

The Luxury Brand Transcultural Strategies in Contemporary Society ——Take Louis Vuitton as an Example

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ABSTRACT

With the globalization of communication, the marketing strategies of luxury brands are also evolving. This essay will take Louis Vuitton as an example and analyze the main marketing strategies of Louis Vuitton in China from the perspective of transcultural communication. By analyzing Louis Vuitton's exhibitions, advertisements, and the products that are tailored to Chinese consumers, the marketing strategies adopted by Louis Vuitton in China in the new media era will be analyzed. In addition, by analyzing the Chinese elements used in Louis Vuitton's advertisements, this paper will analyze the establishment of Louis Vuitton's symbolic value from the perspective of transcultural communication through Baudrillard's theory of "The Consumer Society". This paper strives to explore how a luxury brand builds its brand image, how luxury brands enhance consumers' identification and acceptance with the brand in the perspective of transcultural communication in the era of new media.

Keywords: *transculturalism, New media era, brand construction, China's market, Louis Vuitton.*

1. INTRODUCTION

With the development of media technology, the communication and marketing strategies of luxury brands are constantly changing. The luxury brand Louis Vuitton has achieved remarkable results in brand marketing by using convergence media. According to the definition of luxury [1], a luxury brand is beyond the scope of people's survival and development needs. Luxury goods are unique, rare, and scarce commodities [1][2]. According to the data from the *China Report Hall* in 2015, Louis Vuitton is number one in China's luxury market. From a transcultural perspective, this research questions how Louis Vuitton establishes its brand image. Based on the Chinese market, it will discuss the relationship between luxury products and symbol values in contemporary society.

First of all, "the medium is the message" emphasizes the importance of the form of the medium, which is the medium itself. If the content brings short-term changes in attitude, then the form may have long-term effects [3]. How Louis Vuitton builds the brand image through media

shows the development of the media. Moreover, this kind of brand advertising which Louis Vuitton did, adds value to its brand, and brand sign-value has an impact on customers' loyalty and behaviour. According to Jean Baudrillard, when the material is extremely rich, people begin to use symbols to pursue individual satisfaction. The ultimate essence of a consumer society is the consumption of a kind of culture with advertisements and brands as communication media. Consumption of things can be transferred to consumption of signs [4].

There is currently a growing body of research investigating the Way of Louis Vuitton's Media Communication in China. Our research intends to analyse how Louis Vuitton builds its image in China. It can also be used to understand how brand sign-value represents the consumption of luxury goods. The research uses theories from papers and books the references about luxury brand image and media to analyze the relationship between media and brand construction.

Our study demonstrates that Louis Vuitton applies transcultural advertising strategies to construct its brand images. Based on the Louis Vuitton advertisements on different platforms, Louis Vuitton sets up its images that are strongly related to elite, unique, and luxury. Consumers pay attention to not only the use value but also the additional sign value.

2. HOW LOUIS VUITTON BUILD THE BRAND IMAGE THROUGH MEDIA IN CHINA

Louis Vuitton opened its first Chinese mainland location at the Palace Hotel in Beijing in 1992. This chapter will discuss how Louis Vuitton constructs its brand image in China through media from a transcultural perspective.

2.1. The History of Louis Vuitton

The Louis Vuitton luggage brand was born in 1854, and before that, Louis Vuitton himself was a baggage manager dedicated to the wealthy. During the Second French Empire (1852–1870), Louis Vuitton had been working as a luggage manager for Queen Napoleon III. It can be seen that the entire start-up stage of the brand revolves around the court, from packing luggage to making suitcases is court life [5]. Therefore, court culture exists in the connotation of Louis Vuitton's brand and affects its value system. In terms of court culture, Louis Vuitton parses it into three components: etiquette and grand events, which reflect luxury and abundance; considerate customized service, which reflects exquisite taste and respect for individuality; culture Literacy and an open mind. These can be related to its brand culture and the image it intends to build.

