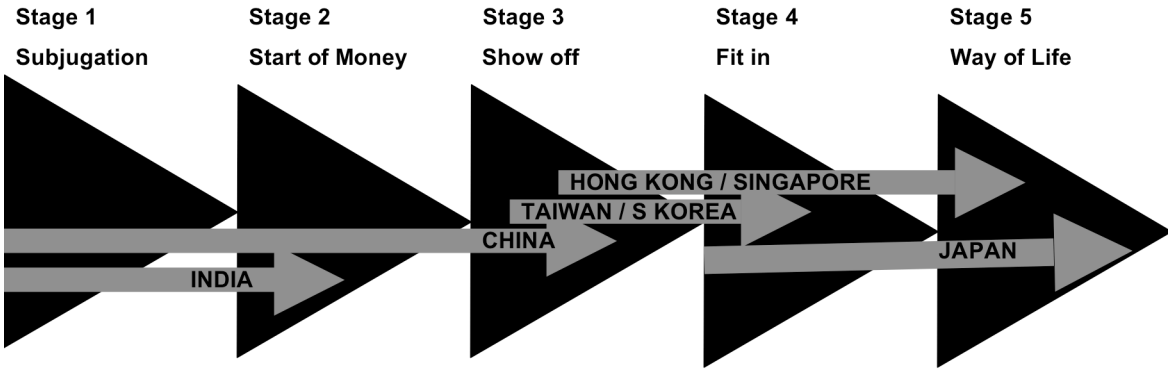
Weitzman is the one who created the $1,5 million 'Ruby shoe' with 642 rubies and the $1 million shoe worn by (not owned by) Laura Harring. Beyond Bling? One pair of his shoes are embellished with Marilyn Monroe's earrings and another, Rita Hayworth's earrings which had been given to her by the Aga Khan. Newsworthy, yes. Decadent, obviously. Wow factor, very high. He designs for Hollywood and sparkle they must. Weitzman has aimed to become one of the grand masters of transforming shoes into jewellery whilst creating for himself the reputation of "Stiletto Sultan" by designing shoes encrusted with gemstones and diamonds for the Oscars that enchant women around the world. It's all about 'wow' and a perfect fit.
"With his exceptional know-how (from his father) and unbridled imagination, an artist's soul and an aesthete's sensitivity in the art of luxury shoes, the designer perpetuates the label by creating comfortable, ultra-glamorous models with quality materials," it states in his press kit for the launch of his first boutique in Paris which shows a Swarovski sign in the window. Paris is a good place to attract Gulf customers.

I have to have you

With the advent of Pret-a-Porter, 'designer' fashion became more accessible but the actual designer became less accessible. Industrialisation in fact gave rise to perceptions of luxury as being arrogant. It had mostly been an attitude of, "this is what our creator makes. Either you want it or you don't". The brand would not dream of adapting for each customer or country. Now, with the emerging economies calling the shots, they have been forced to rethink. The volumes would be big enough if they got it right. What better way than to collaborate with famous artists from that country? Marc Jacobs in his quest to move the Vuitton bags away from the outdated brown and gold colours, commissioned Japanese artist Murikami to work with him. The result was a beautiful, colourful collection that was extremely well received in Vuitton's key market, Japan as well as elsewhere. Desire in Vuitton bags accelerated. Newsworthy yes. Bonding and adapting for foreign countries, yes and as a special bonus, there is the 'griffe' of the house, combined to the 'griffe' of Jacobs and combined to the 'griffe' of the artist resulting in collective super-griffe bonus leading to unprecedented desire from the affluent Japanese.

Connecting with someone is a two-way process and the clients in Europe have very different wants and needs to those in Asia. In “the Cult of the Luxury Brand”, Chandra and Husband go as far as to explain how each country in Asia is at a different ‘stage of luxe evolution’ (as shown in diagram below). They are not all looking for the same things and as such, the brand *has* to find ways to adapt.

Asian countries’ stages of luxe evolution



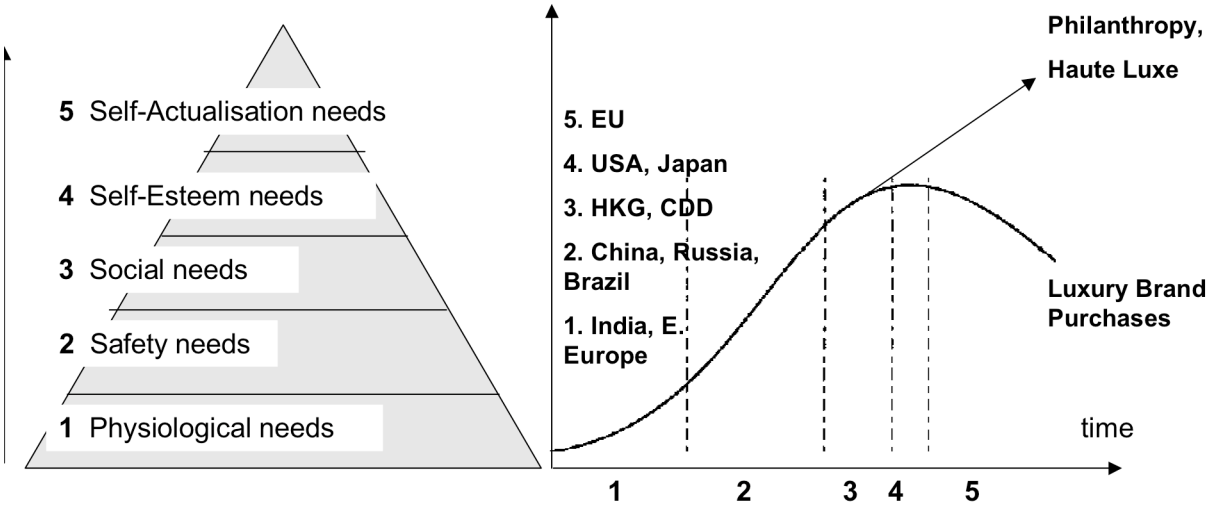
Japan is leading the way and is now considered to be ahead of the rest of the world in terms of quality standards and demands. The Japanese obsession with quality stems from a well-trained eye for detail as well as a desire for durability” they say. “Recognising this, Louis Vuitton upped its already high quality-control standards for Japanese consumers and found ways to increase perceptions of durability.”(93)

Japan is shown to be in the ‘Way of Life’ stage with Hong kong and Singapore catching up at high speed as they mob=ve out of the ‘fitting in’ stage, whilst Taiwan and South Korea are moving out of the ‘Show off’ stage and into the ‘fit in” stage with China catching them up and India lagging behind a bit.

Bearing in mind that not all markets are in the same stages of collective development, it important to monitor both the *buying trends* as well as that of the *collective consciousness*. The key is to identify

which stage fits the core of your brand best. For this it may be easier to return to Maslow's tried and tested Hierarchy of Needs to see how it fits with the stages of 'luxe evolution' (or stages of motivation) model.

Maslow's Hierarchy of Needs



A Nation's Hierarchy of Needs

On a global stage it would seem that Old Europe has always been ahead on luxury, as is Japan today, followed by the USA, Hong Kong and Singapore with South Korea and Taiwan not far behind but still chasing brands that will make them look rich – as in relationships where people seek partners with the wealth to provide them with the status and lifestyle that they need no matter if that person is violent, or criminal or lacking in education or culture – anything to get away from a background of poverty and wanting. Russia has fast overtaken them, but is still in status-mode. China is catching up with all whilst Central and Eastern Europe, India and Brazil are beginning to enter into the game. Should this be the case, surely the luxury brand has no option other than to offer its most sophisticated products to the mature markets and a less sophisticated mix to the emerging markets – a two-tier system.

"Asian people are now starting to see the differences between the brands. In China, its no more 'show-off', its very young, so simple messages need to be delivered" Reflexgroup's CEO Luc Besnier tells

me.“ Dom Perignon means something to the French, something else to the Americans and another thing to Asian people”. In the States, everybody can mention at least ten brands of champagne, which is not the case in China. In France, everybody can give thirty brand names of champagne, it’s a level of education. So when we are dealing with a category- educated group, we have to be more subtle and add some other things such as an experience around the champagne, and so on. For a less knowledgeable group, we have to go with the more simplistic approach of ‘taste my champagne, its amazingly good’, so our approach to promotional events for the same brand differs according to the place.”

We may begin to understand that the gap between the nations is not only huge in terms of desiring different types of luxury to those wanted by the emerging markets but even when the West does share the same wants of say, Japan for bespoke luxury, the two may find themselves poles apart when it comes to supporting philanthropic causes. Clearly few luxury brands, if any, are seen to have any social consciousness and the emerging markets are not as yet demanding such commitments from these brands because it sounds to them like communist rhetoric from which they wish to escape. Capitalism is king and interpretations of it are still manifested in the possessions of luxury items.

“Apparently the word *luxury* doesn’t exist in Chinese”, ReflexGroup’s Luc Besnier informs me. “The translation for it is gold, and to the French, luxury is not gold, it’s calm, it’s time for others. As they are learning about our luxury brands we too need to be educated regarding their 200 or so variations of tea and ways to taste it”, he suggests. “Although China is buying more Ferraris and Porches than anywhere in the world, they are now discovering their own craftsmanship and are trying to start their own luxury brands”. As China has been the factory of the world for so many years, the Chinese have the skills and know-how to make the best of almost everything. They just need to learn about branding – don’t they? It may be easier for them to buy the entire LVMH or Richemont groups.

“Vuitton played a strong role in educating the Chinese and counterfeits helped too”, says Besnier. “The Chinese learned about the monogram, the DNA of the brand, that it’s expensive and ‘show-off’ in Europe, and the government even went and destroyed the whole counterfeit market in Shanghai so now the middle classes have started to understand that it was because the brand was so special and so now its an *amazing* success in China! As a result, they are also discovering other French brands, so everyone is benefiting” he concludes. Desire works in very strange ways. How nice if the government can do your buzz marketing campaign for you, free of charge!

Self-actualisation

In the west, the rich are no longer feel the need to show-off, instead they feel the need to show a caring philanthropic side. With the shock collapses of banks in Europe and the USA, the world is finally speaking out against the 'greed is good' mantra and although the most authentic luxury brands are expected to survive the credit crunch, brand pundits are now beginning to speak out on blogs on sites such as brandchannel.com with statements such as "…it is also true that these luxury brands are the less concerned with today's social issues such as; global warming, animal rights, child labor, sweat shops, etc.; and these are issues that are very important for the new generations (wealthy or not). Consequently, new social issues are more likely to affect luxury brands much more than the economy." At a charity auction sponsored by Stuart Weitzman to benefit breast cancer research, his court shoes were decorated by celebrities such as Catherine Zeta-Jones, Cindy Crawford, Tina Turner rob Lowe and Michael Jordan who all came to support Weitzman's cause. Since 2001 this even has spread across the globe and the shoes personalised by the stars have been immortalised in special collections. Is it generosity or just good marketing?

Others self-actualise by indulging themselves as well as by indulging others. Obviously each individual is different and has different needs and desires. Clearly for many of us, reaching the level of Bill Gates or Mark Shuttleworth already represents the stage of Self Actualisation. For others it could mean a spiritual growth, such as the path to Buddhisatva. We need to understand which Maslow stage our brand will appeal to. The model can apply equally to researching individuals but more importantly to understand an entire collective consciousness in a specific geographic territory and then try to address that territory in the most appropriate way. We need to recognise that luxury buyers in different countries have different motivations for wanting luxury and each can be found at a different stage of upward mobility on Maslow's scale. For instance, stage one would be the poorer nations, stage 2 would be the new world nations, stage 3 the emerging economies such as China, India, the Middle East and Russia, and stage 4 the USA, with Old Europe at Stage 5, but the few wealthy in Old Europe are not the ones purchasing luxury brands on a large scale. The wealth is mostly being generated in the new world and is contributing most to the growth of the old world's luxury brands.

Under-the-radar

Clearly the luxury brands *have to* attract consumers in the emerging economies without losing their core franchise in the old countries, so they just have to keep personalising, innovating and developing niche creations for their smaller Old World markets. What is niche today could be mass tomorrow. It comes as no surprise then to find that the

retailers have started moving away from general purpose, say a department store, towards specialised niche stores consisting of a rare or unusual selection of products that meet a specific niche market's needs – customers seeking *griffe* brands rather than *marque* brands**.**

Examples of the recent success stories of this kind are

Astier de Villatte, Paris – *griffe* ceramics art of the table
Anne Fonteine, Paris, New York – white shirts for women and spa
Jacob & Co, New York – for bigger is better bling watches and rings for the biggest names in the entertainment, sport and fashion world such as Paris Hilton, P. Diddy, David Beckham, Bono, and Naomi Campbell.
Pierre Herme, Paris – patisserie famous for macaroons and other delights all presented jewellery-style in pristine glass cases
Jacqueline Rabun, London – sleek jeweller for stealth-wealth in exceptional store. The list is endless. Then there are the '*multi-griffe'* concept stores. Amongst the some of the most respected or best known are probably the following:

Aedes de Venustas, New York – rare fragrances (temple of beauty)
Agent Provocateur, London and other – cheeky lingerie lines
Colette, Paris –edited style design art food beauty party and eshop
Conran shop, London and other - design shop home books food
10 Corso Como, Milan – trendy items found in Vogue Italia
Frederick Malle, Paris – *griffe* perfume creations from 'noses'
Fred Segal, LA – young designer fashion & beauty, salon, spa
Jeffrey, New York - Runway-hot old and new fashion designers beauty
L'Eclaireur, Paris, Tokyo –store of *many* creators
Maria-Louisa, Paris – clothing store of *griffe* creators
Space.NK.apothcary, originally UK – specialist beauty and skin care
Walter, Antwerp – clothes by up-and-coming designers, gallery
Mel, Paris – shoe boutique with foot treatment spa and Serge Lutens nail polish for high fashion foot maintenance.
Elio Farraro, Rome, London – rare and historic vintage fashion finds.

These and many others like them in major cities, represent the new face of retailing with a deeply personal and almost eccentric mix of work from unique specialist creators. As tends to be the case with the single-griffe maisons, the real *griffe* of these stores are the owners themselves. Like magazine editors, they select and edit a specific choice of products that create a cult following. The very personal choice of the owners is critical to the success of these niche concept stores. They tend to be owners who discover unique creators and inspire these designers in the same way as the powerful editor of a fashion magazine would do. "We need to be purveyors of allure," says Armand Hadida founder of the Eclaireur boutiques and artistic director of the cutting edge Parisian fashion salon, Tranoi where multibrand boutique buyers shop. "Our work isn't to fill demand but to create the offer. Constant renewal, discovering tomorrow's designers, convincing

others – that's our role. Let's make our customers dream! Astonish them! Shake them out of their complacence. Our role is to create desire, to advise them in their choice and to make them feel good about their purchase. We should also know how to inspire our teams, who are in direct contact with our customers, with the same spirit of innovation and engagement, so that they can transmit the right vision of fashion."

These owner/buyers select creators who they feel fit into their store concept / universe, but its not really that rational. They take the work that they like, that gives them pleasure, which their customers will enjoy. These stores tend to have a very powerful influence on their market categories because simply being selected by them is already seen as an accolade, just as it would be to be selected by a top magazine if not greater (because top magazines often follow the lead of these stores). Products are often displayed in the same manner as an art gallery would do, by artist or curated by theme. Expectedly, many pieces are limited edition, rare, or hard-to-find. As with a work of art, each product comes with its own unique story. Each creation is treated as an individual with a personality, a history, a unique reason for existing.

Rarity, it would seem, is one of the very most important criteria when it comes to luxury. Fine and rare wines are now in more demand than ever before to the extent that they are being counterfeited. Château Pétrus, which makes only 2,500 cases of wine in a good year, has long been a prime target to the extent that now they now have labels that can only be read under ultraviolet light. Many kinds of fish, like tuna, swordfish and cod, are not available in European waters anymore. Already moves are underway to brand tilapia. How long before tuna, swordfish and cod become luxury brands? For the less sophisticated of course, it's simply all about 'bling'. "Many in luxury are saying, Vive les nouveaux riches", says Blanckaert, "because they are the new clients …there's a phrase from Oscar Wilde, I think, that says, There are two unexplainable things in life: death and bad taste! That's what I think". Bling is easy for the masses to understand - it just has to shine.

Now Luxury websites are beginning to emerge with concept specialisations as well. "The next big thing in luxury", says Besnier, "are websites such as www.20ltd.com offering twenty über-limited unique editions made in very small numbers that will never be made again. They cannot be purchased anywhere else in the world", says the site, but how do we know if its not just redundant stock that nobody wanted in the first place? Brands found on the 20London Ltd site were:

- Confederate (motorcycles-20- GBP 40,000),
- Pucci (print rugs -15-GBP 4,200),
- Biomega (bicycles-10-GBP 1,000),

- Big-game (granite dumbbells-15- GBP 2,700),
- G.lorenzi (chess sets -20- GBP 990),
- Solange Azagury-Partridge (jewellery -10- GBP 8,200),
- Timorous Beasties (wallpaper-100- GPB 666),
- Hvana (cashmere T-shirts-20men, 20W – GBP 161),
- Derek Lam (asymmetrical anorak -20- GBP 990),
- Bill Amberg (briefcase-7- GBP 2.995),
- Buccellati (gold and rare stone zodiac pendant -12-GBP3,450),
- Bless (fox-fur hammock-5-GBP 9,000),
- Edward Barber & Jay Osgerby (laquered alu chair-8- GBP 8,225),
- Pinel et Pinel & Jaques Owczarek (white gold and ebony ring-20- GBP 3,125),
- Longchamp (Maxi Rival crocodile skin bag-3- GBP 10,000),
- Omas (Enamel and Rose Gold Pushkin fountain pen-8- GBP 8,800),
- Miller Harris (Fleur de sels scent in black lacquer box-15- GBP 500),
- Onono (white buffalo horn spectacles-10- GBP 2,900),
- Zaha Hadid for Alessi (silver tea and coffee tower set-99- GBP 20,000),
- Eleven forty (good vs evil football table-20- GBP 14,500)

The site also gives us a sneak preview of the next 20 products coming up. Fine art photography can also be bought online.

“The 20ltd offer must be the ultimate thing for those who do not want to have the same as others. I think even the Chinese will catch onto this very fast.” This is just one step below ‘sur-mesure’ / bespoke but to Besnier, bespoke is beyond luxury, because “it’s as if you were having dinner on your friend’s private boat, your friend being a special chef or something. That’s beyond! Luxury is something that you can share with friends, like a bottle of champagne.

Like L’Eclaireur, Colette and all the multi-griffe concept stores mentioned, they are very selective about which griffes they will represent, just as a curator of a contemporary art show will will be or an editor of a fine magazine. We feel their personality, their pleasure and their authentic charm. We love the discoveries and surprises that we find on every visit. They never show-off their stars and over-expose them, and they are not looking to get rich quick. They just love what that do, and so do we.

Design is dead

Fashion is not the only field of luxury that has moved towards the multi-griffe concept. Hotels are doing it too. Ian Schrager, the ultra-stylish hotelier who created the design hotel or boutique hotel concept, in fact started a worldwide revolution. His first hotel, the

Paramount in New York designed by Philippe Starck put them both in the limelight and his trend-spotting instincts are still as sharp as they were when he opened it a generation ago. “Style and mass market are no longer a contradiction in terms”, the visionary entrepreneur told The Sunday Times.” In key sectors, notably fashion and consumer goods, quality and good service are going mainstream. It’s time for the first *mass-but-class* hotel brand”. Schrager has just signed an approximately $3 billion joint venture with the world’s biggest hotel chain, Marriott.

“We can’t get into this segment unless we have the best guy in the world to run it” announced Bill Marriott. “Schrager is calling time on the design hotel. His intimidatingly hip Royalton, Paramount, Morgans, Hudson, Delano and Mondrian in America and St Martin’s Lane and Sanderson in London revolutionised the urban hotel market and spawnwned dozens of copies worldwide. But now the design hotel has become a victim of its own success and customers want something new”, John Arlidge reported. “It’s time to go away from design because it’s over the top now,” he said. “Hotels are playing design one-upmanship. It’s too much. People are tired of it and rightly so. The time is right to go in completely the opposite direction: to create the first stylish global lifestyle hotel chain,” says Schrager.

Artist and award-winning film-director, Julian Schnabel was given the task of refurbishing Ian Schrager’s Gramercy Park hotel entirely, not an interior architect. The entire hotel has been made into an incredible art installation. No doubt Ian Schrager will be moving Marriott into this direction, taking over old authentic buildings and making the buildings into something that the buildings want to be using a fine artist to realise that vision just as sculptors in Zimbabwe carve stones into what the soul and grain of the stone tells them it wants to be. Entire buildings can be transformed into giant sculptures or living organs of art and it imparts a wonderful soulful experience to both staff and guests. In contrast, “The Royalton’s owner, the Morgans Hotel Group, has committed the woefully common corporate design crime of replacing something wonderful – the show-stopping lobby dreamt up in 1988 by the then enfant terrible of French post-modernism, Philippe Starck (under Schrager) – with something that isn’t”, wrote Alice Rawsthorn in the IHT (5novp17) Again we see how management succeeded in damaging their brands more than their competitors could ever possibly have done.

All stars!

For the past few years both fashion and hotels and the rest of the luxury industry have been adding as many Names as they can to add cache and newsworthiness to their brands. The NAME of the architect, the NAME of the lighting designer, the NAME of the sound designer, the NAME or the furniture designer, the NAME of the chef, the NAME of

the restaurant owner (as is the case with the prestigious Japanese restaurant Nobu part-owned by Robert de Niro which has many hotel placements, or the Alain Ducasse restaurant in the Chanel Tokyo building), the NAME of their tableware designer, the NAME of the staff uniform designer, the NAME of the DJ, the NAME of the spa brand, the NAMES of their furniture designers, the NAMES of their room designers, the NAME of their mattresses, the NAMES of their artists and the NAMES of their esteemed guests, all to add value to the NAME of their own brand. By the end of it, we get 'griffed-out!' Too much becomes 'show off' and back to bling.

Take the Hotel Puerta America for example. "Its winning bet was to bring together international architecture and design stars in one hotel. Each floor is designed by a different heavyweight (including Norman Foster, Ron Arad, Zaha Hadid, Arata Isozaki and Plasma Studios) and accessible in panoramic lifts designed by Jean Nouvel. In this hotel, getting lost o the way to your room is an absolute obligation and the advantage of staying is that you can crawl from the Marc Newson-designed bar to your room". (X)

Then there was Christian Dior. Susannah Frankel, Fashion Editor of The Independent wrote, "2007 has been quite a year for Christian Dior. In January, the grand French fashion house kicked off its 60th anniversary celebrations with a Madame Butterfly-inspired haute couture collection, largely considered to be among designer John Galliano's finest moments." http://news.independent.co.uk/europe/article3018367.ece" .|http://news.independent.co.uk/europe/article3018367.ece

"To celebrate the streamlined luxe of its Avenue Montaigne store, made over by Peter Marino in collaboration with modern artists, the luxury tycoon Bernard Arnault was host of a soirée as magnificent as it was intimate. With pink roses spilling over tables and Sharon Stone dressed in Dior (and with a new feathery, short hairdo), the evening was at the height of haute couture," wrote Suzy Menkes. "It's a grand redesign of the maison's flagship boutique with a fresh new look it to give it an ultra-contemporary new feel, lending desire for comfort and convivality."

"Marino called in various other top names to fill every space of the store with its own unique look. There are sculptures by Claude Lalanne, including the silvery metal bench enthroned under the 7 meter high rotunda, in addition furniture by Aldo Chale, Alasdair Owen Cooke, and Herve Van der Staeten (who also designed the bottle to the Christian Dior J'Adore fragrance) - with lighting by Rob Wynne and videos by Yorame Mevorach. Naturally, the traditional house of Christian Dior is still there, the Louis XVI medallion chair, the caning and jungle prints are all there, but presented in the 'New Look' light. For the colours, Marino selected no fewer than 56 shades of grey, from deep charcoal to pale platinum. He also developed 36 variations of the

famous medallion chair, giving the venerable house of Dior a prominent seat in the modern era." http://justjr.com/blog/?p=275 "Then came July's ultra-extravagant and much publicised homage to fine art's grand masters for which Dior took over the Orangerie at Versailles. Hardly a low-profile move" adds Frankel."

This all-star formula is what Peter Marino describes as being 'packed with personality". The movie industry has done this for ages and seems to be doing it even more. Take the 2007 release Oceans 13 directed by Steven Soderbergh with Brad Pitt, George Clooney, Matt Damon, Danny Ocean and other Names –more stars than script, blockbusters with lacklustre content. Celebrity-packed for a celebrity culture. Bling bling bling bling. It's no different to what LVMH have done with Vuitton and Dior. Those names were haute maison names! They were discreet, as were their celebrity friends. They were not publicity seeking and show off. They were aristocratic in their manner and discreet. The wealth was inside, just as it is at Buckingham Palace. And that's exactly where luxury is heading today. Martin Margiela's boutique in Paris is a fine example. You have to know where it is. As mentioned earlier, few even know what Margiela looks like, let alone his label. He cannot be accused of sleeping around and is loved and respected by all who know his work. What 'those in the know' Parisians love most about Vuitton and Dior are their parties! Simply the best.

Towards de-branding

Bottega Veneta – which prides itself on sporting no labels at all – is a brand that New York-based Luxury Institute names 'The world's most luxurious brand' (timejuly2-907p69) "but that doesn't mean it's not readily identifiable," wrote Barbie Nadeau in Time magazine. "Even without blatent insignia, Bottega Veneta handbags, shoes, clothing and home accessories are easy to distinguish, thanks to their tasteful use of animal prints and telltale hand-woven leather, which uses a technique known as *intrecciato* to create a lattice-work effect. The label's reputation for exclusivity is well established; the clothing line is limited both in the selections each season and the number of garments sewn." The Gucci group bought the company in 2001 and hired a new creative director: Tomas Maier, who removed all the labels and went back to the brand's original understated allure. Since then he has been credited with defining luxury as *discreet individualism*," says Nadeau. "Maier's philosophy remains simple," she adds and quotes him as saying," We surrender to the sheer pleasure of beautiful things and the remarkable abilities of our craftspeople." Clearly, for this house, the savoire-faire of the maison is the griffe, and discretion is its mantra.

"Within more developed luxury markets there has long been a movement away from overt branding," Ledbury Research confirms.
http://www.ledburyresearch.com/newsletter/september2008_1.asp

“The one developed market where logos were still ubiquitous is Japan, yet there is evidence of movement away from overt branding there too. This can be seen by looking at the sales of two successful accessory brands, Louis Vuitton (where logos are overt) and Bottega Veneta (with its credo of “When your initials are enough”). North America represents 17% of the discrete branded sales, but 20% of the heavily branded sales. Though the analysis is only a proxy, it does reveal that other markets that ‘prefer’ overt branding include the developing economies (as represented by the rest of the world) and non-Japanese Asia. However, both Japan and Europe seem to show a preference for non-branded luxury goods. The move away from overt-branding has been compounded by the more considered consumption as consumers adjust their spending patterns and attitudes in response to the current financial climate: buying higher quality, less ostentatiously, and less frequently.

