

Marketing *and the* Massification of *luxury brands*

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What is a luxury product?

Is **economic** terms, luxury products are those who can consistently command and justify a higher price than products with comparable functions and similar quality.

In **marketing** terms, luxury products are those who can deliver emotional benefits which is hard to match by comparable products.

What's the definition of 'luxury'?

luce
lujo
luxo
luxury
lusso
luxus

=



inessential
inessential
expensive
expensive
sumptuous
sumptuous

What's happening today?

We have a surplus of **similar** companies, employing **similar** people, with **similar** educational backgrounds, working in similar jobs, coming up with **similar** ideas, producing **similar** things, with **similar** prices and **similar** quality.

- Kjell Nordstrom and Jonas Ridderstrale
Funky Business

What's happening today?

We also have a surplus of **similar** brands, with **similar** brand attributes, **similar** marketing messages, making **similar** brand claims, with **similar** quality, selling at **similar** prices.

Welcome to the Surplus Economy!

- Idris Mootee

McDonaldization, Wal-Martization is everywhere. Individualism and diversity are being replaced by efficiency and social control. The principles of the fast food restaurant are dominating other sectors of our society.

Rocketing is getting more and more common. More people are spending a disproportional amount of in a category of great meaning to them.

Depressing TV News. People are taking a lot of stress these days. 24/7. Thanks to the information technology revolution, we're bringing a lot of OPP (Other People's Problem) into our homes.

Increased Liquidity of Luxury Goods. The distribution or redistribution of these products is now expanded. Thanks to eBay.

In older cultures, the limited production capacity of the economy sharply reduced aspirations to material comfort. In this surplus economy, much greater material satisfaction lies within the reach of even those of modest means. Thus a **PRODUCER** culture becomes a **CONSUMER** culture.



Now we all fit into **consumption communities**, no longer divided by “wealth, birth, political eminence” but by consumption. For marketers, brands and products need to be positioned to be **bought**, not **made**.



Living is more of a question of what one **spends** than what one **makes**.



- Marcel Duchamp

For many, what you buy is now more important than what you make, luxury is not a **goal** anymore, for many it is simply a **necessity.**





The Distinctive Luxury



They no longer need all the things, though. They can walk past them and not feel compelled to have them, to own them, to experience the very best in life. They have the very best life can offer and they appreciate it. **They're rich and now they found more important things in life than just expensive things.**





The Essential Luxury



An example is Carrie Bradshaw, who owns about 100 pair of \$400 shoes but cannot get a mortgage for her apartment because she has no money in the bank. Many like her belongs to today's luxury-rich-and-cash-poor segment.

Style, instead of wealth become the basis of social esteem.





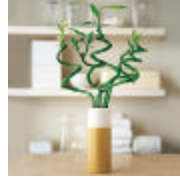
A typical Metrosexual (An urban male with a strong aesthetic sense who spends a great deal of time and money on his appearance and lifestyle) He is a clotheshorse wrapped around a dandy fused with a narcissist. **He has clearly taken himself as his own love object and pleasure as his sexual preference.**

The Essential Luxury





The Affordable Luxury



They do most shopping at Wal-Mart since prices are good. But sometimes they wake up in the morning and start wondering if they deserve something better. Asking the question: “Can we for once afford something a bit nicer... **something that I can indulge myself?**”



Two myths about luxury marketing:

Luxury is **NOT** about the quantity or quality of thing. Luxury market does **NOT** mean a vast array of luxury goods or services.

In fact any ‘market’ consist of the people who are apt to buy those goods/services. Therefore, the luxury market is about **PEOPLE**.

HOW? Enhancing lifestyle through identity and social meanings

The consumption of symbolic meaning through the use of marketing communications and consumer communities as a cultural commodity, *provides* the individual with the opportunity to **construct, maintain and communicate** identity and social meanings.

and therefore

Marketing becomes the ultimate social practice of postmodern consumer culture, it plays a key role in giving **meaning** to life through consumption.