2.2. Louis Vuitton's brand image in China

First of all, Louis Vuitton constructs its brand image through traditional media, such as television, newspapers, and magazines. According to a survey of 1,452 samples in 2011, 79% of consumers get information on luxury goods through paper media - China is no exception. The major media for the dissemination of luxury goods in China are paper media. Moreover, it is clear that people over 40 have become the main force in luxury goods consumption in China. They pay more attention to newspapers and magazines [6]. Louis Vuitton's publicity is mainly through magazines. This is related to the high positioning and high price of luxury goods.

Louis Vuitton released its first television advertisement named "where will life take you" on February 15th in 2008. As a microcinema, it was released on TV channels, movie theaters, and online platforms, which has a good spread effect. Unlike traditional advertising, microcinema can attract customers in

specific regions. It can enhance the effectiveness and accuracy of brand image promotion as well.

There were no Asian actors and actresses in it. However, the protagonist of the advertisement in 2011 is Godfrey Gao, a Canadian-born Taiwanese actor, and model. This is the first time that LV has chosen an Asian face to endorse its products. Western media reported this as Louis Vuitton recognized its most important Asian customer group-Chinese [7]. Since then, it can be seen that Louis Vuitton Attaches great importance to China's market.

The number of netizens in China had reached 904 million as of March 2020, up by 75.08 million from the end of 2018 [8]. Social media applications have become phenomenon-level applications on the Internet. Louis Vuitton brand knows that this kind of market will assist it in improving its value, so it constructs brand image through social media, such as Weibo (微博), Xiaohongshu (小红书), and TikTok. Comparing with its TV advertisements with Gorgeous vintage style, Louis Vuitton posts pictures of Chinese celebrities with its productions on Chinese social media to attract Chinese customers.

Media communication which is used by traditional luxury brands, relies on paper media and other traditional media. Social networking allows consumers to decide which brands and aspects of the brands they can follow. The fan base of social networking services gathers a large number of people with the same interests and characteristics, and they express their opinions on the Internet. These evaluations have a large amount of information and are concentrated. Once the group with knowledge of luxury goods has formed, it will affect other customers a lot.

3. TRANSCULTURAL PUBLICITY AND COMMUNICATION IN CHINA

Based on the first part argument, this part will analyze Louis Vuitton's transcultural publicity and communication strategies through media in China. Brand identity includes brand symbols, brand products, brand culture, and brand marketing strategies. It can be said that all things related to the brand are the embodiment of the brand images. So based on Louis Vuitton's brand marketing identity in China, we will discuss and analyze Louis Vuitton's transcultural brand communication strategies in China. Louis Vuitton is a luxury brand in France. Both French and Chinese consumers think that luxury products are beyond the scope of people's survival and development needs. Luxury products are unique, rare, and scarce commodities.[9] So the primary factor that the consumers in both France and China consider when buying luxury products is similar.

3.1. Transcultural brand marketing strategy based on Chinese consumers

According to McKinsey's s Consumer Report on luxury Buying, Louis Vuitton has the highest profile among consumers. In addition, according to Bain company's research on the Chinese luxury goods market, Louis Vuitton was the most wanted luxury brand for Chinese consumers from 2009 to 2011 [10]. Louis Vuitton has adopted a marketing strategy catering to Chinese consumers. First, the main group of luxury consumers in China is broader. Not only are the middle-aged people with stable financial resources keen on luxury products, but also the young people prefer luxury goods. These young people's consumption concepts are ahead of time, but their financial situation does not allow them to consume luxuries frequently. In addition, a large number of Chinese consumers buy luxury products as gifts [10]. In contrast, the consumers in European markets, the main consumers are mainly between 40 and 60 years old, middle class. They typically spend only four percent of their income on luxuries [10]. So, the characteristics of Chinese consumers are younger, larger consumer base, and more inclined to sign value. The classic logo of Louis Vuitton is the most intuitive symbol that Chinese consumers want to obtain. Louis Vuitton's transcultural brand strategy is successful.