"The shouty branding of recent seasons now looks very out of date," agrees Eleanor Robinson, womenswear buying manager for Liberty. "Generally, there is a move towards understatement, but I think certain consumers want their spending to be more discreet anyway, given the state of the economy." "Stealth luxury" – understatement, nodding quietly to those in the know – is the new buzz-phrase. "Sophisticated consumers just want the 'right people' to recognise their quality choice, which is encoded in the item itself,” says Mark Tungate. For this reason, designer brands are working hard to create a logo without a logo, in the guise of a signature style – such as bag company Bottega Veneta's woven leather. Not that the global fashion brands are throwing out logos altogether. The death of the logo is a phenomenon of more sophisticated markets; in the boom markets of Russia and China, logoed clothing is still hot property, leading brands to develop two-tier collections, one with, one without – as Diesel has recently done with the launch of its Black Gold line.
http://www.independent.co.uk/life-style/fashion/features/logo-a-nogo-has-the-loud-label-had-its-day-886964.html

STEP 9 SOULMATES

We share many values

When we feel that we share the same thinking, the same interests and perhaps even a similar background to someone, we begin to feel a deep affinity to that person. The more we connect the more we feel we are soul mates. This is not as much the domain of the luxury brand as it is of, say, a magazine brand (or title), but the feelings are transferable. We trust editorial comments written by specialist journalists in magazines that we love or in newspapers that we believe in. We trust blogs more than we trust ads. We even trust 'Sex in the City'. The boost that Carrie gave to 'Manolos' and Jimmy Choos was enormous. Icons promoting icons. For luxury brands, non-advertising media is critical but we still like to see their glossy ads in glossy magazines showing perfection itself within the brand's universe for us to aspire or relate to. Luxury brands cannot generate free editorials in every issue so advertising in these magazines is of fundamental importance, but the importance of the brand's association to the reputation and readership of the title should not be under-estimated.

As magazines tend to have developed intimate bonds with their loyal readership, it is obvious that instead of spending fortunes on market research to get to know your customer, as mass product brands tend to do, simply make sure that you can excite the specialist journalists and buyers in your field. They are the best form of 'market research' for the luxury brand. Of course it is important to be on the same wavelength as they are and tuned into the same stimuli and universe. They are your dipstick into the future. They tend to represent your customer's soul. If you cannot interest them, you cannot interest their readers or customers. It's as simple as that. They know it. Don't think about bribing them, lying to them, or even bullying them. Rather get your story right first. The way to 'sell' it to them is exactly the way these chapters have been designed. Introduce your brand passionately, as if it were someone you really admire, someone you actually love and respect. If your passion is fake, they'll sense it. If not, they'll probably end up sharing the same passion as you do.

Intimacy

Here the cult British lingerie retailer, Agent Provocateur, comes to mind. The brand employs intelligent and sensitive girls – in Paris the vendeuse are aften attractive fine artists from the Ecole des Beaux Arts- who are not only able to understand fully the creative universe of the brand, but more so, the customer's physical and emotional needs. As artists they tend to have soul, they understand morphology, intimacy, seduction, surprise, brand concept and universe, apart from the obvious sense of aesthetic and intuition. They are *not* recruited as

hardcore salespeople but as people who fit the brand identity and are passionate about what the brand is and represents. That's *why* their customers trust them and respect their advice. Imagine the discussions that they may have to have with their customers? In some instances they are probably more in the area of soul mate than stylist.

At the pink and black Agent Provocateur boutique-boudoir concession in Paris where salesgirls shuffle around in stiletto feather scuffs, fishnet stockings and tight button-down housecoats, I am told that clients build up the highest level of trust in the girls. As they either see their clients in their most intimate spaces or end up discussing some of the most intimate parts of their lives, the girls, who truly offer honest advice, build up a personal following amongst their clients just as a doctor or psychologist would do. "It's not about service or sales", a client explains, "its about caring and honesty. You can really trust them to give you the right advice. I always call to see if my *vendeuse* is on duty before I come in because she knows exactly how to make my body look great. She knows what I really look like and can be brutally honest but I really trust her judgement". If you want your customers to trust you, never lie! *The 3i Group plc have since acquired Agent Provocateur in a $60 million buy-out. Although founders Serena Rees and Joseph Corré will remain shareholders, and Corré has remained its creative director, however the company culture has changed, the brand is opening stores worldwide and the sales staff referred to no longer work for the brand.*

The truly strong luxury brands connect with their customers. Arrigo Cipriani of Cipriani restaurants told CNN (x) that there is a difference between service and taking care of your customer. He believes that taking care of the customer without imposing on them is key to a successful business. He does not give 'service', he gives 'caring' and 'kindness'.A brand needs to 'connect', to become as close as a soul-mate. It must be trusted and respected on top of which we need to be able to relate to it.

On a blog http://www.askandyaboutclothes.com/forum/showthread.php?t=56663 I find the following comment, "Well, I would never buy Hermes products on ebay. It is a part of the entire philosophy (in my eyes) to go to an Hermes store and experience the nice shopping environment. In Germany, they have by far the best sales personnel. They know all about the product, have a huge cultural background and treat you with the most respect, even if you just flip through the ties and decide not to buy anything. Totally different to many other luxury shops, where they hire people that feel superior to their customers, especially if they are younger or dressed casually."

We should be able to visit a maison without having a preconceived idea of what we want - to saunter." Says Christian Blanckaert, General Manager of Hermès International and author of two books on luxury, (X) "Luxury is a human place. A company is not created just to make

money", he says. "Luxury has become less and less human and more financial in its approach and I don't like it."

What Soul?

To be human is to be soulful. Throughout this book we see references to soulful expressions such as passion and compassion linked to honesty and integrity. I asked a few opinion leaders what they considered to be soulful in a brand. "Before going onto a luxury brand's so-called « soul », let's consider the meaning of the word itself," Marie-Claude Sicard. "In western languages, we clearly see two different branches growing from the same tree. On the one hand, the English *soul*, the German *seele* and their various Scandinavian cousins; on the other hand, the latin family: in french âme, in italian anima, in spanish alma. What do they have in common? Even though scholars don't know for sure where the soul comes from, they agree to assume that the word may have something to do with the sea, and more specifically with ancient pagan beliefs which supposed that the living came from, and the dead returned to the depths of the sea. Now, regarding the latin branch, things are much more clear and go back to the anima (meaning the life of the spirit), a roman translation from the greek anemos, air. And why is the air so important here, rather than the sea? Because in order to be alive we need to breathe it, which in Greek is *psukhê*, the obvious root of our psyche and all its heirs."

"What's clear, then," she continues," is that the soul is deeply connected not only with the very mystery of life, but restricted to the human spirit as opposed, from the very beginning, to the body, or the inanimate matter. A man or a woman can have a soul, as long as they're alive; a chair or a hat cannot. And there lies the problem for luxury brands. How can a hat (or a dress, or a car) be blessed with a soul, if only humans can have one? Yet, lots of luxury brands pretend to have a soul; and not only do their clients believe them, but what they pay at such high prices is precisely the idea that they pay for much more than a product. Berluti's advertising says it all by saying « Your shoes have a soul ».

"How do they manage to make us believe they have a *soul* ?" Sicard continues. "The easiest way is to be able to show or prove that a pair of shoes, a bag, a dress, is hand-made, if only for a fraction of their manufacturing. Here, craftsmanship is the key, and Hermès the best example, as well as five-stars chefs, great wines or what remains of haute couture. But not every brand can play that game, so what is left to them? Maybe a connection with what human beings consider to be of the highest value. For each of them, it's their soul; for mankind, it's religion, or just after it, art. And luxury brands are very keen on religion and art, as is obvious in their vocabulary. The older ones often call their historical shop a « temple », as is the case for Chanel's rue Cambon in Paris, or Tiffany's on Fifth Avenue. A haute-couture show

will often be called a « great-mass », and if, in English, Karl Lagerfeld or Giorgio Armani are known as designers, in French they are créateurs – what's closer to God ?"

"Another solution (which can be mixed with all the above) is to claim the brand's soul comes from its history, which implies that people passed their talent and knowledge from generation to generation – such a powerful asset that Gucci (born in 1921) went through a phase when the brand pretended to be 500 years old, complete with Renaissance-inspired armorial bearings. Even a newborn luxury brand such as De Grisogono (1993) sports a golden blazon topped by a crown, as if it came from an old aristocratic family. In any case, it's quite clear that it's always a human touch which gives a *soul* to a luxury brand, be it the actual work of highly skilled craftsmen, or a great designer, or the memory of past people's spirit or creations. It maybe be unfair for top-quality industrial brands with no one to embody them, but that's the price to pay for our strong (but maybe temporary) belief that any human being, because he or she owns a soul, is superior to the most sophisticated machine," she concludes.

It's a feeling

When asked how she would describe *soul* in a brand, the insightful Suzy Menkes replied « Well, you can't describe it. It's a feeling, that's the whole point. It's a feeling that the designer has got to the essence of what he or she believes in, and you cant say 'the soul of the brand is this' if the designer doesn't feel it – and this is the problem with all these people coming into brands and designing under a label that, you know, how can they find the soul? It's hard enough for all of us to look into our own souls and when you've got to look into somebody elses, that's really tough."

"So when a designer no longer exists is there any point in the brand existing," I teased. "Yes well they should shut down all the houses except maybe Chanel as Karl has done such a great job. Why do we keep all these houses open? Why can't they close down?" she joked. "I was just saying that the other night," said Anouk, a top model at IMG. "So if you had a choice between buying a garment from Balenciaga or Nicolas Ghesquière (Balenciaga's stand-in griffe), which would you choose," I asked? "Oh, Balenciaga is such a beautiful name as well. Both! I mean *if* Balenciaga is designed by Ghesquière," she replied. So clearly there *is* room for both and we have no problem with one creator behind the names of a few creators. Clearly the idea of dynasty is more to do with prolonging the spirit of the brand than having genuine genetic descendants.

"Its true that with Chanel we can feel the soul," I mentioned to Lagerfeld whos attention was now with us. "Im happy *you* say that," he replied. "Imagine *me* telling *you*? I'm a beginner, that's why. I always

think it will be better next time. It's true because success is dangerous, because you can get used to it, so the best thing is to think that you did nothing and you have to start it all over again all the time. And I feel equally at ease with myself and for the brand. For me Fendi and Chanel, it's me. There is a total identification with the brand, not only the image of the brand but the people who run it are great and that makes something special."

*"You are very strong with these other brands and seem to care less about your own", I provoked. "*Yes because the people behind are not as strong at that one – I'm like a mercenary, like a professional killer, there to do a job. I don't want to be a victim of circumstances. Today if you are not in a world of the big brands, you are – I wouldn't say lost – plus you cannot dance at too many parties at the same time - so I dance already at Chanel and at Fendi so the Lagerfeld thing is another thing, it belongs to an investment – it's another thing. I'm very much a person who is behind a label and the brand where people do everything the way it should be done. The two persons who were the best in my professional life, who behaved the best, are Alain Wertheimer (Chanel) and Bernard Arnault (Fendi). The rest you can forget."

With passion and with pleasure

« But doesn't the idea of brand conflict with the luxury of a personal designer ? » "Brands are part of today's life. We live in a culture of brands," Lagerfeld replied, "and it gives a stamp of quality to all kinds of designers' work. That's why today the label – meaning a brand – is a better thing than a designer lost alone which could be interesting but today people want the guarantee of the brand, the knowledge, the identification, in a minute – that's part of our culture. You cannot sell under the name of Chanel or Dior some shit - I'm sorry - it has to be well made. Hermès nowadays people might now know who is the designer but it's impeccably made. Chanel, they don't have to know who the designer is but it's an impeccably made label - you like it or you don't like it, that's not the problem." As Jean-Paul Gaultier was also at this launch event for 'T' magazine, a joint New York Times and International Herald Tribune title, he was asked how he adds soul to Hermès. "With passion and with pleasure," came the reply." That's what brings out the best – always being impassionate and loving what we do, voila! …. I hope! I do all that I can for this!"

Lagerfeld, Gaultier, Galliano, Jacobs and many others tend to work for the big brands as well as their own. All seem to manage to inject *soul* into these labels. We feel a personal touch through their passion. They are not setting out to create just to sell, but they create to excite. They put everything they can into it to the extent that we can feel it. To Roberto Cavalli, the secret of soul is to be happy. "I love life! I'm positive. I love life! I love everything that is around me. I love colour.

That is the reason why my collecton is so colourful. The colour is positive," he says at the opening of his Just Cavalli boutique in Paris. "We love the colours and the shjapes of the dresses. They are so sexy," two girls with arms full of colourful garments tell me. "He knows how to make a woman feel perfect!"

Zoologist Desmond Morris, author of the 1960s bestseller The Naked Ape "is keen on the concept of playfulness, and thinks it tell us a lot about humanity's evolution. Our playfulness fuels our ingenuity and inventiveness, allowed us to defeat physically more powerful species to become global top dogs, and explains how we ended up wearing clothes, playing computer games, dropping "smart" bombs and watching Strictly Come Dancing. We play, therefore we are"(x). Playfulness is being human.

Provokingly, Morris thinks that men, because of their natural risk-taking, will always be better inventors and artists. "For every one great woman artist, there are 100 men," says Morris. "There are more male geniuses than female geniuses, and there are more male idiots than female idiots. If you're a human female, you can't afford to be a risk-taker and you can't afford to be a dimwit. You have to be in between those two extremes." Man's artistic dominance, he argues, cannot be explained by opportunity or social conditioning. Over the whole of evolution, women have produced more art than men - in the form of decorated pottery and clothing - but they have tended to produce traditional art. It is men who have flouted the rules and produced most of the great, mould-breaking art. Those at the extreme end of the "playfulness" spectrum, and likely to be more creative than the average. One of the key features of humans, according to his overall theory, is that unlike other species we never lose the curiosity and inventiveness of youth. People who exhibit a "Peter Pan syndrome" to an extreme degree he considers to be of above-average intelligence, inventiveness and creativity.

Push it further

"Cavalli's cuts are so feminine - and I think a lot of the prints are very childish in a way and girls like to go back to their childhood - but still give a sexy flair," Zack Ashley, a Sex in the City stylist suggests. "That piece I love – I absolutely love," says singer/sogwriter actress, Gabriella Wright. "Why do I like it? Because it flows, you have all the beautiful coulors of the spectrum - we are really sensitive to colour – colours lighten our day, can take us into other worlds and, y'know, its entertainment in a way, when we want to wear something we want to feel a certain world and if that world corresponds to joy we want to feel joy. For example, what I like about Alberto Ferretti it that its all about layers and I think we are all about layers, y'know, as a human being – I'm taking this into the spititual realm – I'd say - I like layers because every human being is unique and I think we have to show that

y'know, in that way, that's why designers that work that way, I like it. I like when there is diversity and refinement at the same time because we are so diverse in our minds and yet we are one body, we are one entity so, y'know."

At Vuitton, Peter Copping tells me that it really is teamwork although Marc Jacobs is the visionaire, the name, the creative head. When asked how they come up with the latest *must-have* item, he explains that it often starts with the material and "the material speaks for itself. When there aren't new or interesting materials, you have to work on the volume, how it's made and the detailing. It's never that difficult," he adds "because once we get the idea, one thing leads to another and if we don't think its good enough, at each stage, we push it further. Vuitton have such high expectations of what they have to make in terms of targets – their figures are really quite enormous – so there is a lot of pressure that each season we have to come up with the bag-of-the-season." Yet Vuitton bags do feel packed with soul. This is totally a credit to the designers.

Soul is reciprocal. If clients have it, they expect the same from their brands. The chances are that they only buy soulful brands in the first place. Hermès' Christian Blanckaert describes how soul comes from the personal input of everyone involved with the object and that is what makes Hermès what it is. "At Hermès, there is always the feeling that the object is a gift that we are offering or presenting to another. The object is a friend, it is expensive because it is beautiful and perfect, it has involved the house, its creators and its vendeurs. It is signed (griffed)."

At PPR's Boucheron, which was the first jeweler, in 1893, to open on the Place Vendôme, the under-the-rooftop workrooms are still home to draftsmen, cutters and setters. Their role - as they design while looking out at the graphic grandeur of the iconic Paris square - is "to cut the gems to release the stone's *soul* and then to set them in an imaginative way." **(x)** We don't know the names of these craftspeople but we do *feel* their passion. It would seem that the success or failure of the creation is totally linked to the amount of passion that went into its creation. We cannot measure this scientifically of course, but we *know* – just as we know if a potential lover is sincere or not.

Interestingly enough, Vuitton have purchased special (soul) machines that give the effect of hand stitching by providing a heavier indentation -say every 5mm although they can regulate the space – which works on all sorts of fabrics, so now all their manufacturers have had to do the same. Not only does it serve to 'add soul' by looking hand-made, it also helps to differentiate from counterfeits, but the importance of the personal touch cannot be underestimated. Here's where artists can come into it too.

There are many reasons why a luxury maison may wish to align itself with art and artists. They are not simply buying art or sponsoring the arts and culture as banks and other corporate businesses may do. They are investing in artists, creating with artists, and integrating art into the very DNA of their brands to reach a creative level way, way above pure artisanal craftsmanship to add *soul* to their marques. They have understood that really great work of art, even if experienced for one short second, could trigger such a powerful emotional reaction in us that we will never forget it until the day that we die. Only real art can do this, not replica art. Feelings evoked by a work of art risk being far *deeper* than the feeling of being in love. Meeting the artists themselves may also add to our personal experience of their work.

CRM is souless

We expect to find that the regular clients of a true luxury maison also happen to be lovers of art and collectors of art in particular. Should you wish them to love visiting or residing in your hotel, why would you place a replica painting or sculpture in their rooms instead of a real Picasso or an authentic work from students at your local Fine Art school? You could even let them choose which work they would like to live with during their stay. When they walk into a traditionally dull lobby and find a wonderful art installation that was not there the last time they came, or instead of typical *CRM* (customer relationship management) happy birthday follow ups, you invite them to the next exhibition or event at your hotel or maison instead. Do you operate a CRM system on your friends or even your "expired" list? Stay away from anything that is too corporate or automated. That's for the mass brands. You need to bond with your clients in a world that you both live in and share - a world you are both passionate about. If you share the same universe, they will find you. You are not hosting an art event just for them but for your joint pleasure. It's not about *targeting* and *CRM*. It's about sharing love, passion and pure pleasure. You are becoming soul mates. You are *spritualizing* your brand. Fragrance, music and art are ways to share something soulful.

"Contemporary art's popularity among those with mega-bucks, its intense fashionability, is reflected with precision in the salerooms," wrote The Guardian's Charlotte Higgins. (28jun p24) "A Damien Hirst medicine cabinet becoming, at GBP 9,65m, the most expensive work by a living artist ever auctioned in Europe. The noise around the fantastic prices being achieved in the sales can trick us into imagining that the commercial value equates to artistic value. It does not. And," she adds, "the desirability of contemporary art is inextricably linked to its place in culture at large: it is accepted as part of the mainstream as never before." In essence, artists have become luxury brands and many are making bling. In 2007 Hirst's platinum skull encrusted with an estimated GBP 14m worth of diamonds, was sold for a staggering GBP 38-50 million, making 42 year old Hirst one of the richest artists

in the world and ranked 6th in ArtReview magazine's "Power 100" list, a ranking of the most influential people and organisations in the art world. Gucci group owner, Francois Pinault was ranked no.1 and Vuitton's Arnault ranked 40th and Takashi Murakami came in at 89th.



"Around 1960, pop art ousted abstraction as the international house style. It reigns still, because its big subject – the changing status of the individual in a mass-production, celebrity-obsessed society remains a lively and disputed one." wrote Jackie Wullschlager in the Financial Times (13/14 oct 07p9) "That is why, from museum to saleroom, Andy Warhol and his decendants, Jeff Koons and Damien Hirst, are the secular god and arch-priests of our material world."

Art inspires designers

It does not surprise us then to see Luxury brand moguls creating art foundations, museums, and galleries. Some such as Fondation Cartier do not link the art to their exhibitions whereas Vuitton does and others such as Agnes b and Colette actually sell art in their galley spaces. We not surprised either to find star designers collaborating with artists or to find out that these star designers such as Marc Jacobs and Tom Ford are big art collectors themselves. Art inspires them. Art is more often than not, the *source* of their inspiration. Contemporary luxury brands could almost be considered as part of the contemporary art scene. To work in fashion luxury and not understand art is like working with your eyes closed. For technical luxury, perhaps precision sports offer the same links. To not see or understand links between them is equal to possessing a painting without knowing the story behind it -an object, orphaned from its legacy.

Since Vuitton's first collaboration with artist Stephen Sprouse – a fashion designer and artist credited with pioneering the 1980s mix of uptown sophistication in clothing with a downtown punk and pop sensibility – who designed the famous graffiti logo bags in collaboration with Marc Jacobs in 2001, art has been part of the marque's DNA. The Jacobs team have continued to create with numerous artists from Takashi Murakami to Yayoi Kusam, Julie Verhoeven, Olafur Eliasson, Robert Wilson and many others, to most recently, Richard Prince of Marlboro Man fame. No French artists.

In Loic Prigent's documentary, "Marc Jacobs & Louis Vuitton", Jacobs admits that he was always intimidated by the artworld because "in the creative hierarchy, artists are up here (the top, like gods) and fashion is down here (bottom). It's a job. The artists live such a creative existence that it is so pure, in a way" (not for commerce). In the same film, LVMH head, Arnault believes that art adds to the motivation of staff, it gives something more, soul, and that soul is patronage of the arts." But can we claim that all art is soulful? No doubt Hirst would be the first to laugh at the thought. His diamond skull was created to attract Russian oligarchs.

Jacobs adores artist Elizabeth Peyton who helped to build his creative confidence by explaining the impact that he too has on culture. Both luxury and art tend to attract collectors too. Peter Copping told me that the € 30,000 Vuitton bag (made from a collage of bags) packed in a stunning transparent perspex case, looked just like a piece of art and really sold well, because "rich people are prepared to spend the money to possess those cult items and are *mainly* collectors". That may explain the existence of the Chanel "Diamond Forever" white alligator and pavé diamond bag dubbed "the World's Most Expensive handbag" that costs a cool $260,050.

For the Fall 2007 collection, the Vuitton creative team went to Amsterdam to see works of Van Gogh and Vermeer and that was what inspired their collection with gorgeous dresses in merlot & Dutch blue featuring interesting draping, ruching and fabric twisting. They visit the Centre Pompidou and numerous art galleries and fairs such as Frieze in London. "Sometimes we take some clichéd things from the Egyptians and turn them into Hollywood," He adds. Murakami inspired Jacobs after a visit to the Fondation Cartier that hosted a huge show for the artist. Obviously, for any artist who wants to make it into the big league fast, get Jacobs to come to your exhibition. If your work has many small, coloured escargots or something that he can imagine on a Vuitton bag, the chances are he will invite you to do it!

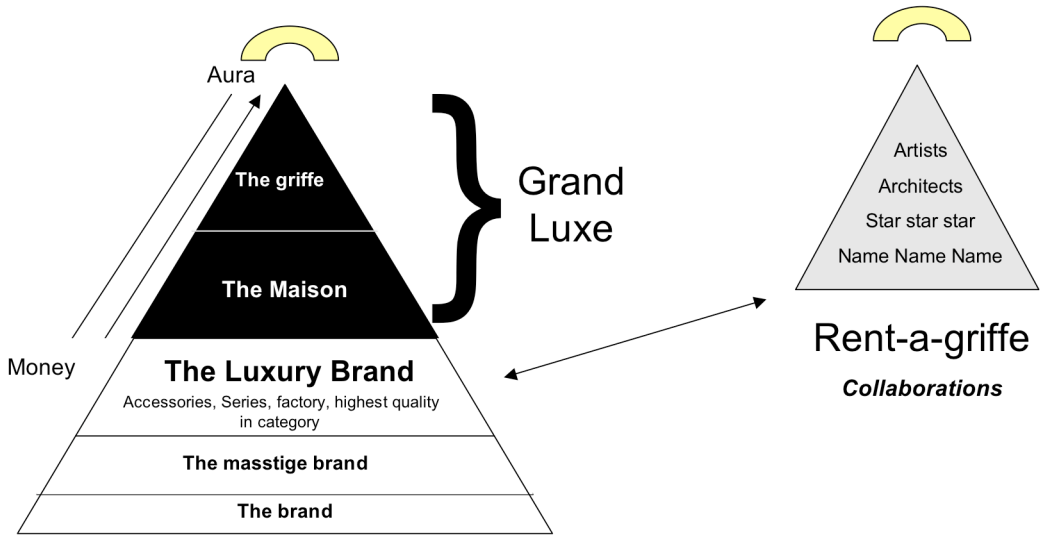
Rent-a-Griffe

In Chapter 2 we mentioned how Longchamps commissioned British artist, Tracey Emin to design a range of bags for them, some with hand-painted rosaries attached. Considering that Emin's work can fetch very high prices in art galleries, Emin quipped that "the rosary is worth more than the bag, so if you buy a rosary, you get a bag free"(x). Not only was Emin approached to add wow to the bags, she also added griffe to the bags. No one I have ever spoken to has ever been able to name one bag designer working for Longchamps. The brand is seen as faceless and more *brand* than *luxury* as a result.

Longchamps are not the only brands to work with famous artists. Vuitton with their Murikami bag and their Sylvie Fleurie bags on on the same tracks. The main difference is that as these artists are commissioned by Marc Jacobs we do feel the power of a double-griffe at play. Every store that the luxury houses, such as Vuitton, Chanel, Dior and others build or refurbish is done by griffe retail architect, Peter Marino. He turns the whole place into a large wrapper to enhance glorious goodies inside. They become creations in their own right and throughout there are art installations from griffe artists. It is this that is described here as 'rent-a-griffe'.

It is not only the luxury brands that are doing this. The mass brands learned this trick quickly enough. For example, H&M renting the griffes Lagerfeld, Stella McCartney, Viktor & Ralph, Madonna, Kilie Minogue, Roberto Cavalli and so on. IKEA may start doing the same with Name designers. It's surprising that they haven't. Puma has done it with shoes, Adidas with clothes, Chantal Thomass and other designers creating special cakes for Café de la Paix, Damien Hirst designing for Levis, Armani designing the insides of Mercedes Benz or Private Jets, Vuitton doing the inside of Virgin Galactic, Hermès doing a helicopter and artist Julian Schnabel doing the entire Gramercy Park Hotel for Ian Schrager. There is no limit to the rent-a-griffe collaborations to add value to brands.

Where these collaborations are permanent items, the strategy no doubt raises the profile of the item to the status of luxury. The same cannot be said for brands that do this for the one-off fashion season seasons however in those instances, the cumulative effect has to be taken into consideration and there is no doubt that the image of H&M is much higher as a result. It could be argued that to borrow the name Kelly from Grace Kelly or Birkin from Jane Birkin, without paying royalties to the Names themselves, as Hermès seem to do, is probably the smartest and most effective way of renting a griffe, in that it is free but presented as a compliment.



The Luxury Pyramid model revised

If you wish to attract sophisticated people to your brand, be part of their universe. It is always surprising then to see how slow high-end hotels and other luxury companies that cater to the wealthy are not involved in real art themselves. We are not surprised to find brand advisors partnering with art curators or to find such teams being employed by hotel groups to conceptualise unusual contemporary art experiences for the hotels which often have the space of five art galleries-in-one for the pure pleasure of their guests and their staff. It is not art to sell or to decorate and it should not be seen as an expense. It's an investment in the brand's soul, and at worst, it's a great way to generate free press around the world, build reputation both globally and locally and its fun for all. The Meridien hotel's press release below is a fine example:

"Le Méridien, the hotel chain, is trying to shake its image as a faceless stopover for European business travellers," wrote the IHT.(X) Focused on transforming Le Méridien into a leading-edge lifestyle brand that attracts the creative guest by providing a CHIC, CULTURED, DISCOVERY experience, the brand has appointed French contemporary art guru Jérôme Sans as Cultural Curator

"The goal of the branding initiative - which the company calls LM100 - is to have about 100 design experts signed up as consultants by 2012. So far, two of the better-known people involved are Jean-Georges Vongerichten, the chef, and Andrea Illy, the coffee maker. Already, Le

Méridien has its own fragrance, created by the perfume design firm Le Labo, as well as a distinct sound for its elevators, lobby and rooms, composed by the musician Henri Scars Struck. Instead of a chocolate on their pillow, guests might find a bedtime book of fairy tales".

''Le Méridien's goal is to ultimately become the preferred place for creative people by offering this audience an opportunity to be culturally stimulated through new perspectives on art, architecture, fashion and cuisine" said Eva Ziegler, Senior Vice President, Le Méridien. "By involving non-traditional, contemporary artists around the globe, Le Méridien provides curated experiences that are stimulating and relevant for people that are creative or are inspired by creativity.'' By the end of 2008, every Le Méridien hotel will launch the UNLOCK ART Programme and partner with a leading, progressive and forward-thinking cultural institution.

