

Marketing of the Luxury Sector

Ects : 6

Description du contenu de l'enseignement :

Course description and objectives

The goal of this class is to familiarize the students with luxury codes (specificities) and communication, and to emphasize that luxury marketing is different from the “classic” marketing used for the mass market. After a brief review of fundamental marketing concepts, such as brand, identity and image, we will study the specificities of luxury (the do's and don'ts, the different perceptions, the influence of cultures, the different types of clients) and we will analyze how brands should communicate using various tools (celebrities, products placement, events, digital) in order to share their values and educate their clients on their brands codes.

Course Objectives

To learn, understand and be able to apply the necessary theory and tools to support strategic decision-making and the strategic management process within organizations.

This course gives you a perspective on the financial and organizational techniques required for the effective execution of strategic decisions, and the critical role that managerial leadership plays in the viability and growth of a business.

The course covers management control and systems used in management control. The starting point for the use of management control systems are that organizations need to plan, implement, monitor, evaluate and adapt organizations with the aim to achieve specified goals. Within the context of the course there will be insights into control methods and control philosophies, responsibilities, production financial and logistical concepts, production processes, forecasts, and the elaboration of balanced scorecards.

Course structure

SessionTopic

1. Introduction and icebreaker
2. Presentation of assessments
3. Some definitions: brand, identity, image
4. Group workshop on identity and image
5. Characteristics of luxury
6. Differences between luxury and fashion, luxury and prestige
7. The anti-laws of marketing: specifics marketing and sales rules to be applied to luxury brands and services
8. Group workshop: from shoes to beauty (brand extension in luxury)
9. Influence of culture on luxury (based on Morand and Dubois)
10. Some theories applied to luxury: Veblen (price, status), Bourdieu (distinction), Karpik (desingularization)
11. The clients of luxury: who, where and why. Focus on HNWI and UHNWI
12. Final Exam

Pré-requis obligatoires :

Prerequisites

Interest for luxury goods and services

Compétence à acquérir :

Learning outcomes

After completion of the course the student should be able to:

- Understand the main challenges of luxury retail: boutiques, travel retail and e-commerce
- Describe luxury clients and identify their needs
- Be aware of the main evolutions in luxury
- Identify main luxury players, strategies and issues: towards a “retailization” of luxury

Mode de contrôle des connaissances :

Assignments and grading

Grading Criteria

- Case studies 30%
- Participation 20%
- Final Exam 50%

The numerical grade distribution will dictate the final grade. The passing grade for a course is 10/20.

Class participation: Active class participation – this is what makes classes lively and instructive. Come on time and prepared. Class participation is based on quality of comments, not quantity.

Exam policy: In the exam, students will not be allowed to bring any document (except if allowed by the lecturer). Unexcused absences from exams or failure to submit cases will result in zero grades in the calculation of numerical averages. Exams are collected at the end of examination periods.

Bibliographie, lectures recommandées

Bibliography

- The Luxury Strategy: Breaking The Rules of Marketing to Build Luxury Brands (dissecting the luxury concept and defining the counter-intuitive rules for luxury marketing), Jean-Noel Kapferer and Vincent Bastien, Sept. 2012 (second edition), ISBN-13: 978-0749454777
- Managing fashion and luxury companies, Erica Corbellini & Stefania Saviolo, Feb. 2009 (second edition), ISBN-13: 978-0470830260
- Eckhardt, G. M., Belk, R. W., et Wilson, J. A. J., The rise of inconspicuous consumption. *Journal of Marketing Management*, 31(7-8), 807-826, 2014
- Kapferer, J.-N, The artification of luxury: From artisans to artists. *Business Horizons*, Vol. 57(3), 371-380, 2014
- Luxury Brand Management (A world of Privilege), Michel Chevalier & Ge´rald Mazzalovo, May 2012 (second edition), ISBN-13: 978-1118171769
- The Theory of the Leisure Class, Thorstein Veblen, CreateSpace Independent Publishing Platform (2017), ISBN-13: 978-1979980623
- Berger, J., et Ward, M., Subtle Signals of Inconspicuous Consumption. *Journal of Consumer Research*, 37(4), 555-569, 2010
- Holt D., Does Cultural Capital Structure American Consumption, *Journal of Consumer Research*, Vol. 25, June 1998
- Kastanakis, M. N., et Balabanis, G., Explaining variation in conspicuous luxury consumption: An individual differences' perspective. *Journal of Business Research*, 67(10), 2147-2154, 2014