Except for the brand element in the global advertising campaign, Louis Vuitton also explores the marketing model which can be suitable for Chinese consumers. For example, Louis Vuitton collaborated with the National Museum of China in 2011; they set up an exhibition *LV's Legendary Journey to the East*. This is a commercial art exhibition aiming specifically at Chinese consumers. Why is the exhibition held in China? Why with the museum? Firstly, Louis Vuitton is one of the first luxury brands entering the Chinese market since China's Reform and Opening-up Policies. A large number of Chinese consumers have a high recognition of Louis Vuitton's luxury products. The potential of Louis Vuitton in China is enormous. It is a creative and successful marketing strategy to hold an exhibition to further expand the Chinese market. Secondly, the museum is a public palace and the Chinese middle class, as well as many young student groups, prefer museums as a place of entertainment. Thus, holding the exhibition in the museum can attract and expand potential consumers. Thirdly, introducing the historical tie of Louis Vuitton and China will strengthen Chinese consumer's cultural identity with the brand. In addition, the exhibition aimed to make more Chinese consumers know about Louis Vuitton. Thus, the location of the exhibition is chosen in the national museum in China. This has dramatically increased consumers' interest, and consumers can easily get to the exhibition.

Although many consumers resent the museum's hosting of commercial exhibitions, the exhibition has still

achieved great economic and cultural benefits. Except for the recognition of museum cultural signs by Chinese consumers themselves and consumers who have a sense of trust in Louis Vuitton also have responded to the exhibition. Through the introduction of the brand's history and long-term close ties with China, the exhibition links traditional Chinese cultural objects with Louis Vuitton artifacts. Therefore, the combination of brand culture and local culture was built. Chinese consumers recognize Louis Vuitton's brand culture, which is reflected in the Chinese consumers' desire to buy their products. So as Baudrillard argued, the sign consumption behavior is more and more powerful, and the sign value behind the products is pursued [11]. It is through the cultural signs of the two countries that Louis Vuitton further constructs the brand value. The brand sign conveyed in the exhibition will enter the consumer's vision as a result of Chinese cultural elements.

3.2. Transcultural brand marketing strategy based on Chinese cultural identity

At the same time, Louis Vuitton regularly interacts with prominent bloggers and spokespeople in China [10]. These spokesmen have a strong appeal among the Chinese public, especially among their fans. The spokesmen are like an opinion leader, and consumers think that the products they endorse are authoritative. Consumers often buy the same products because of celebrities' endorsements. In addition, choosing stars with whom Chinese consumers are familiar can shorten the distance with consumers. For example, Kris Wu as the spokesperson in China, is so popular in China. Many fans would rush to buy Louis Vuitton's products because of his endorsement, and he has a significant appeal among his fans. Therefore, Louis Vuitton's choice of the Chinese market and the choice of the spokesmen in China are the manifestations of making full use of this point.

Louis Vuitton made its first commercial about China in 2008. The Advertisement (AD) begins with a backdrop of Chinese ink painting, which gives consumers a peaceful and attractive Chinese style. Traditional commercials would not choose the Chinese ink painting as a backdrop. At that time, ink painting is rarely used for advertisements in China because the artistic conception of Chinese ink painting is difficult to be expressed through advertisements. However, Louis Vuitton sets the atmosphere of the entire AD in a hazy ink-and-wash style. This is the first step towards a Chinese-style advertising shoot. Then this AD selects the elements of Jiangnan water village and some travelers in the rich ink painting elements of the place for intoxicating appreciation. The point of the AD was traveling. This is the transmission of the Louis Vuitton brand concept. In addition, this AD also includes some older generations and kids. Their activities are intertwined with those of foreign travelers. Foreign travelers are connected by the stories in China. The

meaning of this AD is based on the value of Louis Vuitton. By presenting foreigners' stories in China and selecting images of Chinese people in daily life, the brand builds a relationship with Chinese consumers. The most rustic groups in the AD can strengthen the connections with Chinese consumers. This is not a simple pile of Chinese elements. In contrast, this is the transmission of Chinese cultural identity from the most rustic groups (the older people and children). Thus, the transcultural advertising strategy was successful.