Isn't it strange that so many hotel brands do not even think about working with artists or curators to add heart and soul to a place? Art *is* heart, or at least should be. It can provide amazing emotional experiences, memorable ones. It can connect at the deepest levels. Just as novels, movies, magazine or news stories can go through our veins and into our brains, touch our hearts and souls, so can art. All in fact are great soul connectors. They are also great buzz generators.

The Art of Buzz

Below are two examples of art for buzz, one French, one Italian:

LOUIS VUITTON - Porno chic?

'The Louis Vuitton exhibition has been described as 'porno chic'. It's an age old recipe for success' wrote Caroline Wyatt (1), the BBC correspondent in Paris, after visiting the first Espace Vuitton exhibition on the rooftop of the new Vuitton 'maison' in the Champs-Elysees. 'Naked skin and lots of it - but not necessarily the sort of skin you might expect to find at that Parisian purveyor of luxury luggage and handbags, Louis Vuitton'.

Marking the final night of Paris Fashion Week, October 2005, Bernard Arnault officially inaugurated the new Champs-Elysees megastore, jointly designed by architects Eric Carlson and Peter Marino, fusing art to architecture, with works by three leading contemporary artists displayed as landmarks of the house. American Tim White-Sobieski's cutting-edge video installation was placed alongside the house's spectacular 20-meter long "travelling staircase with fellow American artist James Turrell's "Wide Glass" changing light sculpture upstairs, and separately Danish conceptual artist Olafur Eliasson's sensual deprivation elevator – pitch dark – being prepared to usher visitors to the 'Espace Vuitton' gallery upstairs.

Star-studded guests then moved on to a party at the Petit Palais, a stunning seventeenth-century museum, newly reopened after renovation and taken over for the occasion by Louis Vuitton. In one 'gallery' they were greeted by a live almost bare-naked-ladies installation by new York-based Italian artist Vanessa Beecroft. Stunning girls with either starkly dark or luminously white skin, wearing clown-like coloured wigs on their heads and in a separate gallery a performance by burlesque star Dita Von Teese, whose signature number starts with a bubble bath in an giant champagne glass.

Outside, huge projectors gave the landmark a super-logoed look and inside were the additional visual delights consisting of all the front row A list celebrities of fashion week — Gillian Anderson, Nadja Auermann, Catherine Deneuve, Bob Geldof, Eva Herzigova, Jade Jagger, Diane Kruger, Karl Lagerfeld, Takashi Murakami, Winona Ryder, Sharon Stone, and Uma Thurman, attracting crowds of excited Parisians on the Champs Elysees eager to catch a glimpse of the guests.

Logically, one of the galleries was devoted to an exhibit of Louis Vuitton trunks dating from 1900, the year of the World Exhibition for which the Petit Palais was constructed. For the gallery opening in January 06, Beecroft was asked to stage another performance with live models. This time, without their G-strings, bodies intertwined to shape the letters of Louis Vuitton's name or curled around the monogramed suitcases and the handbags in the atrium wearing only their Louis Vuitton shoes.

'It seems that one's own space for art and culture is the latest must-have accessory for French luxury firms', writes BBC's Wyatt, 'but just how separate or independent can that art be when it is commissioned by a commercial patron such as this powerful global brand?' she asks. Cartier has long had a contemporary art gallery in Paris but they have never asked artists to create anything with Cartier logos on it. The Fondation Cartier gives artists a totally free reign to express themselves. Neither does Espace Ricard, the art gallery belonging to the famous French alcohol brand.

The store itself seems to resemble a temple for believers, huge doors as one would find on a church with tall tubular organ-like display in the 'inner temple'. Was it not the church who commissioned great artists to design their symbols, paint their deities and design their windows? Clearly the Christian Orthodox church was not Vuitton's inspiration or they would have launched their fragrance by now as well as their own sound tracks. Is it based then on the Sistine Chapel with Arnault as its Pope and Marc Jacobs as its Michaelangelo implying that Vuitton is a God?

What we do see is that the tricks are not new, but they still work. The cost for their big night was said to be €10 million, that's nothing compared to the $20 million that Vuitton spent on a party celebrating the opening of its Fifth Avenue store in 2004, complete with an Eiffel Tower made of luggage rising from the stage as gospel singers sang "Oh Happy Day". Why would such a famous brand spend so much on one night for only 1000 or so guests?

BYBLOS – Art chic?

Not Byblos the city considered by many to be the oldest in the world, but the fashion brand that was the launching point for Gianni Versace –one of the few luxury brands that was not named after its' creator. Established in 1973, it rapidly became recognisable thanks to the eclectic, innovative English design duo Alan Cleaver and Keith Varty who helped develop its identity and turned it into a hot brand in the Eighties and Nineties.

The brand has started lending its style and energy to other projects that put art at their centre – namely, the Byblos Art gallery and the Art Hotel Villa Amista in Verona as well as the 'Out of True' (an architectural term for skewed construction) event curated by Micaela Giovannotti and Joyce Korotkin at the 2006 Art Basel Miami Beach.

When Dino Facchini acquired the brand in 2002, his immediate goal was to build on Byblos' brand awareness, revamp the line and revitalise its image. He feels his formula of fusing fashion and art works is because of the personal passion for contemporary art that he, his two sons and a daughter have. Logical? Of course. Here passion is the key word.

Manuel Facchini, Dino's 33-year-old son, a St. Martin School in London graduate and now Byblos' artistic director strongly believes that fashion could greatly benefit from the inspiration and contribution of art. For his first show in 2007, he worked together with artist Enrico de Paris blending 'fibers, fabrics and heterogenous materials to create sensitivity prone to the solicitations of novelty', he says (2).

Unlike Vuitton, Byblos 'are ready to show any kind of experimentation in the fields of culture and creativity' in the Byblos Art Gallery, says Dino in an interview for American-based trendy niche fashion/design magazine, Clear. Having discovered an ancient abandoned Italian villa, he decided to create a special art hotel that would truly merge art and design. Just a few steps from the historical centre of Verona, the luxurious Byblos Art Hotel Villa Amistà is an aristocratic 15th century Venetian villa restored to its original splendor under the art direction of architect Alessandro Mendini. Conceived as a permanent contemporary art show, the art hotel hosts the works of internationally

recognised artists from Vanessa Beecroft to Anish Kapoor, from Kimsooja to Cindy Sherman, and has works in glass by the French artist Jean Michel Othoniel flanking the two staircases which lead to the entrance of the villa.

The restaurant is dedicated to Sandro Chia, the central artist of Transavantgarde, whose paintings on all the walls were created exclusively for decorating the villa. The bar lounge interior is based on the work of Peter Halley, one of the protagonists of American art whose pieces are striking for their strength of fluorescent colours and rigidity of their geometrical foundation.

Featuring furnishings and objects selected by Mendini, the 60 art design rooms and suites are each uniquely decorated. Famous historical and contemporary objects are introduced throughout the hotel, such as furniture by Eero Saarinen, cutlery by Gio Poni, tables by Frank Lloyd Wright, and Aldo Rossi chairs in the wine cellar. And just like an authentic art gallery, all items, even those in the rooms, are labelled and can be purchased on site.

It's not the purpose of this book to re-tell entire brand stories. The key is to highlight some observations and lessons learned, some similarities and some differences. Clearly these examples were chosen because they both overtly combine art and fashion. The brand owners may be passionate about art, inspired by art, or using art to 'up' their image. Of course Vuitton could be accused of exploiting the Vanessa Beecroft and other artists' work for 'buzz' publicity purposes. Well, first of all it worked, as did the Dita Von Teese performance and everything else that they spent their €10,000 or so budget on that day.

Clearly they were not expecting to make that investment back from sales to their 1000 guests. They achieved free press in news stories throughout the world's media. That very same budget spent on a 30 second TV commercial would not have gone anywhere near that far. Whether it worked to enhance the image of the brand is another question, but for their guests with knowledge of contemporary art, who know and appreciate Vanessa Beecroft's work, it was well appreciated. To generate such publicity, a luxury brand must always surprise, and it did. Surprise brings awareness. At that point the brand is born or reborn in our minds. The 'who are you, what do you do?' questions are answered immediately without advertising.

The Vuitton approach is about 'mega-hype', 'super-buzz', multiple surprises - newsworthiness second to none. Names, Names and Names – an all star show. Vuitton commissioning artists as the church used to do and helping to make the artists become better known to the world – a form of brand building for artists at the same time as building extra stories and associations to attach to the Vuitton brand.

With each opening and each new art exhibition, the Vuitton story grows richer and richer and the brand in essence becomes more and more ‘iconic’.

The Byblos way of linking to art on the other hand seems to be more a matter of artists inspiring artists, not for hype but for pure pleasure and appreciation. Discreet and elegant. Hype-free. Both are ‘brand formulas’. Neither have their original founders at the helm. Vuitton is prepared to take risks with art. Byblos is more of a follower. Vuitton commissions art and helps build the artist’s reputations, Byblos simply acquires the works.

Both approaches work. Both highlight strong links of fashion to art. Throughout the ages, the greatest fashion designers were inspired by art, notably, Paul Poiret , Madeleine Vionnet, Schiaparelli and Chanel. Artists and ‘creators’ feed on each other however ‘art’ tends to realise a superior value. As luxury brands find themselves surrounded more and more by mass brands using the same ‘codes’ and ‘stories’ as luxury brands, and often there are no longer links between original founders and their luxury brands, luxury begins to lose legitimacy and authenticity and has to forge links with high-end artists to distance themselves from mass.

Surprise!

All artists need to find ways to surprise. That’s how they get discovered. The same rules apply to luxury brands. They need to be discovered and they need to surprise. For mass brands the element of surprise is obviously important too. There are a number of books and articles about a concept called the "Wow" factor, which was probably really brought to the forefront by Tom Peters. Mass brands however will go onto TV in the form of a commercial to create awareness overnight. It has to sell huge volumes and cannot wait around for you to discover it.

Shocking people is one way to reach them, but it doesn’t always work. Benetton is often cited as a brand that went way too far with their billboard images to the extent that they alienated customers and franchisees alike. With Vanessa Beecroft, Vuitton took a risk, it was on the edge but on the edge of good conceptual art rather than on the edge of porn. A newsworthy, memorable experience? Yes.

For Byblos, the surprise factor is much more subtle and there is certainly no shock factor. The process of discovery is very different. It will take the world much longer to discover various facets of the brand. The brand is discreet. The instant surprise elements are primarily kept for the runway. To most fashion brands, it is here where they will invest in creativity and impact to compete for world headlines. Here too they will spend a fortune on one show that will be

seen by only a few hundred guests. Often the collection has already been ordered and is being shipped out by the time the show happens. The show no longer exists to solicit orders. Instead it is there purely for the media, to compete against other brands, as a brand experience for the guests and an alternative form of advertising.

Adding the surprise element to a brand is not only in the realm of luxury brands. The local coffee store that offers a free chocolate with every espresso will also be generating surprise. The surprise of receiving an unexpected gift. The gesture is a luxury experience. Whenever we are given more that we expect, it is not only a surprise, but also a luxury experience. Ideally, surprise should always be a kind of unexpected gift. The little chocolate surprise may not be newsworthy but it could help to build a relationship.

All relationships run the risk of becoming mundane and boring over time. If however the partners surprise each other with something pleasant every now and again, the relationship is likely to remain vibrant and exciting. For both human and brand relationships it can help to build bonding and love. That's exactly what the brand wants. It wants to seduce you. It wants you to fall in love with it, newsworthy or not. Surprise triggers a personal emotion and newsworthiness helps to spread the reach of that emotional touch.

Every tiny element that Vuitton brought into play that day had an element of surprise, each item was newsworthy, not only because of the surprise but because of the stature of the personalities (Names) who created each thing from the production and lighting people through to the DJs. Vuitton's answer to the 'who are you, what do you do?' questions come with an additional '…and these are our friends' response. Note: Vuitton are not sponsoring artists, they are creating with them. Some of the most successful Louis Vuitton handbag lines have been the ones in which Japanese contemporary artist Takashi Murakami collaborated with Marc Jacobs. The Multicolore line, Cherry Blossom line, Panda, and Cerises were all the works of Japanese pop artist Murakami.

It's the element of surprise that tends to generate free publicity and has long been the major critical success factor of the French luxury houses - what designer Galliano aims to do for Dior on the runways of every Paris Fashion Week. The 'wow' can generate worldwide press worth more than the company could ever spend on one show. Not only does the wow get press, it helps to enhance and entrench the positioning of the brand. "Many of the fashion weeks only present local names and only serve local markets. Brands that need international exposure come to Paris," says Didier Grumbach, President of the Chambre Syndicale de la Couture which controls the official fashion calendar, encourage and direct designers, help diversify their zones of production and distribution, help them to win

contracts for artistic direction and even and help to provide funding for young companies. All luxury brands face the same challenge: How to be seen or discovered without making TV ads. All brands need to keep moving, keep creating and keep building their stories. They cannot depend on tradition and ignore trend.

Artists as Luxury Brands

“There was a point, about five years ago, when I realised a lot of other people were making money from my art and I wasn't,” says British artist, Damien Hirst. “People started coming up to me and congratulating me on how much something had fetched at auction, and I realised I'd sold it for 20 quid." Hirst’s work challenges the boundaries that exist between art, science, pop culture and the media. He confronts issues such as mortality and brevity of life in pieces such as his “The Physical Impossibility of Death in the Mind of Someone Living,” which involved a 14-foot long tiger shark preserved in a tank of formaldehyde.

Charles Saatchi, who bought Damien Hirst's infamous 14-foot tiger shark floating in a tank of formaldehyde for £50,000 pounds 14 years ago, has been offered £6.25 million for the work. Mr Saatchi commissioned the animal sculpture, called The Physical Impossibility of Death in the Mind of Someone Living, in 1991. Hirst used a shark bought in Australia for £6,000. Charles Saatchi, co founder of the world famous advertising agency Saatchi & Saatchi took advantage of his brand-building knowledge and Britain’s relative ignorance regarding contemporary art in comparison to New Yorkers. He is said to have sponsored Hirst in return for free works. Once he had enough stock in storage, he made the newsworthy £50,000 pound offer and announced it to all the press. When it was first shown, at the Saatchi Gallery in St. John's Wood in 1992, Hirst immediately became a media sensation.

Hirst was created as a ‘luxury brand’ from day one. In 2007, He created a diamond-encrusted skull entitled “For the Love of God” and was exhibited by White Cube Gallery in London. After several months, it was sold for the asking price of $100 million to an anonymous investment group, in which Hirst remained a stake. Hirst’s propensity to control the exhibition style of his work and his tight control of his reputation can be seen in his involvement in this investment. Art too is no longer art, it has become commerce.

Sotheby’s had its best ever art sale in November 2007 when its contemporary sale brought in $316m, just below the $325m garnered by Christie’s the night before. At Sotheby’s, Jeff Koons deposed Damien Hirst as the world’s most expensive living artist (at auction) when his “Hanging Heart” sold for $23.6m. The most expensive sale of

the evening was “Second Version of Study for Bullfight No 1” by Francis Bacon. The work went for $45.9m, slightly above its high estimate.

The van Gogh attracted no bids despite the scarcity of the artist’s work. The auction, which was disappointing but hardly disastrous, resulted in an unprecedented 35 per cent plunge in the Sotheby’s share price over the next two days. Some of those at the auctions also pointed out that many of the works were bought by dealers, which sometimes indicates that a dealer representing an artist is trying to support the artist’s price.
http://www.ft.com/cms/s/0/79bc44c4-946c-11dc-9aaf-0000779fd2ac.html"
http://www.ft.com/cms/s/0/79bc44c4-946c-11dc-9aaf-0000779fd2ac.html

“One of Jackson Pollock’s works became the most expensive piece of art ever sold after it went for $140m in October 2007. Why the leap in value? A fingerprint on the canvas apparently belongs to Jackson Pollock. Good job no one wiped it off,” concluded ArtReview.com (x)

Insights

Artworks are bought and sold at prices reflecting perceptions of their value, and these can change sharply. In that sense, it is a market, but many are unconvinced that it can ever operate according to the rules of the asset classes. As records topple at each auction, the stories of profits are encouraging more buyers into the market. Each cycle has its favourites. The latest cycle has seen a huge rise in contemporary works. However, it is not just one group of people buying one type of painting. Newly wealthy people in Russia, China, India and the Middle East are buying works by their country’s indigenous artists as well as by western artists. US and European hedge fund managers are buying Chinese contemporary art as well as Andy Warhol. The boad sweep of demand is lifting prices across a range of categories but even the most optimistic believe some sectors, such as contemporary art, are due for a drop in prices (x).

An old question: how on earth can an art object be judged as worth one amount of money one moment, and something wildly different the next? It's an issue that's been around quite a lot recently stoked not so much by the quality of the works on but by the amount of Russian oil money swilling around the market. In the surreal crossover between finely tuned aesthetics and naked economics known as the auction world, that's just business. http://blogs.guardian.co.uk/art/2006/11/post_1.html"
http://blogs.guardian.co.uk/art/2006/11/post_1.html
Artists such as Hirst, are clearly producing art as business as well. Its just a new form of luxury brand however if his collectors start to sell off his pieces, the over-supply could cause the values to collapse along with his reputation.

It is hard to find cases where an artist has gone from cheap mass market to luxury because the rules of the game differ tremendously.

We almost expect an artist to start out as a ‘poor artist’ and they normally do. At that stage they may dream of making cheap posters or postcards to make a living and to fund their art but to succeed in that field, they need to become known first. Some take to gafitti to do just that. Jean-Michel Basquiat, the late New York contemporary artist started out by spray-painting graffiti art on slum buildings in lower Manhattan adding the infamous branded signature of "SAMO" when he was 17. That art was not for sale. In 1982, Basquiat met Andy Warhol, with whom he collaborated extensively, eventually forging a close, if strained, friendship. By 1985 Basquiat had already appeared on the cover of The New York Times Magazine in a feature entitled "New Art, New Money: The Marketing of an American Artist".

As Basquiat's international success heightened, his works were shown in solo exhibitions across major European capitals. Basquiat died of mixed-drug toxicity in his Great Jones Street loft/studio in 1988. He rose from nothing to fame and fortune very quickly. It is impossible to say if his work would command higher prices than those of Pollock and Hirst today, had he not died, but it is certainly likely. It is tempting to argue that all artworks rise in price over time, they don’t, but it can be said that they show a greater immortality than do most luxury brands and are certainly not dependant on their griffe being alive to maintain their brand’s timelessness. Unlike fashion luxury brands, they do not tend to establish maisons with ongoing production – although Murakami has and Warhol did with ‘the factory’. What is certain is that their offspring, if any, cannot continue producing the same work under their family name as is the case with Hermès.

Rising up in the ranks of prices is not a measurement of rising up in the ranks of image. Often, it serves to have the opposite effect. Van Gogh died poor and unknown. He lived out the beliefs of his heart. He was poor in the eyes of man, because man measures our success by the money and things we posses. He was unfortunate to never realise his value to mankind. Van Gogh was rich in talent and in spirit. He lived and died with authenticity and integrity. Today’s branded contemporary artists are so popular with the masses that they are considered by art insiders to be the Armanis of the art world - over-exposed. It feels as if they have sold their souls and with it, their integrity and credibility. The quicker their prices have risen, the more their image has fallen. They sell to the highest bidder rather than to the most prestigious museums. We feel that the work was created just for the money. Commerce has taken precedence over creativity.

Think of your brand as an extension of the people who own it...your clients. We defect when what you do, no longer feels authentic. We defect when you have lost your integrity. We defect when we feel that your work is soulless. It's the soul that makes us human, that gives life meaning, warmth and individuality. It's what makes us unique, different and quirky. The soul is unique. The more soulful we are, the

more human we are. The most important attribute for a luxury brand though, must be authenticity. If it has no soul, it does not feel authentic. Even imperfections feel soulful and thereby, authentic. Brands that exude a genuine sense of humanity provide a more authentic consumer experience. Remember you're not selling a product; you're inviting people into an experiential world and that soulful experiences cannot be pre-fabricated.

Beware, contemporary art shares a key factor with Haute Luxe – you have to be in-the-know in order to surprise and appeal to your art-aware customer, a presumed art connoisseur – to be respected as an equal. The minute you try to appeal to the general public, the game is over. Even Charles Saatchi who anointed a whole new generation of British artists in the 1990s, is not immune. The opening of his long-awaited gallery in Chelsea, London earned despise and disappointment from art journalists due to his failure to bring anything new to the art world. Artreview.com wrote, "What a shame then that The Revolution Continues, the inaugural show in his new home at the Duke of York's parade grounds, is so mediocre and nostalgic for past glories – not of Chinese art, but of Saatchi himself. The work here will be pretty familiar to anyone keeping even a half-closed eye on the Chinese art scene….Saatchi is no Fu Ruide or Uli Sigg – both super-committed long term collectors of Chinese art. In his excavations of a nation, he barely scratches the surface. Saatchi doesn't work with curators. But without a curator, the works don't cohere into any story or statement. They become less than the sum of their parts.."
http://www.artreview.com/profiles/blog/show?id=1474022%3ABlogPost%3A507415

It seems that everyone is referring to curators these days. Curators are seen to be the priests of art. They live half in one world and half in another and are expected to be aware of all artists as well as the zeitgeist. Curators are the ones that hotels call on to spritualize their venues with art, otherwise it seems to work best to give the entire project to one artist. The moral of the story is not to try to do the curating yourself.

With artists on such a pedestal it is no wonder that Takashi Murakami created the character Mr. DoB and has run wild with him. He has a workshop 'Hiropan' that pumps out tons of Mr.DoB mechandise from watches to shirts. He does plenty of very abstract paintings that exploit Japan's obsession with cute things." His work is so iconic it's easy to understand why Marc Jacobs might have fallen in love with it. What's more difficult to explain is why Murakami went along with the LV brand, which for decades has symbolized elitism. After all, his work is dystopian, frightening images of cultural excess – in effect, a critique of everything LV stands for," says kunstwissen.de

The New York Times article reported Marc Jacobs as saying, "His colors were extraordinary, the sculptures and paintings so visually seductive

that it really didn't matter whatever story was behind them." Murakami's art examines otaku values - collecting objects that no one else values - and although he parodies acquisition culture and consumerism, he understands it. And - as he himself will be the first to admit - he profits off of it too. He plays the same game of art, value, and consumerism.

In the same article, Murakami discusses the film Love and Pop by Anno Hideaki, based on the novel by the other famous Murakami, Ryu. It's a pseudo-documetary about a high school girl who falls into the world of enjo-kosai, dating for money. Murakami the artist says he thought the film was excellent, and notes that it's about fantasy - the fantasy of value. "For girls, famous brands are equal to their fantasy." Famous brands like Louis Vuitton, for one. Now Murakami creates his own fetish objects for women and girls to collect. .
http://www.kunstwissen.de/fach/f-kuns/b_postm/murak2.htm

Due to the credit crunch however, Mirakami told me that he is now “being quiet” - lying low and focusing on simply painting with no plans to follow Damian Hirst into Sotheby’s or producing more branded items. He’s in a soul-management phase.

Is Griffe greater than Soul?

It is futile to speak of soul without touching on the power of music to generate feelings and add soul. The venture between Hip-Hop music producer, Pharrell Williams and Louis Vuitton started with the music of a fashion show at the Grand Palais in 2005. The same year, he inspired the sunglasses line "Millionnaire". Following this first collaboration, he co-signed with Camille Miceli, jewellery designer for Louis Vuitton, twenty-six models for the new line entitled "Blason" marketed at the beginning of the year. Pharrell Williams represents the aspiration of a new generation of Hip-Hop artists.

With his partner Chad Hugo, they write songs for artists such as Justin Timberlake, Nelly, Britney Spears, Madonna, Maria Carey, Usher and the Rolling Stones. From some years now, Williams has simultaneously developed a career in the fashion world. In 2005, he partnered with Nigo -the founder of the Japanese brand "A Bathing Ape"- to create two luxurious clothing lines: one is named "Billionaire Boys Club" and the other "Ice Cream". The sportswear line is composed of T-shirts, polos, sweatshirts, denim, shirts, as well as accessories. All the clothes are made in Japan in limited edition. Stores exist in the United States, Tokyo and Hong-Kong. Eager to gather different styles and to bring together different social classes, Williams mixes the worlds of luxury, Hip-Hop and Sport. He attracts the attention of clients as various as students, athletes, actors, musicians and business executives.

For his first exhibition in an art gallery, Williams created furniture with vibrant colours and slick surfaces. Two chairs were exhibited: one with the legs of a lion and the second with human legs. They are produced in different colours, with a choice for the seat in veal skin or leather. Pharrell Williams diverted examples of classical furniture and updated them into a sort of Hip-Hop style with his intense colours and sensual material. http://mail.google.com/mail/?ie=UTF-8&sa=N&shva=1#inbox/11cfc99f1c1a3f0f Classless luxury and pure hype? Will it stay the test of time? Is Williams a true visionary? Is Williams's work Haute Luxe or Luxury Brand? It sounds like pure 'bling-bling' and branding hype and forces us to question many luxury conceptions: Good taste versus bad taste, Class versus Income, Hip Hop versus Lounge or Classical, Authenticity versus hype, Fame versus Know-how and so on. Do Vuitton and the Perrotin Gallery devalue their names through their associations with popular hip-hop artists? Is Williams not going too far presenting himself as an artist? Even famous industrial designer Marc Newson, who's work is shown in many art galleries worldwide states quite clearly that his work "is very much about art, sculpture, furniture. Whatever you want to call it. I'd love to call myself an artist, but I'm a designer." Clear v11 iss 1 p43

In a livecast interview with Williams at Perrotin in Paris, the man was exceptionally modest about his work, beautiful tactile pieces which the Parisians really enjoyed touching. He admits that it was thanks to his collaborations with Vuitton that his could explore this side of himself. No bling-bling, just very sensual sexy chairs with legs that are tempting to stroke and tops that are tempting to feel. The front of the chair bears a woman's legs on her toes, and a man's legs firmly on the ground behind -suggestive of something no doubt. The work fitted perfectly in that space, one chair behind another. As the feel are barefoot one wonders if designing shoes will be his next move.

"Manolos, Louboutins and Choos; an abridged single name suffices among the well-heeled," writes LuxuryCulture.com, "These virtuosos have each become a byword for luxury, creativity and beauty in today's style lexicon. Like Ferragamo, these celebrated designers have crossed the confines of functionality, establishing themselves as artists in their own right." Pierre Hardy, the accessory designer best known for his iconic open toe stilettos, who has been credited with reviving the House of Dior shoe line in the late 80's, has given Hermès some fabulous footwear and has helped to turn the spotlight back on to the house of Balenciaga shies away from titles like 'visionary' and artist. He now has his own boutiques with the concept of the shoe as art that are presented as in a gallery. Like other great shoe designers, celebrities and jetsetters worldwide covet his creations. He'd rather you consider him someone who simply tries 'to make things happen'.

What is wonderful about many of these flashy shoes is the humour. We can begin to understand what Weitzman meant when he spoke of

wanting his shoes to make women smile. The most ludicrous luxury no longer looks 'bling' when there is humour attached. Humour adds soul to the work. Too many 'bling' luxury brands focus on serious showing-off without the fun aspect and have no idea why their products are considered soulless and meaningless. In this day and age, why should we choose to deal with soulless brands? For a luxury brand to offer us tradition and heritage when the brand itself is lifeless, faceless and soulless is almost insulting. The tag-line on the Peterson Winery website says it all, "No soul-less wines!" We want to *feel* something. The new French wine from Languedoc called 'Vin de Merde' (crap wine) sold out almost immediately in tough market conditions.

"We're moving out of the Age of Reason and into the Age of Soul", predicted Jack Whelan in year 2000 (x). It's the soul that makes us human, that gives life meaning, warmth and individuality. It's what makes us unique, different and quirky. Machines are infinitely duplicable. The soul is unique. The more soulful we are, the more human we are. Today's luxury brand *has to* spiritualize without becoming too familiar. They don't try to be cool. They just are. They are authentic. They are true to their DNA.