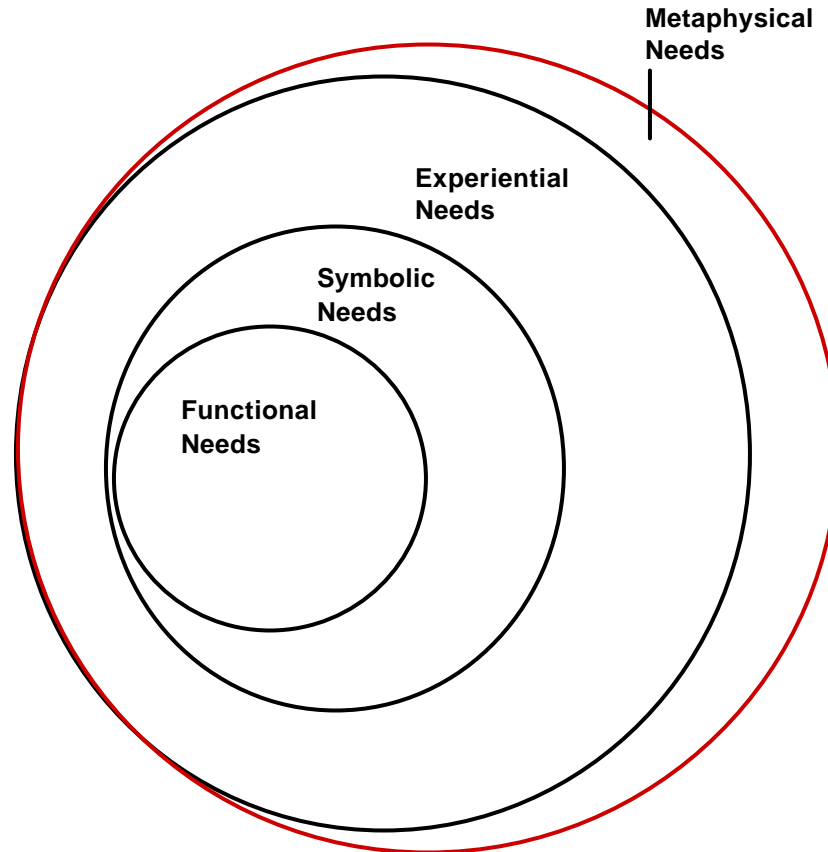
TIFFANY & CO.



Evolution of consumerism

It begins with a need and then feeling anxious about resolving it. The experience ends, if successful, with a feeling of relaxation or satisfaction. If it does not satisfy the need, the process is then repeated until it abates. We judge the act by the experience. We have gone from **product to process**, from **problem resolution to emotion seeking**, from **object to experience**.

The customer satisfaction treadmill



Let's examine a few ideas.....

Real versus the Imaginary

Material versus the Symbolic

Social versus the Self

Desire versus Satisfaction

Rationality versus Irrationality

Materialism versus Spiritualism



Real vs. Imaginary

Consumption sometimes operates at a level of the imaginary, but it can also have **real** effects in facilitating the construction of self-identity.



How real is the unreal?



Selling illusions ?



Material **vs.** the Symbolic

Just as a product fulfills its ability to satisfy a mere physical need we enter the realm of the symbolic, and it is symbolic meaning that is used in the search for the meaning of existence. *We become consumers of “illusions”.*



Our Possible Selves?



Social vs. Self

The function of symbolic meanings of products operate in two directions, outward in constructing the social world – social-symbolism – and inward towards constructing our self-identity: self-symbolism. In other words, using products to help us become our “*Possible Selves*”.



Selling the Unobtainable?



Desire **vs.** Satisfaction

Advertising often provides gratification and recodes a commodity as a desirable psycho-ideological sign. In fact, it feeds the desire to sometimes the unobtainable. Visuals are powerful because they never satisfy. *Meaning is created through continuous search for links between identity (social) and the self.*





Rationality **vs.** Irrationality

The expansion of “wants” reduces our choice to “want not” and *sometimes makes the very idea of rational choice become meaningless*. We’re in the era of the “empty-self” in which alienation can be solved by the “lifestyle” solution in which we construct a “self” by purchasing even of limited rationality.

Solution for the Empty-Self?



The world of plenty

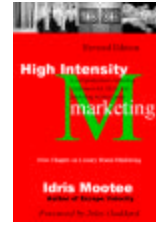


Materialism **vs.** Spiritualism

We use all kinds of tools everyday. We are tool users and tools are not the end but he means. So materialism does not crowd out spiritualism; spiritualism is more likely a substitute when objects are scarce. *When we have fewer things, we make the next world luxurious. When we have plenty, we enchant those objects around us.*



Gracias
Merci
Thank you
Grazie



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