Clearly, soul cannot be created from too far a distance. In branding terms, soul has to mean the *personal touch*. It goes beyond griffe. It brings passion to the forefront. It's the reason why no matter how big Vuitton has become, Marc Jacob's passion can be felt throughout. Lagerfeld's passion for Fendi and Chanel, Gaultier's for Hermès, is often greater than the passion that they put behind their own brands. These big brands still have soul, they have a face, and they show a passion. Even the business moguls who own these brands seem to show a passion for the brands. They may be harvesting their brands to the maximum but at least we feel their direct interest and passion for those brands. Customers can feel when a brand has been neglected and they can feel when it is being over-exploited but I would argue that to overexploit with passion is still better than to neglect the brand and let it die on its feet, the feeling we get when walking into empty Cardin stores seemingly frozen in time as museum pieces.

Personal passion goes beyond personal touch. It's a matter of soul being greater than technique. The passion delivered in the writings of Baudelaire, Shakespeare or in the speeches of Ghandi, Martin Luther King or Nelson Mandela, or in our favourite music tracks. The depth of the soul that we can receive from such sensory stimulus is perhaps beyond measure. The memories we retain, marked by music or fragrance or prose. All our senses have a direct connection to our souls. The soul is our guiding inspiration. Soul brings creativity, inspiration, spontaneity, enthusiasm and love. It can't be explained. We have to feel it and give it so that clients feel it and receive it. Luxury is that simple. It's a two-way process.

The most powerful fashion editors are very sensitive to soul. Here's a recent example from Suzy Menkes in the IHT (x)," Why Armani wants to prove himself a whiz at haute couture is a mystery - as is his reluctance to offer streamlined daytime outfits. The Giorgio Armani Privé collection has much improved in technique, craft and virtuosity since its beginning three years ago. But there is something fussy and fancy about the look of a short-sleeved belted top and skirt with a box-shaped hemline and of the fluffy party dresses. Accessories from bracelet cuffs to clutch bags all add to the notion that this show is a brand extension, rather than something that comes from Armani's pure design soul." No soul, we feel it and authenticity suffers.

Brands that speak honestly, listen intently, and give memorable experiences, quality time and kindness will flourish. Through your conviction people will feel your integrity and will trust and respect your brand. Brands with soul are alive with vitality, passion and creativity. People enjoy coming to work every day and everyone feels a part of the family including their clients. In this Century success is going to go to those people and brands with soul...who passionately and creatively empower and inspire others to be all that they can be. They are so alive with their own passions and visions that they seem to have an unending supply of energy that others just love being around. From soul comes wholeness and passion and vision....someone who is willing to stand up and be counted for the creation of something profoundly new now! Luxury must feel like a 'someone'. Ideally it *is* a 'someone'- someone that we can love, trust and respect.

STEP 10 I LOVE YOUR TOUCH

Reassurance. A personal touch throughout.

"There is little room left for the (small) luxury entrepreneur today. Financial luxury has taken over," says Hermès' Blanckaert who has a bleaker outlook. "This leads to a strange separation between a let's-have-more luxury and the more discreet luxury of the families (luxury maisons). Luxury cannot survive such financial domination. As these family houses become shameless luxury product-making machines, they lose part of their soul, and the strength to fight to retain the expensive little details, buy the most precious skins, pay the workers a decent wage, and keep the quality impeccable. Paradoxically, it is only when houses free themselves from financial considerations that they create beauty. And maybe it is only by going beyond the logics of finance, that luxury can bloom and become truly profitable. When taken hostage, luxury loses its noblesse to join the lesser cohort of luxury marketing whose success is undeniable." Blanckaert concludes.

"I am a humanist. In luxury there are some very violent things but they are hidden under the silk and the beauty. I miss the distinctive *griffes* and *pattes* that have been replaced by *brand*. I've always preferred the small maisons such as ours and would never be happy in a big group. For me, investment has to be human and not financial. Its essential for artisans to transmit that - the savoir-faire and its interaction with the centre of creation is in essence what makes a 'true' luxury house," says Blanckaert. "A soulful brand celebrates this image of the human being. That is Grand Luxe. A luxury brand is more machinelike and seeks to regiment its experience, and a brand in which there is no room for folly or even mistakes is simply not soulful. This is not to say that soulful brands would not be irrational brands, but instead they would follow a framework driven by a soul logic rather than that of rationalist planning and conscious development."

Traditionally branding has been about targeting customers (Luxury Brand triangle), whereas in haute luxe, customers target the creation as a must have. At her wedding with Marilyn Manson, Dita von Teese wore a royal purple silk taffeta Vivienne Westwood gown complete with train and petticoats worn over a Mr. Pearl couture corset. For her performance in Paris, Kylie Minogue wore a Mr. Pearl corset topped by a John Galliano creation. The stars come to him. Kylie's garment, said to have cost an astonishing £30,000. South African-born Mark Pullin, known as Mr Pearl, has himself worn an 18in corset day and night for more than ten years. The master corsetier Mr Pearl (there are only about five left in the whole world now, who possess that art), runs his business from a cluttered atelier behind Notre Dame Cathedral, designing and hand-making corsets for clients including Jerry Hall. He

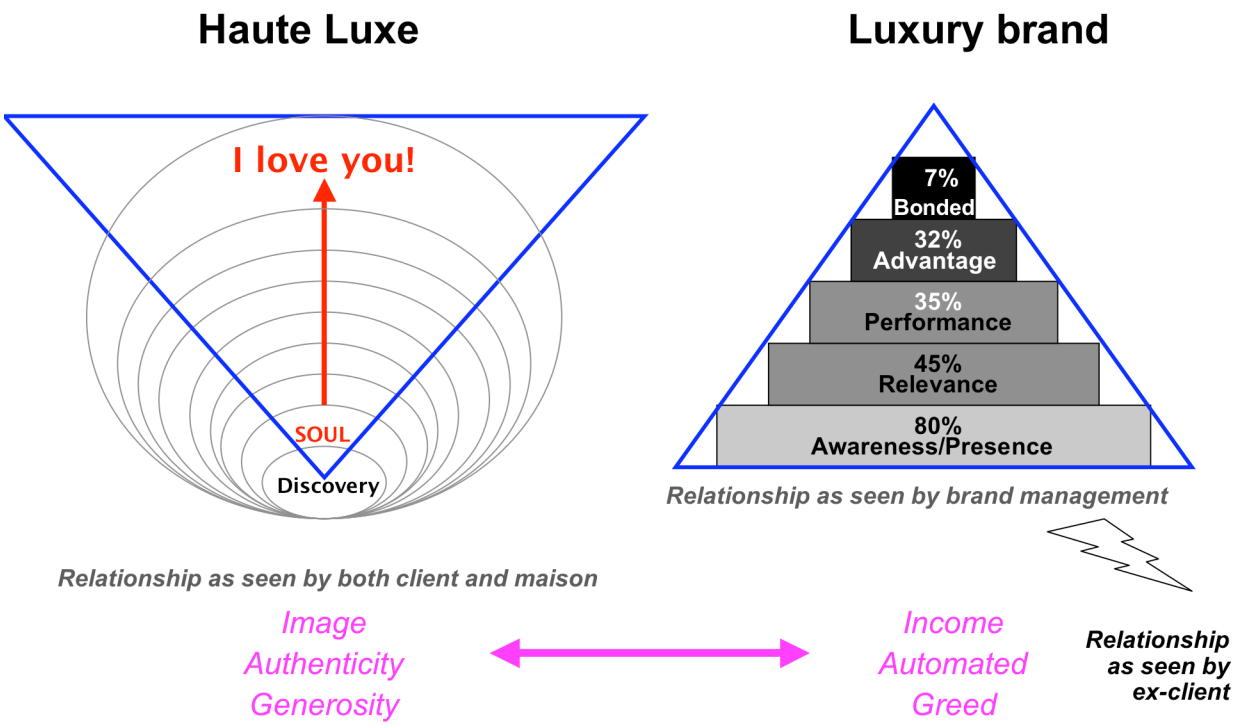
also created the beaded wedding corset worn by Victoria Beckham, who too boasts an incredibly slender 18in waist.

Pullin at first set up as a corset-maker to the stars in London in 1994 and moved to Paris in 2002, where he designs unique pieces for couture houses, painstakingly cutting, stitching and embroidering every one, often until his fingers bleed.
http://www.dailymail.co.uk/pages/live/articles/showbiz/showbiznews.html?in_article_id=343547&in_page_id=1773&in_a_source=
"I hate doing interviews," he says. "I just think one's work should speak for itself." Mr. Pearl gets discovered. He attracts celebrities and they pay for his unique pieces. He knows their intimate proportions and remains highly discreet. True Haute Luxe.

For big luxury brands, the personal touch of the creator is almost a myth. It is only on the small lines that we feel the real personal touch coming from the artisans and the creator. Yet even if the big houses continue to offer these atelier-made products, we are still aware of the fact that they are huge houses, so huge that they are perceived as factories with retail chains rather than castles or manor houses. In essence, industrialisation, globalisation and the introduction of modern branding techniques has turned the luxury model upside-down and led to the demise of the image of the great houses. As a result, a new luxury brand pyramid can be said to have emerged with the great houses being demoted from 'Grand Luxe' to the more democratic status of 'Luxury Brand'.

"Grandeur is a socially accepted value and is much sought after in France…and having nobody to crown really irks the French. They haven't had a king for more than 100 years, but they still yearn for the trappings of royalty," write Nadeau and Barlow (x). As such, "France has created and maintained many structures to promote and affirm grandeur among its citizens" and refer to the French terms of *Grandes Ecoles* (great schools) and *Grands Hommes* (great men) as being elitist, and that "people in power are expected to demonstrate it and use it." As such, for a great brand to become democratic is suicidal.

The diagram below illustrates the perceptual differences between the courtship that we have with Haute Luxe brands compared the one that we have with the big luxury brands. As has been explained in the earlier chapters, the Haute Luxe brand is discovered discreetly, perhaps sparked by a desirable creation made with passion, authentic savoire-faire and materials, and conceptualised by a visionary creator. His or her family's reputation builds slowly by word of mouth recommendations, magazine editorials and the like. A personal relationship is built with the griffe or the maison in the form that may be described as a personal relationship including our love for the creation and respect for its creator. The relationship would be reciprocal of appreciation, kindness, generosity and soul. It would be human and loyalty would be based on the continuation of such virtues.



Please note that these are conceptual representations of the differences between the two only. Qualitative and quantitative research would have to be do for specific brands and categories to measure true dimensions.The Luxury Brand triangle was inspired by Millward Brown's Brand Dynamic Pyramid Model which shows that all brands have a triangular structure when depicting consumer share however that very consumer share produces a converse triangle f Brand Loyalty (The Mental world of Brands)

The Luxury Brand triangle in the diagram, inspired by Millward Brown's 'Brand Dynamic Pyramid Model' (X), illustrates that a strong brand may have a high level of awareness of say, 80 per cent of a market due to a certain level of exposure over time, however the brand offer is only relevant to 45 per cent of this market. Only 35 per cent may try the brand's product and only 32 per cent may find that the product has an advantage over those of competitors. However only 7 per cent are likely to become loyal to the brand. However, the 7 per cent loyal users are likely to represent 40 per cent of the brand's income! It could be assumed that the loyal customers share the same feelings for their brands as imagined in Haute Luxe pyramid.

The Luxury Brand triangle represents the mass luxury brands that compete for exposure and business in the same way as American luxury brands have been doing for centuries. Their greatest differences lie in the fact that the European brands come from a heritage of Grand Luxe whilst the American brands come from one of commerce – concept-driven and marketing-run brands. Their fame makes them celebrities in their own right, but their very celebrity leads to an over-exposure that alienates the more discerning buyer seeking rare and unusual creations and experiences. Those who are defecting from the big brands are not doing so because the big brands have

been offering cheaper products sharing the same name, as was the case during the licensing frenzy at the end of the 20th century. They are defecting due to over-marketing, over-exposure (over-selling, over-counterfeiting, over-retailing, over-globalising, over-hijacking) and general over-kill.

The Haute Luxe framework honors the individual rather than the mass. It cultivates warmth rather than efficiency, human connection and community rather than fragmentation and alienation, reverence for the spiritual, rather than skepticism. The Luxury Brand is shown to build its relationships in customer's minds in a very similar way to that of mass brands. The differences between Haute Luxe and Luxury brand can no longer be seen as differences between the European approach and the American approach. The two approaches were merged together by Armani ages ago and by Vuitton and others thereafter. In today's world it's different. Non-European countries do have true Haute Luxe brands and they are likely to create more in the future. Some will transform themselves into Luxury Brands and others will remain true to their customers. Some luxury brands may even try to debrand and downsize to return to their humble but soulful Haute Luxe origins but it will not be an easy task.

Why should they care about the few discerning customers who demand high service, high quality, everything made bespoke, by hand, with heart and soul, rare, one-off creations, made to perfection? In the celebrity age, they are respected for their fame and fortune by those who want to belong to their universe and buy into their brand. It is only when the majority defect that these big brands may suffer, and by then their offspring are likely to be running Art Foundations and not Luxury Brand Groups. They will have sold their brand group to a Chinese, Indian or South Korean group such as LG, or to a Russian oligarch.

The personal touch is all about the people and their way of being. Not just in the way that guests are treated, but more in terms of what they stand for and believe in. How they care about your health and dietry requirements in a hotel or restaurant. What they do for the local community and the environment earns our respect. Hotels that use beds, linen, tableware, beverages and the like made for them by craftspeople in nearby villages where everything you eat on and sleep on can be bought, acting as a living showroom for the community. Where rooms will be different everytime you visit and your indulgences will be benefiting all who played a role in providing you with those pleasures.

Promising pleasure is meaningless unless all around your brand have pleasure. Virgin's founder, Richard Branson is a great example of this. Everyone from himself to his staff and his airline's passengers share pleasure *and* fun. Fun is soul too, and it's universally human. "The

maisons must serve society by their generosity, by training people and giving dignity to those who work for them", says Blanckaert, "This social need corresponds to a personal ethic. At Pantin (the Hermes atelier), I'm really happy amongst the workers. I'm not an idealist but a humanist." It is these human factors that one finds in griffe and maison, which would be better for us to describe altogether as *Haute Luxe* as opposed to the more corporate *Luxury Brands*.

The point of having the griffe-person is that we see a personal promise, from someone with a personal expertise. We are too used to faceless brands promising more than they can deliver. We know that the person brand has only one name and one reputation so they need to uphold it. We expect them to deliver on their promises in order to build sustainable reputations. We expect everything to be grounded in truth. We want the person and the person's product to be authentic rooted in truth and honesty, cultured and ethical. It is not surprising then to find that artists are now beginning to create their own luxury brands.

"What I bring is my savoir faire, hours of work and passion, a sense of elegance inherited from my parents and my culture that can't be taught, my originality - my studies in fine art left me a taste for objects that have a poetic meaning and a history, that reflect the personality of one creator, who invests all his soul into his creations," says artist Olivia Clergue who grew up in the ancient city of Arles, in south of France, where the traditional costumes fascinated Van Gogh, Picasso (her godfather) as well as her photographer father's friend, fashion designer, Christian Lacroix.

Best known for her handmade bags embroidered with feathers, Olivia loves to walk in the beautiful landscapes of the Camargue, where she can pick up flamingo feathers directly from the sand. She actually created her first bag with such feathers and kept this incredible bag for her personal care - as flamingo feathers are protected they cannot be commercialized on bags. As fond of fashion as her mother, who only wears Yves Saint Laurent clothes, Olivia Clergue defines her sense of elegance as something that has to be absolutely personal. She hates the idea of wearing what everybody wears just because it is in the magazines. She created her own style, a bit "décalé" (offbeat), such as a high luxury bag worn with a pair of jeans while riding her bicycle.

Clergue's bags are all made with very fine lamb leather that she carefully selects herself and all the linings are 100 % cotton. The handles are made in Italy by experienced craftsmen who work the leather in such a way that there is no visible sewing. Herself and her assistants make all bags in her studio. They are then wrapped in pure cotton bags to protect them. "As I began to become known for my feathered bags, feathers became a reference of my work that I now like to keep in my creations. There are day bags in leather, with very

pure and elegant forms, and night bags, with feathers and luxurious details such as fine gold chain. All are finished by hand."

Clerque is an emerging designer, known to few, but Haute Luxe right through. Is she an artist who has become a designer or an artist making utilitarian art? "Art remains my source of inspiration," she adds explaining how much she admires the sense of colour expressed by Monet, Vuillard or Francis Bacon. "I produce my bags in many different colours which make them really original (wow!) because it's not common to see a flashy blue or pink in winter with other bright colours of feathers. I like to take risks in my creations and to show something different. For the feathers, I work with a famous French plumassier (Marcy, who supplies Lemarié and all the Haute Couture brands), so they are very fine feathers, with very original colours and treatments."

So who needs a designer when an artist can do the real thing working with the same highly skilled craftspeople? Many other artists have ventured into making their own brands. Orlan makes her own wine and fragrances, Murakami makes his own collectable characters, and many have designed bags, fashion or other objects for established brands. The more we place a value on the personal touch, the more we begin to value the personal vision, concept and universe that comes with that personal touch. The more designers are flirting with artists, the more artists are flirting with design. No barriers are sacred anymore. Creativity has become democratised but a new hierarchy is emerging as a result. With bespoke as the big buzzword in luxury, it begins to look ludicrous to imagine customers taking bespoke to the extreme by assuming the role of the great artists or designers in briefing highly trained craftspeople to make potentially ridiculous items.

As we have become more connoisseur, we have become more aware of creators who's work we admire, and the more we admire and respect their high sense of aesthetic, the more we will trust what they will make for us. Haute Luxe is about collaborating with a visionary that you love and admire. They will understand you, your personality and your personal needs and will create the 'to-die-for item or experience that you could never have imagined. That's what bespoke should imply and not simply dictating your design to a craftsperson who will listen. The ultimate relationship is a one-to-one personal relationship where there is no master or servant. It's a matter of producing something out of the fusion of your relationship that you will both love forever. You are giving birth to a creation of your shared dreams. Industry could not be further away from this ideal.

As the world begins to face its first global recession, the luxury brands that will survive will be the authentic brands that are true to themselves, true to their values and true to their customers. The closer

you are to touching the product or experience that you are producing, the closer *we* are to touching your product, and the closer you are to touching us too. Finally, the real segments in the customers' minds will not be that of Haute Luxe or Luxury Brand. Instead it will simply be about 'True or Fake'. How true are you? How real is your brand? It may be time to re-examine your brand's story to add some new truths and some additional authenticity including that personal touch with a heart and soul that may no longer be there. We would sooner accept a bad boy turned good than a good guy turned bad.

STEP 11 I LOVE YOU

I'm committed, happy, totally engaged

"I want everything – it was made for me," the actress Diane Kruger said referring to Lagerfeld's recent 'Coquille Chanel' haute couture show inspired by a book on the underwater world. "It's about change – my new apartment, a new beginning – and moving toward a new luxury," he modestly explained. "Mostly short – with just a few longer dresses with shifting fronds of chiffon – this was a dream of midsummer. A shell pink dress, apparently created from silken ribbons, gleamed with mother of pearl plaques, while other creations were black but encrusted lightly with glimmering beading. Clients were breathless with excitement," IHT's Suzy Menkes reported. (x)

It's all about excitement. Excitement brings a sort of 'love at first sight' effect. It is critical from the product right through to the shop windows. "How to excite people in the windows is not so easy," my window designer friend tells me,"Chanel, Dior, Gucci and Prada are all quite traditional and take no risks but Paul Smith, Margiela, Lanvin and Sonia Rykiel really stoop people in amazement. For us its not so easy, we have to plan windows six months in advance and have little flexibility. It takes so long to get approvals that we cannot even do what we are supposed to do. For luxury, the window must work from across the road to very close up to show detail. We aim for love at first sight."

Soul mates often fall in love at first sight. They cannot help themselves. We are not referring to lust or desire. We are referring to a connection way beyond that. To be in love is a divine feeling. To love and get love in return is for few lucky souls. If your partner is also your soulmate, that is probably as good as it gets. Can we really get clients to fall in love with our brands? We need look no further than sreaming teenage fans at a pop concert or outside the Cannes film festivals. But people brands are just easier to fall in love with. We need to strive to ensure that our brand is as humanised and as spritualised as possible. The closer we can get to this goal, the closer our brand gets to 'self-actualizing'.

As this book has argued the case for humanising the brand as much as possible to the point that we can fall in love with the brand, it has also argued the importance of soul, of spritualising a brand. It should come as no surprise then to read that neuroscience now claims to have proven a parallel between religion and brands. Ex-BBDO advertising executive and now public speaker and author of Sensory Branding, Martin Lindstrom claims to have spent over four years peering into the minds of 2,000 consumers across five countries to discover if there's a parallel between brands and religion. "Without disclosing too much, we can reveal that brands indeed activate the same areas in the brain

as religion", he states. The same analogy can be applied to human love and brand love. For instance, the brain reacts in a novel way when it's exposed to a famous brand name, according to an experiment carried out at the University of California. The findings are "consistent with the possibility that a brand name's power to influence buying decisions results from the emotional responses evoked by the brand name", says neuroscientist, Richard Restak (p166).

After measuring the fMRI (functional magnetic resonance imaging which depicts what the brain is doing over a certain period of time) responses of customers of a luxury retailer in Japan, the investigators found that customer loyalty has a profound emotional component, characterised by differential activation of specific emotional centres in the brain. "Why pay so much attention to the brain functioning of people loyal to the brand?" asks Restak. As he later found out, the cost of acquiring new customers is about five times the cost of retaining established ones. "In other words, the companies that rely on snagging new customers via megabuck advertising campaigns will always make less money than companies that funnel their efforts into making their established customers happy. People stay faithful to brands that engage both their trust and their affection. Moreover, customer engagement is a better way of predicting future buying patterns than customer satisfaction alone," he concludes.

Although brain research has been used to measure pleasure circuit components leading the Lincoln LS 'luxury car' to claim, "The Pleasure Neuron: Luxury may be habit-forming and we have the MRI to prove it," in its adverts, there is no such thing as a 'pleasure neuron', rather, "millions of neurons link together to form circuits that become activated during pleasurable states," Restak suggests. "Simply looking at the car excites a part of your brain called the nucleus accumbens (deeper in the brain, where feeling is), which releases a chemical, dopamine, that includes a feeling of well-being. Neuroscience is now suggesting that since the same neurochemical (dopamine) is involved in addictions to drugs and 'excessive' brand-name purchasing, some degree of emotional bonding, if not necessarily outright additction, is involves. And marketers are employing several avenues to increase this bonding between their products and ourselves," claims Restak.

Music provides an appealing avenue for savvy marketers to create emotional bonds aimed at ensnaring customers, Restak suggests, and gives examples of companies such as Muzak that "implant earworms – slang for musical phrases you can't get out of your head" as well as create "audio architecture – defined by Muzak as 'emotion by design' – aimed at ensnaring our attention and thereby increasing the likelihood that we'll buy a particular product. And because music can facilitate this manipulative process, we're encountering background music in almost every store we enter,(175)" he argues and goes on to cite research that shows that volunteers experienced the most intense

emotion in response to the combined condition of visuals and music. In fact, there is nothing that should surprise us in these findings. We have probably all fallen in love with a movie including its soundtrack and perhaps, more commonly, a specific character or its actor. Just imagine how much we could be affected if our other senses such as touch or scent were to be stimulated simultaneously.

The Hotel Costes in Paris knows this only too well. On entering the hotel the visitor is greeted with a specific amber fragrance that permeates through the space, and in certain times and places, unique lounge music adds to the sumptuous warm surroundings providing an ideal venue for an intimate liaison and a memorable experience. Perhaps we are 'ensnared' by the space as Restak would suggest and the atmosphere could certainly be considered potentially addictive, but that's why we go there. The music is not some subliminal tag line, its music we enjoy and are grateful to have the chance to purchase it from the hotel along with its signature fragrance as a way to capture the ambiance and take it along with us. We can easily fall in love with the place as well as with the person we are with as a result, and that's why we love it!

Love is something that neuroscience will always struggle to measure because our brains are all different and we are all different. We all have different ways of balancing out both thinking and feeling. Neuroscience can prove that factors such as trust underlies economic transactions on every level and that oxytocin is a kind of 'trust hormone' which plays an important role in attachment, such as between a mother and child, but trust is simply one of the foundations of love. However oxytocin is also the 'sex hormone' and has been used on animals for pair-bonding purposes (208). Clearly it would be highly unethical to apply it to humans and even more so to bond humans to brands, however by combining attraction and identification with altruism, compassion, nurturing and other forms of communication we should have no need to manipulate science in order create a loving relationship between ourselves and our clients or our brands and our customers.

This text is not the first to link branding with love. The advertising guys got there first, and although they do not focus on luxury brands, all the truths are there, but unlike mass brands, luxury has the unequal advantage of being able to absorb *all* of the thoughts provided by these great minds. The point is though, that the mass brands too are aware of the need to connect through love and that spells a threat to luxury brands. Although advertising agencies tend to go more for the big-budget TV-advertised brands, rather than the low-budget luxury brands, we must be aware that if mass brands are taking brand-loving seriously, then luxury brands *have* to!

Love Marques

Below are a few useful extracts from the book "The future beyond brands: Lovemarks" by Kevin Roberts, CEO Worldwide of Saatchi & Saatchi Advertising agency (X). It serves as a very good summary of some of the key points raised in this text:

- "Human beings need love"
- "Love is about a profound sense of attachment"
- "Love is always two-way"
- "Love is about responding, about delicate, intuitive sensing"
- "Love takes time'
- "Love has history"
- "Love gives us meaning and makes us what we are"
- "Love cannot be commanded or demanded"
- "Like power, you get love by giving it"
- "Love is like oxygen"

He goes on to ask, "but love built on what?"

- "No respect, no love"
- "Respect grows out of performance"
- "Pursue innovation – continuous improvement'
- "Commit to total commitment"
- "Make it easy"
- "Don't hide"
- "Jealously guard your reputation"
- "Tell the truth"
- "Nurture integrity"
- "Accept responsibility"
- "Never pull back on service'
- "Don't underestimate (perceptual) value"
- "Deserve trust"
- "Never, ever fail the reliability test"
- "No respect, no Love, Period."

Roberts then adds, "When it came to working out what gave 'lovemarks' their special emotional resonance, we came pretty quickly to:

- Mystery
    - Great stories
    - Past, present, future
    - Taps into dreams
    - Myths and icons
    - Inspiration
- Sensuality
    - Sound
    - Sight
    - Smell
    - Touch

    - Taste
- Intimacy
    - Commitment
    - Empathy
    - Passion"

Roberts goes on to add that the following attributes "didn't sound like traditional brand attributes and they captured the new emotional connections we were seeking:

- "Be passionate – consumers can smell a fake a mile off"
- "Involve customers. Be creative'
- " Celebrate Loyalty"
- "Find, tell, & retell great stories"
- "Great relationships thrive on learning, anticipation, and surprise"
- "Lovemarks know that the people who love them are passionate, emotional, and often irrational human beings"
- "Tapping into dreams is a powerful way of showing people that we understand their desires and can transform them into delight"
- "Lovemarks need Sensuality, but they need it with a human touch"
- "People need Intimacy in their lives'
- "Intimacy has three faces: Empathy, Commitment, Passion"
- "Lovemarks are owned by the people who love them"
- "Committed people are prepared to wait….and wait"
- "Loyalty Beyond Reason = Love in the bank"
- "Lovemarks grow on emotional connections rather than just word-of-mouth"

As has always been the case, mass marketers try to add value to their brands so that they can command a premium price over their competitors. The easy way to learn how to add value is to simply understand how different luxury brands do it. Lovemarks are presented by Rogers as "the future beyond brands", implying that the days of the soulless mass brands are ending. Mass are now aspiring to maison and even to griffe status. They are pushing upwards to challenge the luxury brands, yet what we have witnessed with the emergence of the big luxury conglomerates is that many have in fact descended towards a mass brand level as a result of their democratisation strategies, causing high-end luxury purchasers themselves to push further upwards above the luxury brands into the bespoke and beyond.

What Roberts unfortunately misses out is the word 'desire'. Desire is driven by our need for change, for beauty, for the very best. Desire is a huge word in luxury and in any loving relationship for that matter -the desire to see someone, to be with someone or to be intimate with

someone. We like to desire what we can't have. To luxury brands then, *all* of the *lovemark* attributes including desire, should be the norm. They serve as a wonderful set of 'brand relationship health check instruments' that go straight into the *heart* of a brand and ultimately touch on its *soul*. A luxury brand without soul then, is a luxury brand heading for trouble. The Body Shop may not be a luxury brand but we all knew what the late Anita Roddick stood for and not only did she have soul but she infused soul throughout the brand, right through to infecting an entire generation of customers with her philosophies and beliefs. She stood for something and fed it straight into her brand. The Virgin Group's Richard Branson goes even further. Is Virgin a luxury brand?

Virgin may now be a huge company but it has harnessed a culture of intimacy. The bigger it gets, the more it splits the company into smaller companies. "I feel that small, compact companies are, generally, better run. This is because people feel more connected in smaller companies," says Branson. "Customer service and staff satisfaction are pretty much the same issue," says Branson (27). At Virgin staff are encouraged to have fun and to see the business as an extension of their personality. At Virgin, it's ok to be yourself. Is a great place work and there's no shortage of people who desire to work for Virgin or with Virgin. Virgin people are empowered. They are allowed to be overly generous with disgruntled customers because "if you are able to sort out your customers' problems better than they expected, then they will be your loyal friend for life," states Branson. "By offering customers excellent value for money in so many areas of their lives, we aim to make them happier. These values do not come cheap. These values must be paid for."

"The Virgin brand appeals to an attitude of mind. It is about enjoying life to the full. It is about irreverence and cheek. It values plain speaking. It is not miserly, or mercenary. It has a newcomer's voice. The attitude is timeless. It's human. A large part of the Virgin story has been my willingness to be a central character in our publicity," Branson explains. "My own high-profile adventures have not just highlighted the brand, they've personified it." Everything is personified. He trains and planes have names. " We'd much sooner personalise our machinery than mechanise our staff," he adds. Staff have his email address and phone number. They are encouraged to keep up good communication and to pay attention to detail. To Virgin, brand reputation is everything and staff are encouraged to do whatever it takes to live up to the brand's promises, for instance, "You will not get bored on our flights." It's a brand that embraces change, surprises us, and totally focuses on the customer experience.

Virgin tries to make each flight feel like a party. It enables travellers to text someone a few rows away, it provides a mood lighting system and other innovations. "Innovation is often what you didn't know you

wanted until you got it," says Branson. " It doesn't mean being the first or biggest, but being the best." The brand is driven by curiosity and with the fantastic reputation that is has built from moving millions of people safely and securely around the world as an airline carrier, it comes as no surprise to find the brand moving into the space industry and the Haute Luxe sector with Virgin Galactic for the price of a few Vuitton bags. From the humble beginnings of mail-order music distribution to space flights is no mean feat. "We started from the basic premise: if you rip off the customer, then you will destroy the integrity of the brand. It's as simple as that," says Branson. "Virgin has to be the consumer's champion. Ethics aren't just important in business. They are the whole point of business."

Ethics

Clearly Virgin does not profess to be a luxury brand, but it provides all the attributes that a luxury brand is expected provide, if not more. In this day and age, a luxury brand cannot avoid having ethics that we can relate to. The griffe is not just the visionary at the top of the pyramid trying to excite us with new creations, it's a person who is prepared to stand up for something and take risks through innovating and turning our world's upside down with their universe. That's very different to what we expect to find at the top of a typical corporation run by shareholders, private investment funds and CEOs who seem to be just in it for the money. Their obvious passion is to make more and more profit. They have often been respected more for their ruthlessness than for their generosity - driven by greed and by greedy shareholders. It took the world's banks to crash for the word greed to come out in the open.

Before the 2008 financial crisis, we would read in The Wall Street Journal (Aug3p2) the following types of reports, "Demonstrating the first convincing signs of a long-awaited turnaround, consumer-goods giant Unilever is planning more aggressive cuts, including further job cuts. Chief Executive Patrick Cescau laid out plans to cut an additional 20,000 jobs over the next four years, on top of thousands of cuts so far, with particularly deep cuts planned for Europe. "We're raising the bar", Mr. Cescau told analysts. A hero in Wall Street, perhaps but *what a loser* in the minds of his staff, his customers and humanists who spend endless moments thinking of ways to create employment or retaining for employment for all. That's at least 60,000 lost customers, including their family members and close friends in one move. Considering that Unilever has culled over 1,200 known brands in order to globalise, brands that were household names, surely it could help to those 20,000 jobless people to start a direct-selling business to produce and sell those brands via network marketing to compete with Avon or something. In China, companies hit by the toy scandal in the USA have retrained staff to make sandals.

Richard Branson feels that “Virgin has created better corporate families than most. We’ve done it by accepting the fact that we have to think beyond the bottom line. Families forgive each other. Families work around problems. Families require effort, and patience. You have to be prepared to take the rough with the smooth. You have to put up with your troublesome siblings. They’re your family: you can’t just throw them onto the street.” “The most crippling effect of unemployment is the loss of self-esteem,” said painter Willem de Kooning,” There is a simple logic at work here. You create self-esteem by creating employment. And so the business, no matter what any economist tells you, is to create self-esteem” (lovemarks 224) Business needs to navigate self-interest towards social interest because governments are less effective at doing so. At least it seems that the boom in luxury brands has been creating jobs for all.

“Henkel and BMW join job cut trend” read the headline of the Financial Times (x). “German consumer goods group Henkel has joined a growing roster of the nation's companies cutting jobs to shore up profits as energy and raw-material prices rise and the economic outlook grows more uncertain. Henkel, the maker of Loctite glue and Right Guard deodorants, said it was looking to shed 3,000 jobs globally by 2011. With 80 per cent of the group's 53,000 staff employed abroad, most cuts look set to fall outside Germany - a comfort not every chief executive can offer politicians in Berlin.

Before the global financial crisis began, BMW, the world's largest luxury carmaker, confirmed plans to cut 8,100 jobs, mostly in Germany. These moves came on top of similar ones by German industrial heavyweights Siemens (NYSE:SI) and Continental, highlighting a sometimes hard-won - flexibility that has allowed most to report steadily rising profitability in recent years. The company plans shed 5,000 temporary workers in Germany and a further 2,500 of 80,000 full-time employees there. Abroad, about 600 of the 28,000 employees of the German carmaker will go. BMW aims to become as profitable as Mercedes-Benz after watching its rival pull ahead, and Henkel is emulating bigger rivals Unilever and Procter & Gamble of the US in cutting jobs.”

A company committed to improving the lives of millions of children in need would surely be a company committed to creating jobs in a globalised world. Heros are those who can *create* jobs for others. These are the true visionaries, creators and entrepreneurs. The best try to create wealth and prosperity for those around them. That is a lot harder to do than to save wealth and put 20,000 families at risk. The biggest issue every human being should be obsessed with in this day and age is to respect others and help to find ways for them to survive and prosper. For all the attacks that the big luxury groups have endured as a result of their expansion, they should receive equal praise for the employment opportunities that they have created both

in France and abroad. One house never fires staff but simply calls a 'headhunter' and asks them to poach that member of staff. That's class. Not one member of LVMH staff that I interviewed confidentially at any end of the job spectrum complained about their pay or working conditions. All conveyed exceptionally high levels of job satisfaction and adored their colleagues. The group may have broken many traditional luxury brand rules but it does not seem to have killed the internal spirit of their houses.

"In the frenzy of modern life we lose sight of the real value of humanity," says the Dalai Lama. "People become the sum total of what they produce. Human beings act like machines whose function is to make money. This is absolutely wrong. The purpose of making money is the happiness of humankind, not the other way around. Humans are not for money, money is for humans. We need enough to live, so money is necessary, but we also need to realize that if there is too much attachment to wealth, it does not help at all."

Any business must make sense economically, but there are now new imperatives," says Roberts. "It must also be environmentally and socially sustainable over time. The planet, the people and the profits. All for one and one for all. Because the people who will build and transform lives will be the ones who dream about, obsess over, and plan the flow of goods, ideas, and experiences. Business needs t set a course for human well-being." If Unilever could have obsessed about finding ways to use their workers better or retrain them for new tasks, they would create 20,000 loyal customers for life, and they would be adding soul to their image. Perhaps it could be argued that the luxury moguls have generously sacrificed the image of some of their brands in order to create more employment on this planet. Not one person that I encountered in the LVMH group was unhappy working there.

Although the LVMH group is not known for all its charity efforts Nakata, the 'David Beckham of Japan', a good looking, super talented footballer, and a big fan Louis Vuitton with a big heart for charity managed to get Louis Vuitton to host a charity auction for his Take Action 2008 effort to make a contribution in the world. "So Louis Vuitton did what Louis Vuitton does best: designed an AMAZING limited edition graphite damier hard trunk carrying case for a limited edition football (soccer ball for we yanks!). They offer this as well as a bunch of other graphite, multicolore trunks/ cases… (I'd love more details from someone who was there…)" says the blog, Fashionfile that specialises in 'authentic pre-owned luxury bags'
http://www.fashionphile.com/blog/tag/charity/

Social Entrepreneurs

Its not just luxury brands that are becoming more involved in social issues, their clients are too. We are now beginning to see the emergence of the social entrepreneur – as witnessed by the recent Skoll awards- for those who help achieve social objectives by business means. These include Jeff Skoll, the first president of ebay, Muhammad Yunus, the Nobel prize-winning micro-finance pioneer and Google founders, Larry Page and Sergey Brin. These young successful businessmen represent the zeigeist of the western luxury market. Brands who seek to have them as customers aught to ensure that they share the same value systems or they will soon be left behind tending to the last of the bling shoppers.

"In Europe and North America, the nature of luxury goods and services themselves are evolving", says Newsweek (48) "Rather than flash, luxury consumers are now seeking discretion, special access, surprise, humour, even secrecy. Members-only services for dining, travelling, entertainment and retail are proliferating. Clearly, the rich want to be rich in private, with members of their own tribe. Most of all, they want meaning, emotion and connection – witness the rise of *philanthropic travel,* where visitors to ultra posh resorts in far-flung places might help build a school or launch a mini-foundation for water-sanitation projects in between beachcombing". For some, luxury is about *greed*, for others, it's about *generosity*.

In our diagram showing the Nation's hierarchy of needs, it was stated that the new rich in the west are not just spending on luxuries and art. They are also spending huge amounts on philanthropy. They are looking to satisfy their 'self-actualisation' needs. « One key to self-actualisation is a search for exclusive experiences, which can involve overcoming personal challenges, » says Van Gelder (x). « These experiences can take the form of purchasing elite brands, staying at boutique hotels, visiting unique art exhibits, getting a glimpse of rare birds, or cycling around the world.« Philanthropy has emerged as the contemporary symbol of self-actualisation. Brands that wish to share this universe, would be well advised to partake in philanthropic causes themselves, in line with their brand's universe.

Year 2007 hailed the arrival of 'social capitalism' and 'venture philanthropy' – as pioneered by New York's Robin Hood charity. The rich and the super-rich are getting wealthier but they are also becoming increasingly conscious of social and environmental issues and are allocating a significant part of their portfolios to socially responsible investments," claims the 2007 World Wealth Report by Merrill Lynch and Capgemini (x) because "socially responsible investing is not only a nice thing to do but is also very profitable. More than $70bn of new money was invested globally in clean or renewable energy or clean technology in 2006," and adds that "they are also

increasing their philanthropic giving. Last year (2006) 17 per cent of the ultra-wealthy gave to philanthropic causes." The Children's Investment Fund foundation which provides funds to the Clinton Foundation, Heifer Internationals and others, in one example.

The rise in riches was accompanied by a surge in charitable giving to $285bn – believed to be a record. Warren Buffett, the world's second-richest man, added to the trend last year when he donated 85 per cent of the $45bn earned from a lifetime of investments to a foundation established by Microsoft's Bill Gates and his wife Melinda.» Nick Tucker, executive director of Merrill Lunch and author of the report, stated that « philanthropy is central to what wealth managers are having to do ; it cannot be ignored. New wealth especially are keen on this. About a quarter of their 'investments of passion' are devoted to yachts and private jets, and a fifth to art, » reported The Guardian.

"We basically have a global economy without a global social policy," said former US president, Bill Clinton (x) who ranks growing inequality resulting from the rapid increase of wealth among financiers and entrepreneurs as one of the biggest challenges facing the world. " We have to maximise private charity and private giving," he added. But how many luxury brands are listening? Soul cannot be created by art and sensory experiences alone. Ethics are perhaps the more vital component. The West (the "west" is now everywhere: within West and outside; in structures and in our minds) has absolutely entered a Soul Age and if this sets a precendent for the emerging economies, the world may become a better place.

How many maisons can claim to be investing their new wealth in environmental issues ? How many animals do they slaughter for their skins ? How many schools have they built in countries where they are building their retail cathedrals ? A cathedral without spirit is merely a structure of symbols and heritage, stripped of her rich and glorious liturgy, a desacralised church that speaks the impoverished common language of a secularized world. What do they put back into any of the emerging economies ? The WWF has published a 52 page report (x) which could herald a huge change in the way global luxury brands operate. Entitled Deeper Luxury, the report claims "there has been a powerful paradigm shift in the way luxury is perceived by consumers."

Companies that retail at the higher end of this global market, need to alter the way they work to reflect the way consumers feel, it argues: "we are seeing the birth of a movement for authentic luxury that could remind us all that sustainability is truly our highest aspiration and greatest success." Part of Deeper Luxury focuses on measuring 10 of the largest luxury brands Environmental Social Governance (ESG) on a scale A-F. The authors identify a "sustainable consumption challenge" and call upon luxury brands to literally get their houses in order. There

is a 10 point plan of action to help them get started which includes "embedding social responsibility and innovation into corporate and brand DNA" and they have also compiled a Global Reporting Initiative and encourage companies to "measure and report on their performance in accordance with international guidelines.

In the Spring 2007 issue of Time's Style & Design Magazine (x), we find a story about tanzanite, a rare stunning precious stone for which geologists estimate supply could be depleted in 15 years. "More precious than diamonds," a dealer is quoted as saying. These gems occur only in one place in the world, Africa's Rift Valley in Tanzania. "Tiffany is said to have named the stone tanzanite – after judging the technical name, blue zoisite, to be too close to the English word suicide," the article explains after quoting the son of a Masai chief explaining that they "built an enclosed school because we thought our children may run back to the fields or to business". What Time does not tell us is that the stone is mined by at least 3000 children. BBC World TV exposed that in a documentary the following January (x).

The stone which is traditionally given to a woman who has given birth, is now being ethically mined by mining company TanzaniteOne which is financing schools however it does not control all mining of the stone and has been unable to end child labour. "The timing is good: in the wake of the film *Blood Diamond*, jewelry consumers are asking more questions about origin," says time "which is easier to trace for tanzanite than diamonds and other gems." Yet the article failed to highlight the plight of children itself. Whos side is it on?

Deeper Luxury claims that today's consumer wants something more and they now expect luxury brands to show environmental and social responsibility. This is not confined to one continent, WWF's findings indicate that this global wave of awareness is also affecting consumer behavior in Asia, Latin America and even China, albeit supported principally by the middle classes. Will these consumers really ask for proof the tanzanite has not been not derived by means of child labour? And if that is the only way that families can survive, perhaps we should be lobbying retailers such as Tiffany to assist the families themselves?

Luxury brands that endorse ethical practice and social responsibility are well advised to show this in a subtle way. IKEA is now using the 'Rugmark' label on carpets to certify that they are made without child labour. It may not serve to bring an end to such practices in the short-term but can help to establish such practices as a norm in the long-term, providing that consumers demand to know and choose not to buy goods of uncertain or unethical origin. It would look cheap for luxury brands to do the same thing just as it would look cheap for us to find

Fair Trade labels on their goods. We expect top brands to pay the best to get the best. We don't want to find that they haggle in poor villages to squeeze prices down. But is Fair Trade really fair and ethical?

Fair Trade?

What does Fair Trade have to do with luxury brands you may ask? The answer is both everything and nothing. Small farmers and field workers in developing countries live with the constant pressures of world markets, fluctuating prices, and exploitation by local traders. Considered to have originated in the late 40's from churches which would sell handicrafts at fairs as a charity effort to develop fair trade supply chains in developing countries, the movement's growth accelerated in the 60's as a backlash against imperialism. The slogan, "Trade not Aid", gained international recognition in 1968 when it was adopted by the UNCTAD (United Nations Conference on Trade and Development) to put the emphasis on the establishment of fair trade relations with the developing world.
http://www.ifat.org/index.php?option=com_content&task=view&id=10&Itemid=17&limit=1&limitstart=1

According to Max Havellar Netherlands which claims to have been the first to create a Fairtrade Certification Mark used in over 16 countries to distinguish Fairtrade products from conventional ones, "the fair trade movement promotes international agreements to enforce price supports for commodities, particularly those exported from poor countries to the industrialised West. Fairtrade-certified farmers are paid a guaranteed minimum price for their products that provides them with a stable income. Max Havelaar makes it possible for farmers from disadvantaged regions in the South to gain access to markets in the North and fosters long-term trading relationships that include as few intermediaries as possible. Plantation employees are paid at the very least the legal minimum wage and benefit from, among others, protective clothing, paid vacation time and social benefits."

Today we are accustomed to seeing many competing fair trade labels including some created by transnational corporations for their own exclusive use and as quality varies from the good to poor. Ethiquable, seems to have developed a reputation for excellent chocolate -"the chocolate is to die for...and I'm a connaisseur so, you can trust my judgement!" wrote a fair trade fan. Some such as Oxfam, AlterEco and CafeDirect are better known than others but clearly it is their brand that is marketed and supplier-producers are mentioned but not branded. Some, such as Alter Mundi and Artisans du Monde even have their own maisons in the form of franchised boutiques that offer everything from foods to clothing to home products. Article23 and Ekyog, offer trendy mid-priced fashion lines but are considered excellent quality. Veja is seen to offer "very cool baskets", but are these not simply seen as private label charity brands? If not, why are the food stores not competing with Fauchon, Hediard and other known

luxury gourmand stores that also import from the developing world and are expected to pay a fair price beyond that of Fairtrade?

The biggest consumer issue with fair trade is that the brand stories are never as strong as the luxury brand stories and it often boils down to quality. Those listed under the World Fair Trade Organization, MaxHavelaar or the La Plate-Forme pour le Commerce Équitable (PFCE), you are assured that they meet fair trade standards. Only Max Havelaar is a labeling organisation and they take 1 percent royaly of sales from those using their label. The WFTO and the PFCE do no have labeling status therefore producer cannot use their label on products but can say that they are a member. "Hopefully, the EU will put in place an independent agency to label fair trade products but, it's not a priority for the moment unfortunately"(x).

Recent research has shown that consumers tend to choose *organic* over *fair trade(x).* Fair Trade tends to be viewed as a charity purchase from poor producers in the 'third world' versus organic which implies credible quality, healthy, environmentally friendly amongst other benefits. Both are simply generic labels and as brand claims are expected to be short-lived as even transnational corporations are beginning to use these claims as part of a CSR (Corporate Social Responsibility) program to 'fairwash' and 'greenwash' their images. Although it is possible that the two examples below may lead to such criticism, one cannot argue that their actions are not a positive step in the right direction.

Press extract example 1: *Unilever is to buck the Fairtrade trend by labelling its entire range of bestselling teas with the Rainforest Alliance mark. The company, which buys 12% of the world's black leaf tea, said that by 2010 all its tea in Western Europe, including the UK's biggest-selling tea PG Tips, would carry the Rainforest Alliance frog logo. It had chosen the mark over Fairtrade because it felt it was a more comprehensive scheme, said Vindi Banga, Unilever president of foods. "Fairtrade concentrates on the trading mechanism only, whereas the Rainforest Alliance looks at the quality of the soil, minimises the use of chemicals and environmental impact and improves the lives of farmers through health and educational programmes," he said. "Our household name brands will play a major role in explaining the importance of Rainforest Alliance to UK consumers. .*
http://findarticles.com/p/articles/mi_hb5245/is_/ai_n29352287

"P&G which holds licenses for prestige fragrances, Gucci, Escada, Lacoste and Valentino amongst others, believes that companies like their own can be a force of good in the world and effect positive changes. The company plans to develop and market at least $20 billion of 'sustainable innovation' product and complete a decade-long program of reducing the greenhouse gas emissions, disposed waste, and energy and water consumption of its operations by 40%. It is also

"committed to improving the lives of millions of children in need through its global corporate cause" (happi31)

People vs Environment

Two of the most important issues facing today are employment and the environment. They are often two opposing poles. For instance, in under-developed countries the survival of man may imply destroying natural forests to provide wood for the sake of crafts or building materials. Fair trade has tended to focus more on greater wealth from commodities, jobs and the community than the environment. Due to environmental concerns, this is beginning to change. Although Fair Trade can be said to help to empower people somewhat, it does not empower producers to the extent that they can produce their own quality brands strong enough to compete against the best in the world. Unlike *organic* which is both consumer- and environmentally-oriented, Fair trade is primarily producer orientated. Another downside is that it can be seen to create a form of imperial dependency on the Fair Trade label organisation.

So where to from here? Well if we imagine a French or Italian product bearing a Fair Trade label we are stunned. Aren't their minimum wages in those countries, we may ask? Why are they not branding their goods as others do? Hence the same question is now asked for products from developing countries. All the luxury branding tools can apply equally from commodities through to finished products. Being from a developing country does not prohibit producers branding their own products and showing pride in what they produce. It should not be about, "Shame, we exploit them, let's pay 5 cents more for what they make." Instead it should be about paying more because we appreciate that it is the best in the world. It's as simple as that. And we would encourage the producers to sell locally first and the consumers to buy locally first. Empowerment begins at home and the more it works, the less the global markets have power over prices paid.

The Achilles heel of many of the existing gourmet food maisons and luxury houses is that many if not most of their products are not organic and who knows how many are fair traded? Yet they command greater respect and command higher prices than the generic fair traded and organic labels *because* they are well branded and have strong stories. Producers are becoming aware of these label limitations and are empowering themselves with the courage to brand from so-called commodities upwards. Below are two wonderful examples, one from the developing world and one from the developed world:

T'ikapapa – BBC World Challenge 2007

The BBC World Challenge 2007 could be a relevant example of recent fair trade success. The native potatoes dated from the Inca's time were brought back to market. The Delgado family had the idea to bring back one of the most unique and ancient native potatoes to the Peruvian market. Since its implementation in 2004, the project has improved the income and livelihood of 500 farming families in Peru's high Andes. The unique taste and texture of this potato enables them to win the BBC world challenge 2007 competing with more than 940 proposals from all around the world.

Not only T'ikapapa came on the Peruvian supermarket shelves, but they also been able to create a brand and extend their product range from normal potatoes to potato chips. Thus they have been able to compete with one of the most famous global crisp company: Lay's. Mister Delgado explained that his first focus was to improve the quality. To do so, they even went to get organic certification to show their quality engagement to the consumers. Since then, the demand for T'ikapapa potatoes and crisps did not slow down. The products are sold in major retailers in Lima and are attracting western countries' attention since the award in 2007.

The Delgado family has been able to smartly align history, tradition, quality, organic and fair trade to succeed in their project. Chef Jacques Benoit, a chef in a French restaurant in Bogota fell in love with this unique potato of Peru. His testimonial on BBC channel expressed his enthusiasm around this new shape, taste and colourful original potato. He even decided to add it in his most famous cuisine of his 4 star restaurants. What a better testimonial from a famous and well-established chef?

Not only did T'ikapapa gain credibility in their local market, they have been able to attract international attention through the BBC world challenge certification. The $20,000 award has been invested in T'ikapap'sa development and is said to have improved the lives of more than 500 families involved in the project, created a strong local brand, extended their product to potato chips and gained credibility in Peru as well as other places in the world. (x)

A French family dynasty reinvents the oyster

BOURCEFRANC-LE-CHAPUS, France: For Thierry and Véronique Gillardeau, the oyster has become their world.

A member of the fourth generation of a family of oyster farmers, Thierry, 37, has brought an economics education to what has become the most famous name in oysters: Gillardeau. The family's small private company, founded 110 years ago here by the sea near La Rochelle and the Île d'Oléron in western France, produces only "spéciales," oysters that are fleshier and, consequently, more expensive than the standard. The Gillardeau name has become associated with fine oysters, rather like Hermès for neckties.

Thierry's father, Gérard Gillardeau, 61, took over the business from his father, Jean, who ran it after his father, Henri, who began as an illiterate farmhand before turning his hand to oysters. Oyster farming then dominated the economy of the region, where the Charente and Seudre Rivers add their fresh water to the salt flats and estuaries. Henri did well enough to build a large house opposite City Hall in this village of 3,500 people, a house he called "Ça m'suffit," or "That'll do." Thierry and Véronique live there today with their two children.

"My grandfather couldn't read, but he knew how to count," Gérard said. "Now, oyster farmers know how to read but not how to count." Many of his neighbors still farm oysters "the way they did in the Middle Ages," he said, by taking the seedlings to full growth in small oyster basins next to the sea, farming them in small, flat-bottomed boats and doing much of the work by hand. "They could be more profitable," he said. "But the past is so important to them that they don't want to change."

That attitude makes the Gillardeau family something of an anomaly in a nation famously resistant to change, especially in how it produces food and wine. In 1978, Gérard sought to expand beyond his village and found a partner in the huge wholesale market in Rungis, just outside of Paris, a step that helped the Gillardeau company make a name for itself. For the past 15 years, sales have increased roughly 20 percent a year, Thierry said at a conference in May. As a private company, it does not reveal its accounts.

"In some business schools, they are studying our case like a case of marketing," he said. "But you have to know that there is no marketing behind Gillardeau, only quality." In fact, he said, marketing is by word of mouth. "Because our oysters are good people want to eat them again and again," he said. "They will go to a restaurant and say, 'Why don't you serve Gillardeau?'"

The number of local oyster farmers here in western France has dropped from more than 3,000 two decades ago to 700 now. Gillardeau no longer farms its oysters here. It now produces roughly half its oysters in Normandy, near Utah Beach, and half in County Cork, in Ireland, where the waters are cleaner and the sites easier to farm with tractors, and where there are fewer parasites and less agricultural runoff. It employs some 100 people in all, but still sorts, finishes and packs its oysters here, producing about 2,000 tons a year of an annual French production of some 130,000 tons.

Unlike many other companies, Gillardeau buys seedling oysters that are one to two years old. That way it avoided most of the impact of the widespread death of younger French seedling oysters this year, believed to have been caused by a warm winter, heavy spring rains and possibly excess runoff of fertilizer and pesticides from local vegetable farms. To protect the future, Thierry bought 20 million seedlings unaffected by the blight at a premium in Ireland, where the company will raise them itself.

Gillardeau normally farms the two-year-old oysters it buys for the next two years, coaxing them into a shape like a lemon and maximizing the quantity of the flesh by carefully adjusting the depth and salinity of the water. The company tries to keep its oysters from clumping together, putting 135 to 150 oysters in each of the thick plastic-screening sacks that can hold 1,000. Workers with tractors turn the sacks every two weeks or so, to break the small shells that the oysters produce, to "stress" the oyster to eat more and to grow in the desired form. "You shape an oyster a little like a piece of furniture," Thierry said.

Oysters are then trucked here to be finished and packed. They spend several weeks in oyster ponds, with water changed regularly and salinity measured carefully, before being washed and sorted by size.
http://www.iht.com/articles/2008/10/27/europe/27oyster.php

Convinced? How can we not be. Almost all the luxury branding tips provided so far are to be found in these stories. There is nothing to stop Gillardeau going a little further by establishing a maison in the form of an oyster bar or better. The world is their oyster!...but is it ethical to 'stress' oysters? The point is that if a commodity can become a luxury brand, anything can.

In the near future, the consumer society will place more value on ethical and moral issues including environmental protection concerns, » writes Okonkwo. « They will respect brands that 'give back' to the society and support ethical production. This outlook will also be directly transferred to the feelings that consumers will have regarding the expenditure towards luxury purchases, » she continues « Consumers will seek an honest justification for the lavish

purchases of luxury goods. The recognition of moral and ethical values will affect all high net-worth consumers including those that still need to assess their affordability of luxury goods. This means that in addition to a brand's offerings, consumers will need a concrete and morally right 'background story' to endorse a brand.»

Love does not come with a contract. It comes with respect, trust and soul. It's renewable daily. When we lose respect love flies out of the window.

I'm leaving you!

Defection

"I *was* your Customer!" is the name of the South African best selling business book title written by Peter Cheales. "I never moan, I never fuss, I never criticise, I'd hate to make a scene like I have seen others do. I think that's just awful. No, I'M A NICE CUSTOMER. But I'll tell you something else too: I'm the customer who doesn't come back," Cheales writes. "You don't care? What does one more or less matter? But multiplied…I CAN RUIN YOUR BUSINESS. That's why I can sit back and laugh when I see you spending all that money on advertising to get me back, when you could have kept me in the first place with a smile, a few kind words, a little service," he concludes.

Although Cheales is referring to a badly treated customer, the feelings are not much different to the customer who finds that the expensive item recently bought is possessed by everyone or went on sale a few days later at half the price, or even caused embarrassment because your name is no longer respected. This has nothing to do with mass loss of customers due to a market crisis, for instance that in the USA causing sagging demand for recreational products in which case brands such as Harley Davidson have to protect their brand by working with dealers to ensure that they are not over-supplied. A bigger crisis could come with the realisation that powerful women such as Hilary Clinton, don't need handbags because they have drivers or butlers to keep their things. For this section we are only concerned about those customers lost due to your brand's very own actions or inactions.

Customers defect for many different reasons. In the Vuitton to Goyard example we see it is because they feel that Vuitton is 'sleeping around.' Overt commerce can kill the relationship. We want to feel that you are creating art, something unique, for the love and passion of it, for the love and passion that you have for we, your customers. The same danger exits in the contemporary art market itself. The infusion of new money has powered the contemporary art market, with prices in the sector rising far above the rest of the market. Hedge fund managers have plunged in to buy the conceptual works of Damien Hirst, Richard Prince and Takashi Murakami. "The value of Prince's

work has risen five-fold in the past three years," says Deborah Brewster of the Financial Times (x)."Some dealers express worries about what might happen if the new buyers start selling.. in addition, it is whispered that some managers are trying to control the market in certain artists, by buying up heavily with a view to creating scarcity, then selectively selling at a high price."

Once artists have become superluxury brands, we may feel that they have been hijacked and robbed of their souls. When luxury boutiques become mega-stores, mega-hotels and mega-restaurants, we may lose intimacy. In cases where the griffe is no longer there, defection may come from a different feeling of betrayal, especially if the brand no longer feels linked to its roots. "The moment you leave the roots of your brand DNA behind will be the moment your brand loses its meaning," says Serge Dive, CEO and founder of Beyond Luxury**.** It is always easier to lose soul than to add it.

In most instances, loyal customers only leave because of your wrongdoing. If you choose a new direction that your clients cannot relate to, your brand will no longer be considered a soulmate. You will have grown apart. However, if you don't evolve, as has been the case with Cardin, how can you maintain desire? You must innovate and evolve with your clients or lead them. "If you get the right creativity and the right quality, you'll survive governments, monarchies, and revolutions," says Johann Rupert, the South African who heads Swiss luxury-goods giant Richemont. "The only way to wreck it is to wreck it yourself." (x)

"Consumers will .. reject brands that seem apparently wealth and profit-driven and lacking in substance," Okonkwo correctly states. Clients who *reject* and clients that *defect* are the ones that can lead to your brand's demise. The luxury business has traditionally been against the idea of market research. Mass *Brands* do market research, but rarely do the luxury houses. Some of the typical reasons given, Walpole and the Luxury Code Research study suggest (x) tend to be as follows:

- "The trouble with consumers is that they can't tell you what they will want next."
- "We see our customers every day in our stores. We know them better than any consultant ever could."

True, to an extent. For a start, why would a luxury customer attend a market research evening for a $30 fee? Research needs to be undertaken on a one to one selective basis. The luxury maisons *do* research, but not in the same way as the mass brand companies are accustomed to. At Louis Vuitton, the company likes their designers to travel as much as possible and to stay in the very best hotels. As such, they meet and mix with people that are prospective clients if not

existing clients, “so we get first hand information,” Peter Copping, design director at Louis Vuitton ready-to-Wear tells me. Also, they show their creations to major magazine editors - the fashion editor, the beauty editor, depending on their field. Editors know what is coming up and what their readers will love. They *represent* their voice and their soul. Luxury brands also show to their key buyers in advance. If a key buyer is not interested, then the creation and its concept is not right for the buyer’s customer. It’s as simple as that.

The importance of getting feedback from a fashion editor or buyer cannot be overemphasised enough, but realistically, they don’t have time. They will make time if they know that you innovate. The editors need good stories just as buyers need great creations. They are paid to find them. If they know that you will bring something that is really innovative, they will want to be the first to have it, on exclusivity! Here’s where your reputation begins.

« Within the first five minutes in a meeting with executives from Fred Siegel, they got it. They supported me like no one else and knew from the start this would be the biggest thing since alpha hydroxy acid,” says Scott Vincent Borba, creator of a unique and innovative skin care line for men. “We sold 10,000 bottles in two days at $4 a pop. On the heels of this, we took the concept to Bergdorf Goodman and Henri Bendel and they took it on immediately. Because everything seemed to be going so well, I decided to take the product to Sephora and Nordstrom.” Within a few years of launch, the brand was already projecting sales of $20 million. These kinds of brands are exactly the ones that the established brands should fear the most. They are being born daily but few will have the potential to succeed or even survive.

Tom Ford trusts his intuition. It is this that guides him. Intuition can be considered to be an *informed* feeling for something. If we allow our senses to be heightened to the collective consciousness of our society, we are most likely to develop a highly tuned sense of intuition. But intuition is rarely enough. The thing about innovation is that if you have thought about it, then just assume that at least ten others have to, inspired by exactly the same insights, so make sure that you have done your research and that no competitors have done the same thing first. Secondly, if you have a *distinct brand universe*, and the creation fits your universe in a unique way, anything similar will be seen as a copy of your brand. We will love you for just being honestly you.

Then there are the monks who have been brewing Westvleteren beer at the St. Sixtus monastery in Belgium since 1839. They have taken vows against riches, sex and eating red meat. The brew, offered in strengths up to 10.2% alcohol by volume, is amongst the most highly prized in the world. For the 26 monks however, success has brought a spritual hangover as they fight to keep a demanding market in tune with their life of contemplation. They are doing their best to resist getting

bigger. They don't advertise, they don't put labels on their bottles. They haven't increased production since 1946. They sell only from the front gate. You have to make an appointment and there's a limit : two 24-bottle cases a month. « We sell to live, and not vice versa , » they told the Weekend Journal. (x) That's pure luxury.

What is so wonderful about the monk story is that they are totally authentic. Here is where it's tempting to say that they don't have customers, they have believers, but its true. Beer aficionados make pilgramages to go to the Westvleteren Abdij St Sixtus (the only place in the world you are allowed to buy the beer) to obtain it. On the web we find such random comments, « Anybody ever had Westvleteren 12? Its rated the best beer in the world be several sites. They don't sell it anywhere outside of Belgium and Amsterdam. However you can get it on ebay for about 14 a bottle (80 for a 6 pack with shipping included). I am thinking of ordering a 6 pack."" To get them I have to drive 300 km (190 miles). To compensate the cost to Westvleteren I wonder if you are maybe interested to buy one from me." Some sites describe the procedure to book appointments to buy them as well as how to mail them home ending with "Good luck! It's totally worth it. It's the holy grail of beer. You really just don't get any better than this. Obviously at the very top of my list. Overall, one of the top beers in the world and certainly one of the most difficult to come by. Excellent in every way imaginable. Believe the hype. Intrigued? A lot of beer lovers are. Is Westvleteren 12 the very best beer in the world, though? Depends. For some, it is. For others, its mystique is it's real appeal. Regardless, it's hard to argue that this Belgian treasure is one of the very best beers you'll ever have the privilege of drinking ... if you can get it. Got plane tickets?" How many brands have such pulling power?

The beer disciples obviously love their beer because of the taste but they clearly enjoy the story too. Not only do they enjoy recounting the story, they appreciate each sip of the potion. It feels and tastes totally authentic. We imagine that the monks love their beer too, and here's where the love aught to begin. Its not a marketing campaign that establishes authenticity, its more about *being* an authentic maison or monastery for that matter. Love starts within the company. We want to know that you love your brand totally because if you do, we will too. The inner brand is critical to the successful love relationship of that brand. Employees need to be passionate about their products and know them inside and out. They need to live the brand. Sometimes a great product and brand automatically has this effect on staff but an internal culture should be in place to keep staff and brand bonded. It is here where privately-owned brands normally perform way better than the corporately-owned brands.

Journalists, buyers and customers alike can normally feel if employees love the brand or not. It's easier to romance them when you are authentic in every way. If a family culture is not in place corporate

culture needs to find its own way to reflect the authenticity of the branding message that it sends out but this is not something that has to be demanded, it must be nurtured.

“I love Cartier," writes Rockstar Mom. "Thanks for being so classic and timeless," adds Emily. Sting just gazes out broodingly from his publicity photo. On MySpace, Cartier has many friends like these - 3,761 of them, to be precise. Some of them are famous, others less so, but the jeweler is counting on them to spread the vibe through the social network and beyond. Cartier's presence on MySpace is the product of a recent agreement that makes it one of the first luxury brands to market itself in a big way on a mainstream social network.

The MySpace profile was set up to advertise jewelry in Cartier's Love collection. But visitors can also sample music from artists like Lou Reed and Grand National, including several songs around the theme of love that were composed for Cartier. They can watch film clips with a romantic story line. And, of course, they can click on any of those friends' pictures to visit their profiles.

The possibility of blending entertainment and marketing and spreading it through chain letter-style links has gotten many marketers excited about social networking. But luxury brands, worried about the company they keep, have been reluctant to get involved with the likes of MySpace or Facebook. Cartier took the risk, said Corinne Delattre, its director of communications, because it saw a "different way to talk to a young audience."
http://www.iht.com/articles/2008/07/27/business/ad28.php

Many public relations and advertising agencies now work with worldly renowned luxury brands to successfully create and build communities on social media in order to give these brands more exposure to mainstream, mass-market social networks. Their primary goal is to bring like minded people who worship those particular brands to join their social network and begin an ultimately targeted ’social media marketing’ for each company. Whether it’s blogs, message boards or media sharing sites, these are all settings that are continuously receiving all sorts of content and discussing a vast array of subjects which brands can most certainly be a part of.

"To work in the luxury environment, it means being a step in advance sometimes," she said. "We work with people moving fast. They use technology. They are ahead in their way of life," says Delattre. Social media users can very well be considered -potential consumers- and these social networks allow for consumers to connect seamlessly with everyone around them, create user-generated content, interact and most importantly engage with brands. A number of fashion and luxury companies have advertised on the elite, invite-only social network ASmallWorld, which has a jet-set user base that seems a much more

appropriate target for a pricey jewellery brand than MySpace where Cartier has established branded pages for its "Love by Cartier" product line for MySpace's English, French, Italian, Spanish, and Japanese sites featuring new music from 12 artists, including Phoenix, Grand National, and Lou Reed.

Some brands have "fan pages" on Facebook, which allow people to post videos of themselves wearing their favourite designers' fashions, for example. "Cartier has been quick to embrace the opportunities presented by community, by offering all lovers of the brand exclusive and innovative content," says Travis Katz, managing director of MySpace's international division. Luxury brands realise they need to connect and communicate with people but it could be argued that they are going too far. http://news.cnet.com/8301-13577_3-9978549-36.html

"The biggest mistake luxury brands make is in not sticking with their core value system and core customer," says Suzanne Hader, principal at 400twin, a New York-based consulting company that focuses on luxury goods. "I don't think you could say that by staying true, a brand is guaranteed success. However, if they don't stay true, success will be much more difficult to come by. Brands must walk the talk and deliver a consistent, high-quality customer experience at every juncture. The positive customer connections created today will be those that differentiate your brand—and ultimately ensure its long-term success.

It's critical to find the right people and processes to enable your brand to most effectively keep its promises. Know your customer. If you can spend time with them on the retail floor, it's the best starting point. For online customers, research their psychographic and demographic profiles. Hire the right people, those with a sense of kindness and service -"people who have a 'heart for service," says Hader. "And a good measure of common sense. Then train and empower them to act on behalf of your brand. Treat procedures, scripts and templates as guidelines that must be personalized if you want to create a high-quality experience."

"Encourage staff to become intimately acquainted with—and to remember—clients' needs and desires. And provide them with the technology to do so. This extends to touches generated by direct mail and the web. Aim for a personalised one-to-one communication with each customer whenever possible. A sincere, human connection provides a vital opportunity to extend the customer relationship and reinforce your brand's personality through warm and friendly interactions. Unlike advertising, which is one-way, the email-web site combination gives consumers a way to actively engage with the brand. It also gives brands an opportunity to begin to blend the in-store and online experiences." A note of warning however, do not allow communication to become too informal! You cannot address a Saudi Princess in the same way as you would write to your school pal on

Facebook. Kindness and warmth can be delivered with elegance and respect.

The Banyan Tree Hotels and Resorts aimed to provide a 'smallish' hotel experience from the outset, that would be very romantic, that would not be luxurious in the normal definition of luxury," says Chairman Ho Kwon Ping. "Instead it would be very strongly reflective of its location and surroundings, and one that would leave you with an extremely memorable experience." Banyan Tree recruits creative people with a natural friendliness and desire to make others happy and can deliver this offer with a sense of Asian grace. They are not about luxury that is opulent or grand although they do train their staff in all the basic elements of a five-star service establishment – how to greet guests and how to anticipate their needs. The key is that they give their staff the freedom to decorate a bed with a flower or anything else that could create a fitting greeting and thereby are still able to amaze someone who may be a frequent visitor.

"The Banyan Tree promise has impacted on how we work as a team," says Mr. Ho. "We try to involve as many people as possible in the creative process and work hard as a team conceptualising and implementing our ideas. Each must be able to participate in pretty earnest dialogue and to push their point of view. In other words, I believe that you have to be really passionate about your beliefs and ideas."(X)

- The reviews found on the web are amongst the highest one can get. Comments such as: Two nights was too short for me. I wish I could have longer time. Their service was great and the place itself was awesome. Try it yourself!!!
- The spa villa was a palace of seclusion and tranquility. The food from the moment we walked in to when we checked out whether buffet style or specially cooked was incredible. We didn't want to leave. It was heaven.
- We had our honeymoon here in October, 2006, and the Banyan Tree completely blew away our expectations; it was the best honeymoon we could have ever asked for.
- The staff was amazing, the accommodations were wonderful (a free upgrade to the deluxe pool villa didn't hurt!), and the food was good, too

The Banyan Tree team did not resort to advertising to build its brand, they simply built Banyan Tree's brand value. "When the brand value is strong, the advertising will help to strengthen it." Mr. Ho partially measures Banyan Tree's credibility by comparing how low their advertising budget is relative to revenue. The lower the ratio, the more credible the brand must be!
http://hermawan.typepad.com/blog/2007/06/banyan_tree_fro.html
In luxury, that's what we call brand equity!

Made with love

We like to believe that the best we can buy has been made with love. Great brands start with exceptional products or services. We do not only buy into these products and services, we buy into what they represent, what experienced value is attached and how it expresses this. The most important over-riding factor is authenticity. In luxury, the basis of brand equity is authenticity. If the product or service is genuine, we can develop genuine feelings towards it as well as its creator or marque. This authenticity then is totally derived by the input of those behind the product or service as well as their heritage or the heritage of the maison in terms of know-how, philosophy, materials and all other steps and small details that lie behind the product or service. Authenticity comes with honestly, integrity and transparency. It is perhaps one of the most powerful attributes that a brand can offer in order to be trusted. There is no price to pay for this and the creators or houses that are true to their values will earn and continue to reinforce their reputation for authenticity over time.

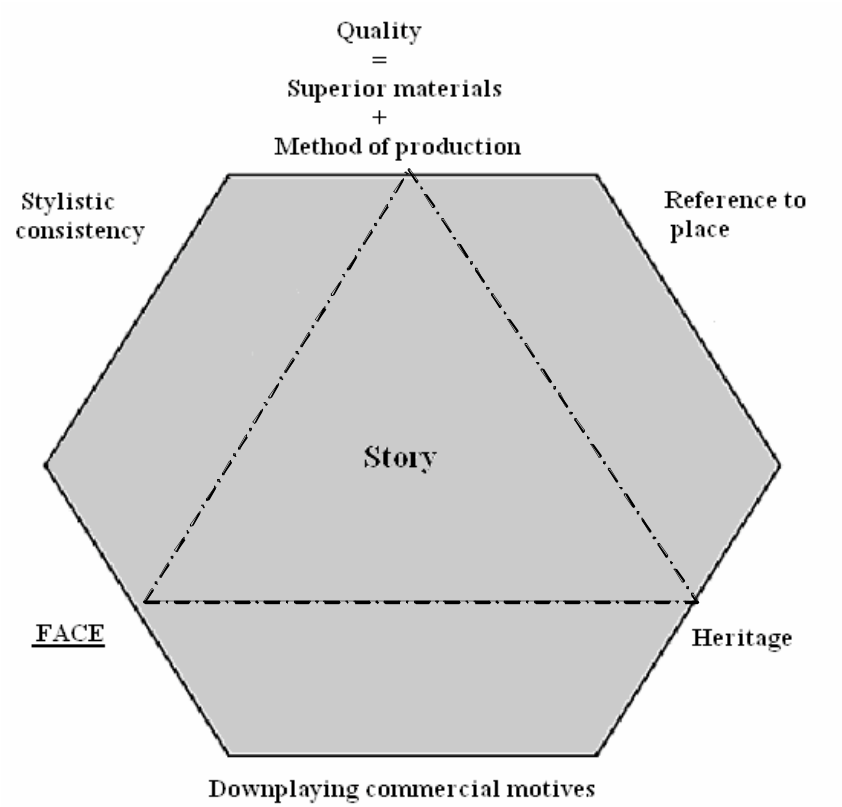
Authenticity-seeking is becoming increasingly important in our turbulent times and has become the major strategic tool for many Haute Luxe brands. All brands but Luxury Brands in particular will go to great lengths to present their brands as authentic by emphasising their bespoke services, made-by-hand and their heritage which can begin to cloud the judgement of consumers who seek truly authentic brands. However, if these brands are not truly authentic, they will be caught out in a matter of time because consumers are quickly becoming connoisseurs in categories that interest them. The internet offers them more information on your brands than you could ever imagine. And you can only lie once. That does not mean you can never use fake imagery. The Ice cream brand Häagen-Dazs is not a Nordic brand, it just sounds like one and we like that. We like the fact that they never lied to us. We also know that the Marboro Man is fictitious as is Harry Potter, but these brands remain true to their values.

Gucci who persists with its myth of having a heritage in saddlery, cannot be forgiven until they stop or start making saddles. Authenticy is derived from sincerity, sincere motivations, a sincere promise and a sincere story. If the brand is purely about storytelling and no substance, they will never make it up the hierarchy to the status of Hate Luxe. Haute Luxe is grounded in substance. The story told by a brand, if bought into by the customer, may add to that customer's personal story. But it goes the other way too. Should this customer be a celebrated guest, there's a good chance that this guest will become another layer in the brand's story. We are back to relationships. How would you feel about your loved one if you found out that that person's life story as had been told to you, was a total lie? Even if just part of it was. Respect declines, as does trust as does love. You feel

betrayed. How many customers will feel betrayed by their luxury brands the day they find out the whole truth. Some may forgive but they won't forget. Others will abandon your brand.

Brand stories are easier to copy than authentic truths. Take Vuitton's story of travel that evolved to 'Life is a Journey' and then to a very poetic excellent tv commercial which shares the pleasures of travel with short lines as follows: "What is a journey? It's a process 0f self-discovery. Does the person create the journey .. or does the journey create the person? The Journey is life itself – where will life take you?" It did not take long for former Vuitton CEO, Marcello Bottoli to grab the "Life is a journey" tagline for the lower-end Samonsite brand that he now runs on all the Vuitton tricks he could lay his hands on. Perhaps they were all his ideas in the first place but the brand that suffers in reputation, although not in sales, as a result, is the 100 year old trusted Samsonite brand that used to stand for strength, reliability and originality. Vuitton's heritage and authenticity cannot be copied by Samsonite but it can be destroyed by Vuitton itself.

Hanna Virtanen in her Master's thesis in International Business ("Getting Real: Authenticity in the Personal Luxury Market") developed an interesting hexagon outlining six attributes that she found to be used in crafting authenticity into a luxury brand story, these are: location (reference to place), narrative history (heritage), action (materials, know-how), innovation (stylistic consistency) and element of danger (commercial motives), and face (creator). All of these attributes have been discussed in some depth throughout this book and therefore will not be repeated however her findings provide an interesting summary of typical brand stories that we see in the 'personal luxury market' today although her research was primarily based on the brand stories of Vuitton, Cartier, Gucci, Tiffany, Armani, Bulgari and Versace.



Although the hexagon is not something I use, it does make a contribution to the BrandLove Relationship model that I will be using in the next chapter not only to summarise the critical success factors pointed out in each chapter but more to help to evaluate competitive communication claims against those of our own marques. It is this model that can be used to provide a quick Health Check on your own brand's DNA.

STEP 12 HAPPILY EVER AFTER

We will have a relationship beyond my life

For many of us, Disney is our first luxury brand. It makes us dream of a better life. Little girls dream of the handsome Prince who will come into her world and whisk her into a life of love and luxury with a happy ending. Little boys dream of being the Prince. We learn that there are evil people in life and most of us would love to have a fairy godmother that could help us out. We learn that there is someone somewhere who will love us, that if we are good, good things will happen to us and we learn that we should hold onto our high standards because that's what will help us to find the ever lasting love and happiness that the world has to offer. And why should we stop believing in this?

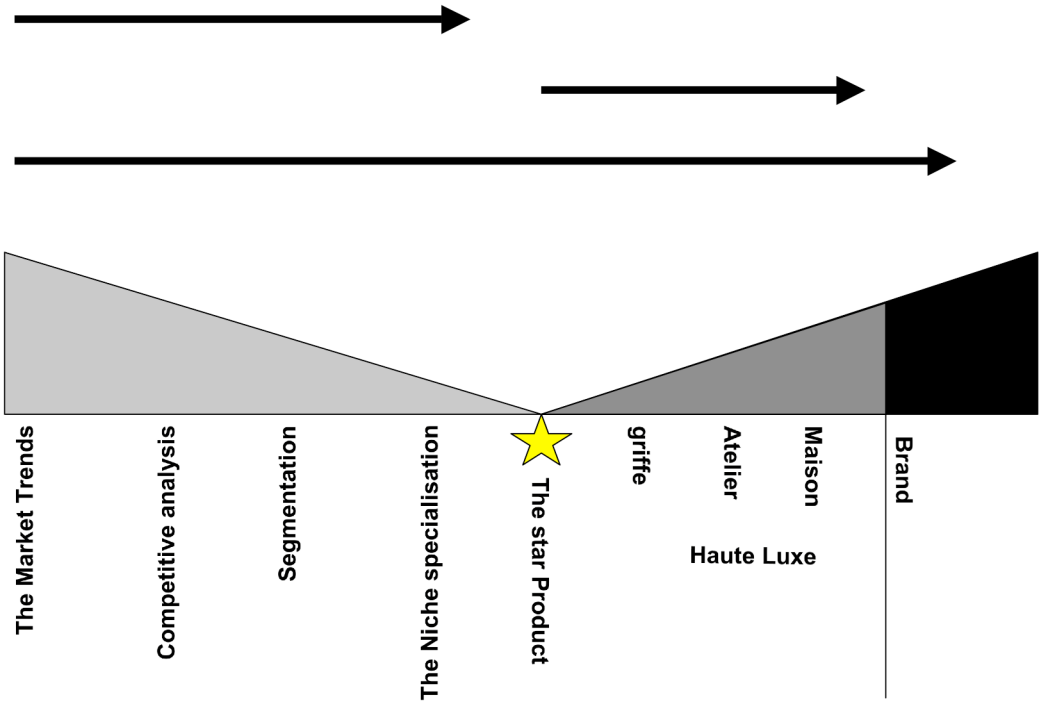
Too often though in the luxury branding field, we don't find the customer or customers that we seek. We don't get the acclaim that we deserve and we end up doing something completely different to survive. Here's where the tools of Marketing and branding in particular come into play. They may seem like the ugly sisters of the luxury world but they are often in fact, the fairy godmother that the passionate creators need. The 'tools' may be primitive and imprecise but they are derived from real life situations and lessons learned thanks to the pioneers who followed their intuition and either succeeded or failed as a result. We have learned something from them. They helped to create our fairy godmothers. The fairy tale without the villains and the godmothers would not enable us to appreciate the happy endings.

To bring this back to branding, anyone can succeed in creating a great brand, with or without any knowledge of branding however it certainly helps to be pre-warned of the pitfalls that may await you. It is far safer to know these things before starting out. The branding tools are there to help in three stages: before, during (the kiss), and after (you know what).

Before Birth

The most important stage is the brand's life is the preparation stage. This entire book has been primarily about that, about planning your life and your love story, even though things rarely go according to plan – there are always those evil predators out there wanting to steal your dreams. This pre-birth stage is where all the most important branding work takes place. Just as an Architect and Engineer do all the planning before building the house, we too must too that. The last thing we want is to start building the house only to find that we need a skyscraper. Think it through thoroughly before starting.

We may have a wonderful super-talented designer or craftsperson making wonderful wow items. The designer could already have become famous. Perhaps it is all we need to start out with but there is still no excuse for ignoring market trends, what our competitors are doing and what consumers are buying or looking for. For big companies, market size is one of the key aspects in deciding market attractiveness. To the small luxury business, market growth is the most important factor. Undertaking formal market research, a simple observational study as well as a review of global press reports and the additional input from key buyers will quickly tell us what people are buying today. If we also know what they bought yesterday, we should be able to guess what they will want tomorrow. When we analyse the similarities of what people are buying from our successful competitors as well as identify the commonalities of brands that they have abandoned, we will be in a better position to know what we should or should not be doing. The 'should not' is more important than the 'should'.



Fifi Chachnil, the Parisian lingerie designer once known as a singer, does not believe in looking at what others are making or selling. She has her defined universe and creates what she feels like making. The prototypes are shown to buyers and orders are taken in advance of production so risk is limited anyway. It's a personal choice. Many artists do not look at what other artists are doing either but when one is producing in order to sell, it is better to know what is going on in

the world around you. It helps to minimise risk as well as to find opportunities for growth.

The illustration above shows how the thinking begins with broad information and evolves into competitive intelligence following our analysis of the information. It shows how we begin by looking at the broader picture until we finally narrow down to the niche that we feel we can dominate and use to begin building our reputation. Going back to our tree analogy, this is the point where we decide what kind of tree we should plant and where we should place the first seed. We are in fact placing seeds in people's minds. The diagram also shows that some, like Chachnil, ignore this stage and start with the product.

No competitors?

Now let's examine the story of a new brand in a different category. The toughest challenge lies with brands that are created by innovators or visionary creators, for the pure love of the creation when there is no obvious market trend or need for the item. The Swiss (Richmont-backed) high-end Roland Iten *mechanical luxury* brand *for gentlemen* provides a great example.

"Roland Iten makes these appealingly complicated belt buckles, able to be dialed in to what appears to be a tolerance of up to one-tenth of a sandwich. But because they're made in Switzerland, each of these precision buckles cost $25,000—or a paltry $15,000 for the steel and gold model. It's a pity, because I think they're quite neat. I'll wait until an enterprising American knife maker starts doing a stamped version for $50," states one website *(http://gadgets.boingboing.net/2008/02/21/roland-itens-*ornate.html)

"Not a watch, not a clock. Not even a timepiece," writes Urich on Watchepedia.com "Roland Iten creates mechanical accessories. The belt buckle is a work of genius like nothing you have seen before. It's the ultimate accessory for the man who wants everything." Urich goes on to explain Iten's design background, materials used and other products that are available including soon, a watch with a very special casing. "As much as I like watches for their design, mechanics and functionality, I like this belt buckle." And goes on to add, "I would like to have one someday."

The brand offers limited and bespoke "mechanical jewellery" collections in solid gold and other precious materials available only through select retail partners worldwide. All collection pieces are manufactured utilising the finest hi-precision mechanics processes of the Swiss watch making industry and based upon the original ideas and concepts of creator Roland Iten. Each piece is hand finished combining precious metals such as titanium with inlays of mother-of-pearl, exotic tropical hardwoods and pavé diamonds. Each style is

released in limited, numbered series and carries an individual serial number that provides a record of both origin and authenticity.

Roland Iten recognised that men love mechanical objects. But “until he designed the world’s first mechanical belt buckle for in 2003 men had very few choices in wearable precious mechanics. Their watch ? What else” asks Roland? So he carved a new niche in the luxury goods industry and described it as *Mechanical Luxury for Gentlemen.* But how big is the market, where is the market, how many James Bonds are out there? When there is no obvious *need* for something, it must be pure luxury, Grand Luxe at its griffe and atelier stage, pre-maison. Perhaps it would help if Iten established his own maison just as the luxury mobile phone brand, Vertu has done. Perhaps Iten should be exhibiting the work as a piece of art, but where? Would the brand be better off adding watches, desk luxury or high-end vibrators in pure plantinum or gold to compete with San Fransisco-based sex toy brand JimmyJane that sells only through high-end fashion and luxury stores and internet? Roland Iten is pure indulgence, driven by creation not by commerce, or is it both?

The creator needs to be discovered. It helps to have the support of the media who are expressing a desire for it but without a product placement in a James Bond or similar movie, it will not be an easy sell. There must be an oligarch or two out there who would appreciate this fun device. As Urich says, ”Each of his designs are fun, you can have fun with them. Showing them off or just playing with them.” Fun can sell, but how to be discovered remains the challenge for Iten. It doesn’t help that Iten is not a household name and no-one is seeking the ultimate belt buckle. To collaborate with Tom Ford may be a faster route to the top, just as CHANEL naturally turned to one of the most prestigious Swiss fine watchmakers, AUDEMARS PIGUET to produce the “J12 Calibre 3125" in 18K yellow gold and black ceramic, associating both graphic perfection and mechanical excellence. The good thing is that the mechanical geeks love Iten’s buckle and have a great respect for Iten himself. The sad thing is that many such brands don’t survive long enough to be noticed. A brand cannot survive on love, passion or authenticity alone. Desire must be converted into sales and therein lies the crunch.

You understand me!

Segmentation is a great marketing word that is always mentioned in marketing plans but is rarely used properly. For example, for decades the hair care companies segmented hair types into Normal, Dry, and Greasy and with an Anti-Dandruff problem-solution aspect thrown in. this industry standard was derived from the laboratories where cosmetic chemists were busy formulating for these hair types. These scientists would perhaps have preferred to segment by fine, thick and frizzy hair, but the market slavishly followed without question. Along

came London hairdresser John Frieda who was dealing with hair complaints on a daily basis. He saw that consumers did not see themselves as Dry, Greasy or Normal. They were more tribal in their thinking. A blonde saw herself as a blond, a brunette as a brunette and those with frizzy hair related to frizz problems first.

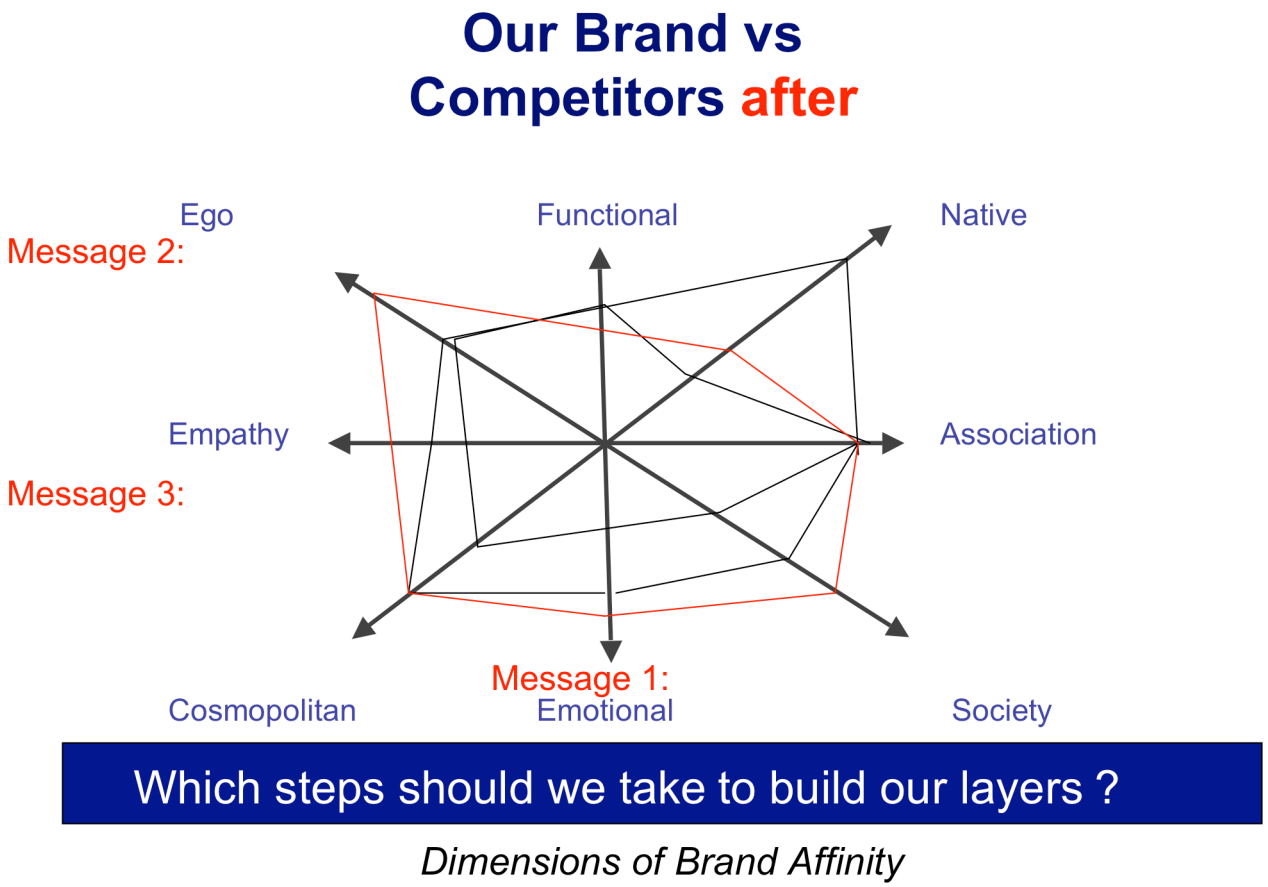
Before the world had noticed, Frieda had rolled out a line of sub-brands appealing to each of these tribal groups and the rest is history. Within a few years Frieda was a success across the world selling at three times the price of his large competitors and before long made millions by selling the brand to the Japanese cosmetic giant Kao. Frieda understood the principles of segmentation. It was simply the groups that his customers identified with and not one that was dictated by the big hair care groups. Segmentation should be about the *consumer's* vision of the world. It's about understanding *their* reality.

The segmentation process helped Frieda to find gaps in the market for niche specialisation. At first the big brands laughed. Ten years later they all changed to follow him. It did not begin with a star product. Admittedly the brand began with a star hairdresser but because he understood his customer so well, he was able to create a star product for his debut, the now famous Frizz-Ease Serum, which then spread to a Frizz-Ease line of products and was followed up with later with the Blonde line and special shampoos for Platinum Blondes or Champagne blondes and so on. Had designer Roland Iten undertaken such an exercise at the outset, would he have developed the mechanical belt buckle first? Clearly he found an unusual niche but convincing us that we need mechanical belts is not as easy as selling shampoos made for blondes. In Frieda's case, all he would have learned from competitors is that they did not understand their customer's true needs.

You connect with me

Competitive analysis is not only critical for the understanding of consumer behaviour, it is also useful to understand what your competitors are communicating in order to get their customers to resonate with their brands. We have to know this to make sure that we don't do the same unless necessary and to ensure that we make a difference where possible. Here is where Van Gelder's Dimensions of Brand Affinity attributes are most useful. We can place all of these attributes onto one chart and where how our competitors fit into it. We can then plan our ideal brand identity communication model to provide us with a competitive edge. As we would like to generate as much press as possible, it would be preferable to roll out activities that would establish different aspects of affinity for people to relate to, step-by-step. The diagram below shows how we plan to roll out three different messages at different times and in so doing, build up certain

key attributes in people's minds over time. Note, we are still at the Before birth stage!



Dimensions of Brand Affinity

The brand love story in this book began with the visionary creator who makes a star product. The star product is still the key starting point but we are not there yet. As part of our *before* stage, it would also be better if the visionary could define his or her universe. What they stand for, what they love, what difference they will make in the world, what they can bring to the world that is different and can they continue to produce great things within this universe forever? Iten has been smart enough to define his universe as representing *mechanical luxury for gentlemen* and not mechanical *buckles* for gentlemen. So there is nothing stopping him from creating the ultimate Swiss watch that more men may be seeking. We would even expect him to create the world's first belt buckle-watch.

The key question he must have asked was what he could make that would not compete with the watchmakers. In this digital age, what

mechanical luxuries do men want? Not a compass, maybe office toys for the desk, but more probably a special pen. There is no point making mechanical luxuries for which there is no market unless the aim is to make it into design museum and generate press. If Iten wishes to be known as an Industrial designer, then he could have a broader positioning of the Philippe Starck, Marc Newson and Ron Arad kind. But to go for mechanical luxury without being proven in watches first is like launching fashion accessories before going into Haute Couture. A simple Brand Stretching Matrix could be helpful here. He could look at competitors such as haute horology master F.P journe who sticks to timepieces and Cartier that began with jewellery. It's always best to start the brand with a reputation for the best of something that is difficult to copy.

So what is Iten's background and expertise anyway? Research leads us to a blog which claims," Over the course of the last two years, Francois-Paul Journe has been increasingly fascinated by the inventiveness and originality of one Swiss creator of luxury Accessories, Roland Iten. While their backgrounds are different, they share a common passion - to create objects of unsurpassed luxury which are as beautiful as they are ingenious and functional. They began their collaboration with the representation at Montres Journe SA boutique in Tokyo of the first collection sign by Roland Iten, a high-precision mechanical "belt buckle": The Calibre 8 Mark 1 Collection." http://forums.timezone.com/

"The collaboration proves successful and later in the same year, new collections of cufflinks and other mechanical accessories for gentlemen are added to the Montres Journe Tokyo store," the blog advises. "A new expandable watch closure designed by Roland Iten *with* F.P. Journe, is a natural evolution of their mutual respect for each other. Referring to the roundness and asymmetry of the face of a F.P. Journe watch, Roland created a round buckle with a rotation mechanism which allows the pin to rest in 8 different positions (1mm apart) on the way to the center of the closure, thus giving an expansion range of 8 mm, and can be adjusted effortlessly - within the blink of an eye! The deployant is very cool, and we no longer have to suffer with straps that are a little too tight or a little too loose. Now they will be just right!" So now we see the links and perhaps the reason why Iten does not go into time-pieces although he may have to.

Below is how his press release explains his activities and universe:

ROLAND ITEN
MECHANICAL LUXURY FOR GENTLEMEN™

ROLAND ITEN MECHANICAL LUXURY offers limited and bespoke "mechanical jewellery" collections in solid gold and other precious materials available only through select retail partners worldwide.

All of our collection pieces are manufactured utilising the finest hi-precision mechanics processes of the SWISS WATCH MAKING INDUSTRY and based upon the original ideas and concepts of ROLAND ITEN.

Our artisans hand finish each piece, combining precious metals with inlays such as mother-of-pearl, exotic tropical hardwoods and pavé diamonds. Each style is released in limited, numbered series and carries an individual serial number which provides a record of both origin and authenticity.

OUR PHILOSOPHY
INGENIUM ANIMUS ET MANIBUS

INGENIUM
FROM HIS MIND

ANIMUS
WITH HIS SOUL

MANIBUS
AND THROUGH HIS HANDS

Men love mechanical objects. But until ROLAND ITEN designed the world's first mechanical belt buckle for in 2003, men had very few choices in wearable precious mechanics. Their watch? What else? So ROLAND ITEN carved a new niche in the luxury goods industry and called it Mechanical Luxury for Gentlemen™

The RIML 2007/2008 collection is a continuation of Roland's passion to re-invent mundane objects into mechanical objects that men can adorn and it does not stop at belt buckles. On these pages you will find the newest limited collections of mechanical buckles, cufflinks and other unique men's accessories available now.

So where to next for this brand? Belt buckles for high-end seat belts on spacecraft, sportscars and private jets or mechanical jewellery for men? Should he set up his own maison as FP Journe has done? It would seem that collaborations with more haute horology brands or leatherwear brands such as Hermès to build reputation and fame may have been a better move for the inventor than to launch directly into a low-demand field so soon. Analysis of trends, competitive success stories and building reputation are critical success factors to consider prior to starting your own brand.

If the analysis is done well during the *before* stage, one star product is all that is needed to launch a brand fairy tale story of success, but make sure it is a product that is wanted. Too many brands launch with too many items shotgun style in the hope that something will stick - something will sell. If each is highly innovative, it could make sense

but normally soon after launch the range will be sharply redefined to reflect more variations of the items that people seek. Iten too has launched a range of amusing mechanical items and it's quite possible that he could end up producing more variations of his mechanical shoelace clips, but its doubtful. Any new brand should try to start with the aim of being the expert of something. This Iten has defined well - anything mechanical for gentlemen. We know what his speciality is. No confusion except that we don't know why we need any mechanical luxuries other than watches and in that case why limit the brand to gentlemen? Its quite possible that Hermes and Vuitton would love to have Iten create special latches for trunks and handbags.

Included in the Before stage then are Market trends, competitive analysis, segmentation and an understanding of needs and wants in the future. The brand niche is then defined as is its total universe which is followed by the ultimate star product or products to enable the griffe to own this chosen niche. Word-of-Mouth or buzz should be activated *before* launch, either by press or buyers being involved during the creation process or by becoming a star through other collaborative work before launching the brand. To open with a boutique also helps to draw attention to the brand with windows that essentially act as billboards and a maison experience for customers who walk in. Prior to launching, many luxury brands tend to use companies such as Ctzar.com get the buzz going through placements of pre-launched items onto trendsetters, press and other opinion-leaders before anyone can buy the items. However at this stage the brand must already have its strategy in place, play discreet and wait to be discovered before opening a boutique with a lot of buzz. There is no point starting a buzz when the brand story is unclear.

Reinvigorating your love story

As in any relationship, a brand story needs to grow and be reinvigorated over time. Like water, if it does not move, it goes bad. The same can be said for money. A brand must be constantly nurtured in order to remain relevant. Love is the great ideal that we seek but even when love is unconditional and beyond threat, desire is something else. We may love someone wholeheartedly but no longer desire them physically or mentally. It's not even easy to explain because it is an emotional state and how easy can it be to provide a rational reason for an emotional state? Likewise we can love a brand but no longer desire anything from it.

Transparency, integrity, responsibility, and authenticity provide an essential foundation to the brand's internal essence but it won't be enough to keep the relationship alive. There are many predators out there. Even the mass brands are trying to woo your customers away from you. You *have to* keep reinventing your brand.

The tired Pierre Cardin brand must be relieved that the respected artistic director of Paul & Joe, Sophie Albou is now collaborating with the label in order to design around 10 models per season for the brand. Those special collections will be designed in limited editions. It is during an auction that Sophie Albou fell in love with several pieces from the golden age of Pierre Cardin and that is how the collaboration came about. This move could serve to revive the entire brand, but as mentioned earlier, Cardin's brand architecture still needs clarification to overcome customer confusion.

It is very usual for us to come across brand stories that show how a brand was repositioned and relaunched at a point in its life where it became tired or neglected. Many spot their flaws soon after launch when they realise that neither the press, retail buyers or consumers are as excited about their brands as they are. Normally it's not because there is anything wrong with their brands but because they or their communications agency, just did not present the brand story in an effective way.

If you confuse your buyer or consumer, they will not have the confidence to buy your brand. No desire, no reason to buy. Too often, little research is carried out prior to launch and the missing bits only become apparent after the launch. It's for this reason that we find brands being refocused straight after birth. Considering that few may have noticed the birth in the first place, a small window of opportunity does exist to modify the brand offer either in terms of product or in terms of story before anyone has noticed its existance. Below are a few stories that may illustrate this process:

The beauty challenger

At every annual Cosmeeting trade show in Paris, there is a hall filled with new niche luxury beauty brands, some being more innovative than others. It is here where we find the brave entrepreneurs challenging the biggest houses of the world with their unusual points of differences from concept to formula to packaging or griffe. It is a wonderful time to examine a brand's story (desired brand identity) because it would have been very carefully thought through for launch to press and buyers. Its also a good time for a brand to test its story albeit a little late to make major changes. Its always useful to carefully examine a new brand's press releases to see how the company has designed its story in order to introduce it to potentially new users.

Daniele de Winter, CEO of Daniele de Winter Cosmetics, Monaco is quoted in Okonkwo's book as saying," The secret of successful fashion management is a complete blend of Creative Genius and Business Management acumen, skill and resourcefulness." We look at how she started out by examining two old extracts that found published on the internet to see what feelings and insights could be derived from one of

the brands featured in the Cosmeeting's Beyond Beauty « Beauty Niche Bible" that was elected to compete for the 'Beauty Challenger Award' from a jury made up of key buyers and journalists.

Positively rejuvenating
by Lisa Armstrong

DANIELE DE WINTER'S interest in nutrition began at an early age. Her father, the director of radiotherapy at the Royal Sussex County Hospital and a cancer specialist, introduced his daughter to the then radical notion that lifestyle could affect the disease.

At 12 she was in the mortuary: "I thought it would be messy but it was beautiful." By the time she was in her late teens she had co-written a book with her father called What The Doctor Ordered, recommendations and recipes for healthy living, which she followed up when she was 20 with a book called Eat Yourself Beautiful.

So much precocious achievement might presage a stellar career in medicine, but she studied graphic design, took an MBA and waited nearly two decades for her interests to coalesce in a skincare range, which she produces in Monaco where she now lives.

If a line of cosmetics seems a frivolous payout for so much expertise, she is unrepentant. "Staying younger-looking longer is a major preoccupation and the message that you can do something life-enhancing is positive. If you say 'eat right and it might help you to avoid cancer', people don't always want to hear. But tell them they can have more energy and look better and they take it on board. This range helps older women's skin return to the peak performance of youth, but gently. It's not about drastic exfoliation, peels or acids — those all have their place when you're treating acne. But for most skins it's a question of increasing oxygenation, improving circulation and staying out of the sun."

De Winter is scrupulous about her ingredients — hypoallergenic and 90 per cent organic — and determined that they combine the latest scientific research with a hefty aura of luxury. The line is the product of 20 years of research and a collaboration with a doctor who runs three research laboratories in Switzerland. It is claimed to work on the skin's metabolism, using a cocktail of amino acids, flavonoids and vitamin C — and compared with £300-a-jar creams, it's affordable (prices range from £28 to £65).

Nutrition plays a huge part in what she does. She is updating her second book and dispensing tips via her website. "The key is to be positive. When I wrote my books in the 1970s, things were much more prescriptive. Now it's about balance. If you want some chocolate, have some. Stop worrying about weight. Don't put yourself down — it has a negative impact on how you look."

Daniele de Winter is sold exclusively in Selfridges.
www.danieledewinter.com http://www.timesonline.co.uk/article/0,,275-1495430,00.html" .|http://www.timesonline.co.uk/article/0,,275-1495430,00.html

On a separate website http://www.franceinlondon.com/en_brandview_225_Daniele-de-Winter.html" |http://www.franceinlondon.com/en_brandview_225_Daniele-de-Winter.html we find the following:

The Most Fabulous Skin Care in Nature 100% NATURAL SCIENTIFIC SKIN CARE deW by DANIELE de WINTER is a revolutionary new beauty range from Monte-Carlo offering 100% natural scientific skincare. DANIELE de WINTER's unique six-product skin rejuvenation range is available at the famous department store Le Printemps Haussmann in Paris, Selfridges in London and will launch in Autumn 2004 in prestigious beauty salons throughout Europe . Developed in Switzerland the "deW" range is the culmination of twenty years of dermatological research in Swiss institutes. Each unique, hypoallergenic product represents a source of concentrated natural energy for the skin. Regular application of DANIELE de WINTER (deW) has been shown to improve numerous skin functions including skin oxygenation, skin hydration, cellular regeneration and collagen production. DANIELE de WINTER has developed into an international brand in less than one year. After launching at Printemps Haussmann in Paris and in leading perfumeries in Monaco, the deW range launched at Selfridges Dept. Store in London.

These two stories were presented to international MSc students at two leading Business Schools in France to see what they made of it. Overall, the results were very similar. Without having seen the physical products, the students raised the following questions:

- Was the name a real one or a made-up one? The link of the French aristocratic *de* with the presumably Germanic or English name *Winter* made some distrust that such a person exists. Some thought that the Daniele was a man, not knowing that it is one of the ways to spell the French female version of the name Daniel. Some suggested that it could be a brand name created for a prestigious line of products for winter use.

- What is Daniele de Winter's expertise? We see that she is an author and daughter of a cancer research radiologist so is this brand an anti-cancer skin care line? We see that Daniele has been an author since her late teens but her first expertise in beauty begins with her book, *Eat Yourself Beautiful*.

- We then read that she studied graphic design and business. We don't care about her MBA. What does she know about skin? So now we feel we are dealing with a creative businessperson with knowledge of nutrition so we would expect to see a line of nutritional products but we don't feel a skin care expertise coming through. We would have preferred her or her father to be dermatologists. The message," *eat right and it might help you to avoid cancer"* is not the main reason we would choose to buy a skin care product.

- *"a skincare range, which she produces in Monaco where she now lives"*– Where she *now* lives? Not from there? Is she not a Monegasque aristocrat? What is she doing there? Hiding money? Where is she from?

- We do like to know that De Winter is scrupulous about her ingredients — hypoallergenic and 90 per cent organic. But then the next press release states," *offering 100% natural scientific skincare* ". So it the line 100% Natural, 90% organic? We are confused. Where do the brand's natural ingredients come from ? Where do the organic ingredients come from ? What is so special about them, what is their story ? Why 90% organic and not 100 ? Is it just the water in the formula that is 'organic' » ?

- What we also find strange is that the line is the product of 20 years of research – after 20 years should she not have discovered something earth-shattering like nanotechnology? Or is it a cover-up for a time that she may have been married and lived as a housewife? What has she been doing for 20 years? "and a collaboration with a doctor" who? What is his reputation? "who *runs* three research laboratories in Switzerland" – someone who is a factory director? Another businessperson? What has he invented? Who does he work for – a famous brand?

- *" It is claimed to work on the skin's metabolism"* – no proof?

- *"DANIELE de WINTER's unique six-product skin rejuvenation range"*, ah! It's a skin rejuvenation range. Why is it better that Dr. Perricone and other dermatological lines? They must be chemical formulas while hers is not, but is hers as effective? "*has been shown to improve numerous skin functions"* – where, what?

- From Monte Carlo, Monaco and somewhere in Switzerland. The brand Monte Carlo makes students think of Formula 1, tennis and casinos. Monaco makes them think of Princess Grace, Russian bling shoppers, tax haven and feels old-fashioned and sleazy.

- Sold in Department stores London, Paris and Monte Carlo, three stores in total. How do they survive?

Now that's how *brand image* begins to work. Consumers are unforgiving. Confuse them and they distrust. Not one was saying, oh yes, I'd like to try those products. The story did not engage their interest, even if the products may in fact be fantastic.

What should the brand be communicating?

Insights

As a starting point we may ask the following :

- Do we have a griffe ? Yes, there is Daniele, we have a face but what does she do ? What is *her* griffe? Well, she is an author and knows about nutrition. Can we bridge the gap between nutrition and beauty ?

- Do we have a heritage ? What is her skin care expertise ? Who is the research scientist behind the formulas? Do we want him or need him in the story ?

- Does the brand have a maison ? No. Could we make one ? Yes. Should it be a shop, an apothcary, a beauty institute, a laboratory in Switzerland, a spa or a medspa ?

- How do we justify the 20 year gap ? Would it not be best to drop this altogether, otherwise a major breakthrough is expected.

- How do we justify the rejuvenation claim ?

- Which place would be better to associate with ? Monte Carlo, Monaco or Switzerland or other ?

Step 1. What are the trends ? Which brands are people buying today and why ? Which are they abandoning today and why ?

Competitive research is unavoidable. Imagine that after analysing all the new best selling niche brands we find that what they have as points of difference is that they are Doctor/Dermatologist-driven with medical journal papers to prove that they work at one end of the spectrum and Organic natural products at the other end. The De Winter brand cannot compete head-on with the Dermo brands but it can challenge the Organic brands however, some organic brands such as 'Doux Me' are already 100% organic and the deW brand is not. The brand can try to move towards 100% organic but we won't be the first. We are forced to look deep into Daniele herself and give her a focus and expertise. After all, she embodies the brand.

At this point we must ask ourselves which important health and beauty nutritional trends we have noticed of late. Oenobiol, the French brand of beauty supplements created by nutritionist Dr Marie Béjot was created to 'respond to well identified nutritional needs of both men and women', in the form of vitamins and liquids. Also on the 'neutroceutical' trend is a brand created by L'Oreal in alliance with nestle called Inneov. The products are 'designed for daily use and the dosages take the form of pills, unit doses or innovative galenic shapes to improve the health and beauty of skin, hair and nails'. But in this day and age, who wants to swallow anything processed ? We have

become accustomed to drinking Japanese Probiotics such as Yakult in little ‘shot’ bottles. Living food !

Wouldn’t we prefer drinking beauty shots to swallowing pills? Daniele has the credibility and reputation to do that. At last, we may have found a way to link her nutritional background to her skin care line. We just need an easy way to explain the ONE thing that the brand stands for, Inside-Out Beauty ! Daniele must become the world’s leading expert in the field. As a published expert, the credentials are there but we need to find a ‘positioning’ description to sum up her unique expertise. Could Neutri-Dermatology work ?

But what about the maison ? There is no maison ? Should it be an Institute of Neutri-Dermatology ? A boutique ? An Inside-Out Beauty spa ? Spa fits well and is on-trend. Where should it be ? Not Switzerland, too many brands have that. Switzerland is good for the laboratory heritage. Monaco sounds better than Monte Carlo but the nutritional ‘beauty shot’ expertise comes from Japan. Why not have Monaco, Tokyo on the packaging ? It adds far more mystique than London Paris New York. Let those in the big cities wonder why theirs was excluded. With Tokyo, Daniele can capitalise on the popularity of suchi and the Nobu restaurant in particular. Spa cuisine too is still a new trend and here she could have a chance to develop an Anti-Aging Spa cuisine which fuses Japanese with Monegasque cuisine, organic of course.

With an Inside-Out Beauty Spa, Daniele can introduce Inside-Out Beauty Spa Cuisine, and write a book containing recipes and skin care advice! The book will establish her expertise. The spa could be in the mountains of Monaco which gives a pure and healthy, organic food image as opposed to the bay lined with luxury high-rises, yachts and Ferraris. The brand could introduce day spas in chic hotels and franchise the Inside-Out Beauty Spa concept to expand worldwide !

If one visits the Daniele de Winter site today, one finds a strong Inside-Out beauty positioning and a brand with growing distribution worldwide. As a result, this case can no longer be used to challenge students. This is how brand identity should be created, bit by bit. A story on top of a story, but at no stage should the story be top-heavy without substance to support it. As with art, there should be a story behind each piece, and more often than not clients even add a story of how it came to be in their possession. This makes them more emotionally attached to luxury brands than to cheaper, non-branded items. Each creation, each season should have its own unique story. The creator, the source of inspiration, the source of the creation’s materials, the way it is made, the more you know, the more you can share. The more knowledge you share, the better. We want to know. Each creation should be respectfully treated as an individual with its own unique history with roots derived from the same family (maison).

Like a big tree, it needs big roots to hold it. Nice, strong and deep roots. The *maison is a tree*, its *heritage the roots* and its *creations, the flowers*. Your brand DNA needs to provide the potential for growth in depth, height and breadth as well as offer the same longevity. Weaknesses or lies could serve be the ulcer of the brand. To make your brand dreams come true, you need to add roots to the story that are true and grounded. Give real substance, credibility and authenticity. It will not surprise the reader to hear that Daniele de Winter's most recent book is entitled « Inside Out Beauty » and that the products were soon repositioned to fit into this universe and has since expanded globally. I hope that the above insights will inspire her further.

It should also come as no surprise to the reader that the phenomenally successful Borba skin care line for men, which was launched after De Winter repositioned her brand, is a digestable skin care line. Its launch came with the motto, « Healthy skin from within » consisting solely of liquids and candies to digest, all calorie and carbohydrate-free. « The top selling US brand, available at Sephora stores, has created a line of products that you actually eat or drink, including nutrient enriched drink mixes which are proven to decrease facial wrinkles by 28% after month's use » it claimed in the press. « BORBA Nutraceuticals address the skin's inner needs with an evolutionary new approach to skin health to transcend the Health & Beauty with the first on-the-go skin treatment designed to... » it continued. A few brands on the same track can help to make a trend happen.

Growing Roots

We have used the analogy of the tree and how we should find the ideal place to plant the seed. We now also need to make sure that our tree has a solid foundation to allow it to grow. Here is where all the brand reputation factors come into place. There is no point building a brand identity without ensuring that the brand has a solid foundation upon which it can build a reputation and develop its personality. Sicco Van Gelder (x) has identified six major aspects that tend to be used to provide brand reputation and thereby support the brand's authenticity, credibility or reliability. Brands often emphasise one more than the other, but many can be used simultaneously too. These are:

Pedigree – often connected to a region, a legacy or a founder. It implies to consumers that the brand has special qualities that cannot be matched, for instance the Champagne region in France, Ferrari's legacy of motor racing or the legend of a designer such as Dior. What should be included of course are family reputation, person or brand under whom apprenticeship took place.

Origin – similar to pedigree except that it is not as product or category-specific, for instance the attachment of the city brand Paris to L'Oreal or the country off origin effect that the brand Germany brings to any engineered products, and Swiss to timepieces. These commonly held beliefs can take the form of stories, myths, expectations and even propaganda. As these are not as focused as Pedigree qualities, they are easier to copy.

Quality – earning a reputation as offering services or products that are of exceptional quality. For Luxury Brands this is a basic entry point. Take Volvo with its reputation for safety in the mass market. In the luxury market, safety is just a starting point. For Haute Luxe brands, it takes factors of durability, reliability, after-sales service and resale factors to the highest possible level.

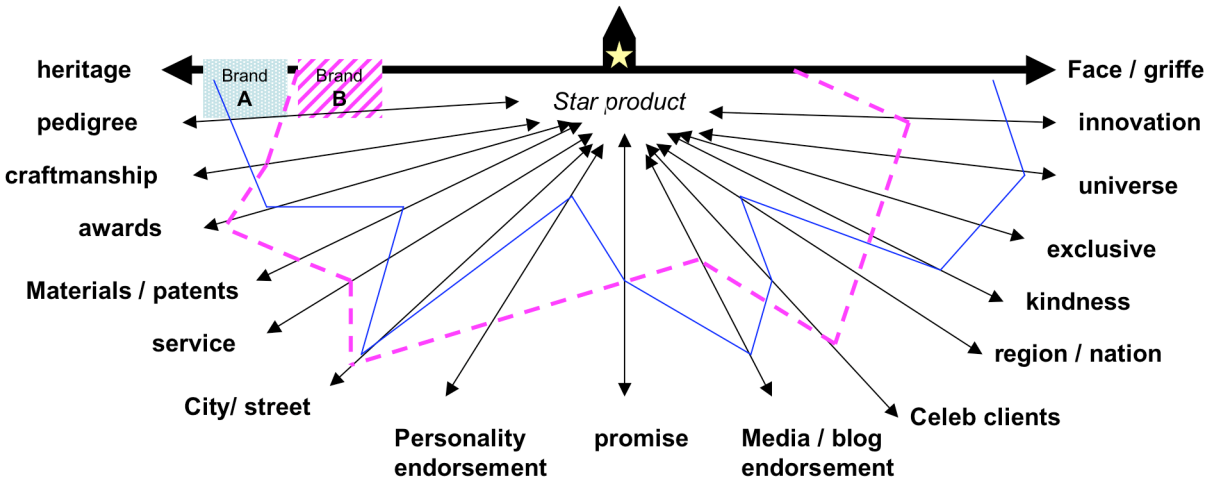
Promise – Brands built on promises often have a non-category specific promise such as Virgin with its promise of fun and innovation or Banyan Tree's experience promise of theatre, romance and intimacy.

Endorsed – normally by trusted bodies from complimentary bodies such as medical professionals for skin care or the dental association for tooth whiteners. Journalists and even specialised bloggers can be very effective category-specific endorsers.

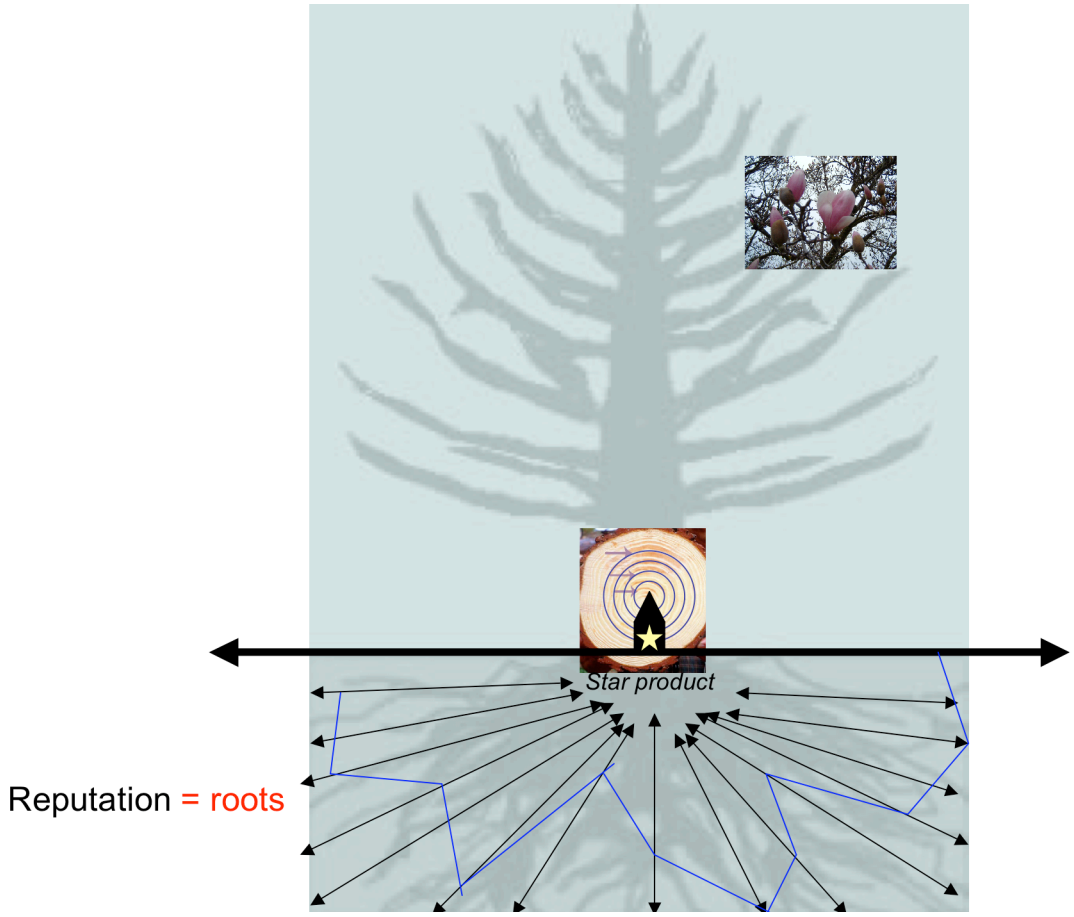
Personality endorsements – normally found more in the mass market where they need to pay celebrities to say things like, "because I'm worth it." Rolex as a luxury brand without the depth of heritage to match that of the haute horology brands, resorts to celebrity endorsements such as Tiger woods to make a statement of 'precision.' Celebrities, like models, are often available to all and are weak foundations upon which to build a luxury brand on top of which, if the personality is found dabbling in illegal activities, your brand risks being damaged by association.

If we take the key reputation building blocks outlined by Van Gelder and add them to certain Brand image DNA success factors mentioned throughout this text, we can design a rough model to compare the roots of our competitors to those that we wish to have in our own brand as illustrated below:

Roots of Brand Reputation



For the entrepreneur wishing to create a new luxury brand, the message is clear: Make sure you have what it takes to make that wow product or service - an expert artisan and/or a visionary or both-in-one then add business acumen. The 'wow!' and the 'who' can be what makes the critical difference between your brand and another. Together they are *griffe*. The importance of *griffe-with-face* cannot be under-estimated (although Margiela has proved that a hidden face can add to mystery, his *name* is not hidden), and neither can the importance of the maison. Luxury begins there. Clearly not all the roots can be laid down from day one but its strategically useful to have a clear idea of what your tree will need to be and what roots it will need to support it. Then, you start with your tree-building or house-building activities building branch-by-branch.



DURING

The *During* phase in when your communication kicks in. Story-by-story, root-by-root, branch-by-branch. Never all at once. It is here where the rest of the classical marketing Ps come into play including a few others:

Product – this has already been dealt with. It must bring something new to the world.
Price – It should be priceless. In luxury, as in art, the price is what is feels it is worth to the one who appreciates and desires it. Is it rare? Are the materials special? Who made it? How long did it take? What is the story behind it? Why was it made? Who else has one? How personal is it? Can competitors offer better? Is it worth it?
Promotion – another dirty little word in luxury. Never price promote unless it's a show-off price such as the "Million Dollar Shoe". Events are always welcomed. They should never be 'to sell' but to share something exciting.
Place – Ideally you have your own boutiques or you are in stores, streets, cities, websites or other places where you have some control on your environment or trust the one in control to support and protect the image of your brand with unconditional love.

Perishability – this is key for hotels, restaurants, airlines or other where empty seats or empty rooms means income lost forever. Ensure that you find ways to have customers during the traditionally quiet periods. Be smart about what you offer to attract them.
Physical Presence – Make your service/kindness visible and that includes philanthropic commitments. For service brands that we cannot see, such as the Conceirge Service offered by luxury phone company, Vertu – find ways to have your concierge visualised. Already branding this service helps. Using a physical image in an advert is useful too. Most service brands aim for retail outlets to give a physical presence and a reminder that they exist.
Positioning – this good old word is now being considered as one of the P's of marketing however it should exist conceptually prior to the product being created and it really develops into the Brand Image DNA in people's minds over time. The entire brand tree is about positioning. Branding is ultimately about the positioning of brand attributes in people's minds. Branding is about perceptions meeting reality. It's when we are not happy with these perceptions that we need to change the reality.

The key is to know who you want to *attract* as a customer but more importantly, who you wish to *keep* as a customer and who you have *lost* as a customer. This chapter has aimed to show how certain critical success factors mentioned throughout the text can allow you to do your own brand *health check* before launching – is its heart working, is its lungs working, does it have a soul? And do you need to modify its DNA identity? This book cannot provide tools for developing intuitive feelings but it does show how key *insights* can be had.

For the *During* phase, it about what you do to give your customer the ultimate experience whilst they are shopping. Location and convenience, surprise, impact, innovation, presentation, range, clarity, impulse, the personal service, kindness, mood and intimacy all come into play. All the senses need to be activated. Art helps as does often a subtle signature fragrance, music and attractive staff. In terms of our love story, here is the moment of the first touch, the first kiss with the brand, the beginning of what could be a relationship for life. Perhaps these factors will be covered in a follow-up book. Already there are many sensory branding and retail books with masses of advice for providing clients with the ultimate inner-brand experience. Suffice to say that if you are clear about the universe that your brand represents, everything else becomes easy. It is here where successful retailers are grand masters.

What is often overlooked by luxury brands is the website. In our times, the website is a key driver. It's both the inner-brand experience as well as the carrier of the entire brand story, the whole tree, roots and all, as well as the important interface to dialogue for clients. It is no longer just the shop window to the brand. In many ways, it has

become the brand. Your site becomes your flagship maison whether you sell directly from it or not. When we are in it, we are 'chez vous', in your home. Treat us as welcomed guests. Show us that you love us and that you care. If you are prepared to hire the world's greatest architects to design your store, then why not the world's best web designers to create your main store, albeit a virtual one. Your website must play an integral role in your brand story. It's just as cool or even arrogant not to have one! Hotel Costes avoided having one for many years. Now they half have one, just to sell their product brands and their line extensions. The rest, such as the core brand, the hotel, is not for the masses to view online, they probably want you to discover it, but once you are there, you won't want to leave.

How do you keep love going? How do you keep your partner interested? How do you reinvigorate the flame, and keep them engaged? How do you keep that person loving you and desiring you? It's so simple – change and keep changing but don't grow out of the relationship, grow in it and with it. Stay consistent with regards to your personality - its why the partner fell in love in the first place - but continue to better yourself and your values over time. Surprise, surprise and surprise. Share, give, and stay exciting. Some brands survive on attracting one-night-stands, others survive by building families for life and for the life of dynasties. Which would you prefer? Let's look back at the relationship steps covered in the text and remind ourselves of all the things we can do to keep the flame alive and to fend off the predators. If your brand is equipped to manage these stages, you are equipped to live happily ever after. In luxury, it is so much about the after-sales. Luxury customers may only shop once a year, so let's hope that they will be loyal to you. Some brands succeed very well with just one customer per month. Don't lose that customer! Keep evolving and stay exciting.

Branding UP - from Mass to Luxury

Those in the Haute Luxe field have shown us the importance of putting a face and a place to a brand, their reputations, heritage, expertise, friends, lifestyle, passions, current experiences, dreams, philosophies, values and more. Industrial brands have understood that language too. Where possible they are trying to add these elements to their brands to improve their reputations, but there will always be some limitations. For instance the Dove brand has shifted away from being a mere supermarket brand to that of a maison brand by having established the Dove spa. The more we see the spas, the less we will think of Dove as a 100 percent synthetic detergent brand produced in a washing powder factory and the more we will consider it as a natural brand formulated for spas. Where they cannot emulate haute luxe is in attaching a human face of the creator to the brand, so instead they use yours. Today we see L'Oreal's Lancome brand rushing to open

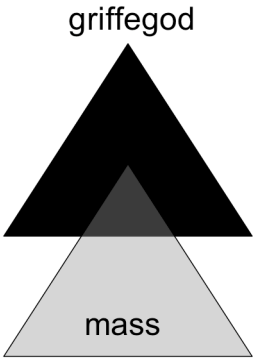
spas too in order to defend its heritage but its not just through maisons that mass brands manage to brand upwards.

In the late 80's when Nivea UK was under threat from The Body Shop offering basic skin care perceived as natural, it was time for the brand to move upwards keeping its natural woman image but discarding its general purpose cream and lotion image to go into specific skin care such as Nivea Visage with high tech formulas that The Body Shop could not match. Considering that Nivea's European owner Beiersdorf also owned Switzerland's most respected laboratories that produce La Prairie, the brand had no shortage of advanced formulas to choose from. With the launch of Nivea Visage the brand image leap-frogged ahead of its mass competitors into a volume-prestige area that began to encroach on many complacent luxury brands offering less effective formulas, many of which are no longer on the market. The rest is history. Today the brand is the number one skin care brand in the world.

The last thing that Nivea ever expected was to be attacked by a soap bar. For one hundred years, Nivea had maintained a strong dominance of its market but then Dove came along to haunt it. The Dove brand shares key points of parity with Nivea. It shares a blue and white packaging but keeps it predominantly white so it loks even purer and less fragranced or greasy than Nivea. It also has a neutral signature fragrance and uses the symbol of the white dove of peace to equalise with Nivea's purity image derived from its white formula and name which is derived from the Latin word for snowy or white, *niveus.*

Dove - which apparently cannot call itself *soap* because soap implies something natural while Dove is totally synthetic and known as a syndet (synthetic detergent) in the industry - launched with the claim of "one quarter moisturising". Consumers began to perceive it as a moisturising soap. What's more, borrowing the luxury language more associated with brands like Clinique, the 'soap' was referred to as the Dove 'Bar'. It then naturally expanded into shower gels, body lotions and hair care products, but clearly it is keen to attack further upwards into the fast-growing anti-aging sector, but it could never do so off the back of a simple low-end detergent product brand.

It *had to* leapfrog into a House Brand to prepare for this. With its spa, the brand gains instant credibility to introduce anti-aging and other specific skincare products. If it expands its spas into key cities around the world with such brands, it will be well poised to introduce these brands into the mass market at a later stage and at a premium to Nivea. Nivea's only choice would be to establish a house brand itself. The recent Nivea Hause in Hamburg is a step in the right direction but 'hause'? Why not simply a Nivea Institute with in-house dermatologists to remain one step above the basic spa wellbeing concept. But where's the face? Wouldn't we trust Dr. Perricone first?



Luxury runs in the opposite direction to gravity. Trying to create a luxury brand out of a mass brand is like trying to push water uphill. Virgin has managed to do so. We have seen how Richard Branson evolved Virgin from a simple mail-order brand up to a high-end luxury travel brand. Vuitton will produce the seat covers. At first the Virgin red were used as the logo but it looked more like a computer game than a serious luxury brand. The logo was redesigned by Philippe Starck and now smartly uses an iris as its symbol with Virgin shown in professional white on black colours. He was also wise enough to stick to his umbrella brand architecture using Galactic to give the sub-brand a distinct personality within the Virgin family. Brad Pitt and Angelina Jolie are said to have purchased the first two tickets.

If there is one lesson to learn from this it is that of the power of griffe. It is doubtful if faceless companies such as Sony or Samsung could have ever achieved the same impact and success as Branson. The man is a true visionary and has the charisma and power to bring people along with him to share his journeys. We can compare this power to that of Presidents of nation brands however as Presidents are elected and do not often survive many years at the helm, it is more realistic to compare this position to that of the Queen of England. The royal family are the griffe of the nation and not the elected ministers. Griffe and their brand should be inseparable.

We can however always find more examples of brand up-grading failures than successes. Some selected examples of each are examined below :

Fate-on?

The Volkswagen Phaeton (pronounced "fay-ton") is a large luxury sedan manufactured by Volkswagen. It serves as the flagship of the Volkswagen line-up, competing with other high-end flagship sedans such as the Audi A8, Jaguar XJ, BMW 7 Series, Lexus LS460, and Mercedes-Benz S-Class. The Phaeton was the idea of Volkswagen chairman Ferdinand Piëch, who perceived the addition of such a flagship as a means to burnish the Volkswagen brand. Piëch wanted VW engineers to create a car that would overwhelmingly surpass the prestige market leaders, Mercedes Benz and BMW. The decision to release the Phaeton was, in part, a response to Mercedes' decision to compete directly with VW in the European marketplace with the low-cost A-Class.

Initial development of the Phaeton began with Piëch giving his engineers a list of ten parameters the car needed to fulfill. Most of these specifications were not made known to the public, but a number of them were told to automotive reporters. One of them was that the Phaeton should be capable of being driven all day at 300km/h (186mph) with an exterior temperature of 50°C(122°F) whilst maintaining the interior temperature at 22°C (71.6°F). Piëch requested this despite the Phaeton's top speed being electronically limited to 250 km/h(155mph). Another was that the car should possess torsional rigidity of 37,000nm/degree.

The Phaeton's platform, the D1 platform, is shared with the Bentley Continental GT and Bentley Continental Flying Spur. The Phaeton is hand-assembled in a distinctive eco-friendly factory with a glass exterior, the Gläserne Manufaktur in Dresden, Germany. This factory also assembled the Bentley Continental Flying Spur until October 2006, when assembly of the Bentley was transferred to Crewe, England. Development of the vehicle led to over 100 individual patents specific to the Phaeton. Distinctive features include a draftless four-zone climate system, 4 compressor air suspension system, standard 4-motion all wheel drive and the ability to select your preferred ride type from comfort to sport.

Much like its older cousin, the Volkswagen Passat W8, Phaeton sales fell short of expectations, largely due to perceived brand prestige not being commensurate with the vehicle's high cost. In the United States market 1,433 Phaetons were sold in 2004, but just 820 were sold in 2005, leading the company to announce that sales in the American market would end after the 2006 model year. The rare W12 models have been held on to by niche collectors and are harder to find in the used car marketplace.(wiki)

Insights

As a starting point we must start with what image DNA the brand has in people's minds :

For one, it is from Volkswagen. We trust VW. We know its reputation for reliability. We don't doubt that it can make excellent quality cars and we don't even doubt the quality of the Phaeton. But we all know that the name Volkswagen means "people's car". We know it was conceptualised by Adolf Hitler as a car for everybody. We don't know that Hitler had a keen interest in cars even though he did not drive and that in 1933, he asked Ferdinand Porsche to make changes to his original 1931 design to make it more suited for the working man – later known as the VW Käfer – or Beetle. Two griffes, one bad, one good. Cult shape but born as a proletarian family car. Not a good image for luxury.

The 'experiment' highlighted one key factor – that even if the Phaeton was superior to Mercedes Benz, its image was far too inferior, so luxury buyers prefer to buy a car with a higher image. Cars are like clothing. They can form part of one's identity. Why pay more for something of quality with a low image. The same problem that Cardin has faced. What's worse is that the car looked identical to the earlier VW Passat W8.

The 'House Brand' is essentially seen as a corporation and factory, not a maison even though their retail outlets tend to serve as maisons. At the time of writing, the corporation owns the prestigious house brands, Bentley, Lamborghini, and Bugatti, it also owns Audi, also a more prestigious marque than that of VW, and then the more recent people's cars, the SEAT from Spain and Škoda from the Czech Republic, which by their very existence and heritage raises the image of VW somewhat. VW would have been better off renaming their group, the Bentley Group and then introduce the Phaeton with no link to VW just as Mercedes Group introduced the Smart car. We *know* that Mercedes is behind it although it is not marked on the Smart.

The Phaeton was doomed to fail. Clearly it is always easier to attack downwards so if VW ever wishes to challenge Porche, it only has to borrow the supreme image of Bugatti to launch a smaller, city version that would appeal to those who now consider Porche too common but want a car in that ilk. Even Lexus, the luxury brand of Toyota, seen to be the success story that Phaeton seeked to follow, found itself down 43 percent in sales by December 2008 versus industry average.
http://uk.reuters.com/article/marketsNewsUS/idUKT10698220090105

Success Stories

Jean Paul Gaultier started his career in 1970 as a design assistant at Pierre Cardin. Following a stint at Jean Patou (working under Michel Gomez) and a brief return to Cardin, he set up his own label in 1976, rejecting his training in favour of a style which drew more from the London street scene than Parisian couture. He is credited with

redefining many fashion conventions. In the Eighties, he recreated underwear as outerwear, with a series of designs that culminated in the corset dress and black studded bra made famous by Madonna in her Blonde Ambition tour of 1990. He also attempted to dismantle the clichés of masculine styling, creating a skirt for men in 1988.

He had started his brand in Ready-to-Wear and only launched into haute couture 1997. His reputation as a visionary-creator made him an obvious candidate for acceptance into haute couture. He also extended his brand downwards with the introduction of JPG, a younger and sportier line for both sexes, and a range of eponymous fragrances, starring in some of the campaigns himself. In July 1999, Hermès invested $15 million in his business as part of a deal which Gaultier described as "a dream marriage". In return, he awarded the company 35 per cent of all his future royalties, plus "preferential rights" over many of his new designs. (x)

Ralph Lauren's first brand, Polo, was launched in 1967 and the company has since expanded to include a variety of luxury brands. They include Purple Label for men -launched in 1994, this is Ralph Lauren's signature, and highest end, men's line, with classic, traditionally British styling; Black Label- similar in price point to Purple Label, tends to have a more modern, Italian cut to its suits, sportcoats, dress shirts, and sportswear, with higher armholes and a slimmer silhouette; Collection for women- the highest end clothing line for women (also carries a purple tag), as seen in his runway shows. Includes classic eveningwear, tailored blazers, outerwear, sportswear, handbags, and accessories; Ralph Lauren Home- a luxury home furnishings and accessories line, including furniture (manufactured by Henredon furniture company), fabrics, tabletop, decorative accessories, bedding, and paint. Sold to the trade and in Ralph Lauren stores. By putting his own name on the labels as creators do, he managed to give the impression of being a great designer. He was famous after all. The masses are fooled by fame.

Tom Ford, as mentioned earlier, has started his brand with fragrances and eyewear, the traditional bottom of the pyramid and then opened his flagship bespoke men's tailoring outlet in New york which he will be expanding internationally on the back of the fragrance and eyewear publicity. Although this is an unusual strategy, we should keep in mind that the Tom Ford person brand brings with it fame and a luxury reputation from YSL and Gucci so it is far from being an unknown brand starting in fragrance and eywear and heading towards luxury. This brand could be said to have been born with a luxury heritage – that of its namesake.

Insights

In all three examples, moving the brand upwards was only possible because the griffe's of the brands had developed reputations to allow them to be accepted in the higher echelons of luxury. Of the three designers mentioned, only Gaultier is seen as a true innovator, creator and *visionaire*. Neither Ford nor Lauren would qualify to be accepted into this 'club' through fame alone. They need to qualify through creation. Gaultier represents high creation and art. Both Ford and Lauren would have to prove themselves to get there as Armani did but they may not have the ambitions to do so. In the end, Haute Luxe is not only what consumers decide is luxury but more what experts, peers and journalists accept as being truly visionary creation. Here we are back to the language of art rather than that of fame or fortune. Perhaps the time has come for luxury brands to de-brand and trade up.

We can all find love

Anything is possible and there is someone for everyone. As you start creating your brand, product by product, or as a tree, root by root, branch by branch and flower by flower, season by season, keep a dialogue going with your customer, share experiences and passion, stay exiting. Haute Luxe as a category is one which empowers independent creators, if favours personalities over brand identities, it sees consumers as people and friends, it gives kindness in preference to service, develops trust and intimacy over simple honesty, it provides surprising emotional experiences over expected aesthetic design, and prefers dialogue to communication (storytelling). It values generosity over greed, and humanity over machinery. It's totally personal and real and as such challenges branding as we know it today. Keep creating with passion and pride, stay true to yourself and be generous with everything that you do. Share passion *and* knowledge. That way, you are sure make a positive difference to your life and the world around you.

Many of my views are open to challenge and this is welcomed. It's the polemic that counts. The guidelines provided are intended to work across all luxury categories but each brand has its own DNA and each should do their own research to see whether certain tips will add value to their brands or not. It is impossible to write a brand bible of do's and don'ts to suit all brands, because people change, competitors change and rules change. At best, it should help anyone involved in brands to avoid certain potentially costly and damaging pitfalls whilst providing ways to establish a long-term vision for your brand as well as ways to keep its relationship with clients, soulful, fresh and exciting. If I show despise for greed and too much bias towards generosity, it is because I am humanist and strongly believe that brands, and luxury brands in particular, should be too. Please try these tips at home and keep me posted on www.hauteluxe.net.