When applying transcultural techniques, Louis Vuitton faces the diversity and complexity of Chinese consumers. The brand also has some failed strategies in China. For example, the New Year's limit was introduced in 2016. The brand took a Chinese woven bag as a creative element, and based on the Chinese zodiac, Louis Vuitton also designed a bracelet. It assumed that the woven bags carried by migrant workers in China are a Chinese element. However, in China, woven bags are used by migrant workers to take things. Therefore, integrating such elements into luxury products not only fails to attract Chinese consumers but also reduces Louis Vuitton's status among Chinese consumers. It did not think of incorporating the embroideries of flowers and plants from traditional Chinese culture into its products. Accordingly, its understanding of Chinese culture is only on the surface, and its brand has not thought about Chinese culture. So Chinese consumers think that Louis Vuitton could not make good use of Chinese cultural elements.

3.3. Enlightenment from Louis Vuitton transcultural brand marketing strategy

Through the previous analysis of Louis Vuitton's transcultural communication strategy. In the transcultural communication of luxury brands in contemporary society, the following points should be achieved. Firstly, to enter another country's markets, you have to enter another country's culture. The influence and acceptance of advertisements created on the basis of understanding Chinese culture are higher than that of ordinary types of advertisements. Chinese consumers are also more likely to feel that they are valued by the brand advertisements. Secondly, take full advantage of the internet media and build the brand's media influence. Nowadays, the use of internet media to spread brand value is an effective way to enhance consumer's support for brands. At last, the brand should give full consideration to the needs of consumers when they generalize the products. The scarcity of luxury products is one of the factors that many consumers scramble for. The basic principle of stimulating consumption is to endow luxury products with symbolic value continuously.

4. TRANSCULTURAL PUBLICITY AND COMMUNICATION IN CHINA

In the context of consumer society, brand sign-value is the best perspective to understand the consumption of luxury goods. The system of luxury brand sign-value consists of artistic value, cultural value, psychological value, and social value. The production of luxury brand sign-value comes from the mutual influence of the demand system and social communication system. The process of luxury brands assign values to their products can be summarized as the symbolic value of luxury brands is constructed through the interaction of high price and luxurious appearance; stars and scenes in advertisements; fashion leaders and show culture; shopping mall services and atmosphere and other marketing methods. Understanding the formation reason and mechanism of luxury brand sign-value is a crucial foundation to infer what contributes to cross-culture communication and how do consumers interpret and purchase sign-value [12].

Since the reform and opening up of China, the continuous development of the Chinese economy, and the improvement of people's living standards, people's demands of objects have been turned to the demands of meaning. As Thorstein B. Veblen, an American economist argued in his book *The Theory of the Leisure Class* that industrial society breeds the "leisure class", who prove their wealth and determine their social status through "conspicuous consumption". "Conspicuous consumption is essentially symbolic consumption" [13]. It can be interpreted as: the social class is eager to complete the social communication in the modern sense through the sign-value conveyed by consumption. This is the only way can answer the proposition "Who am I" in modern society.

However, the local brands are not so mature as local consumers, which leaves a huge part of the Chinese luxury market to foreign brands such as Louis Vuitton. LVMH Group, which owns LV, Dior, and Fendi, its revenue decreased by 16% in 2020 but has recovered rapidly since 2021. Revenue in the first quarter increased by 30% to 14 billion euros (about HK \$130,457 billion), exceeding analysts' expectation of 12.7 billion euros (about HK \$118.343 billion). It means it has recovered from the blow of the epidemic. Reviving LVMH's latest results, Oliver Chen, luxury analyst at Cowen, pointed out that LVMH's strong market share in China is the key to driving the group's performance against the downturn. Sales in Asia (excluding Japan but includes China) are LVMH's biggest source of revenue, rose 86% in the period. According to Bain Capital, China is expected to become the world's leading luxury market by 2025 [14].

Symbol consumption subverts traditional Chinese cultural values. Advertisements have been called "incubators of desire.". Advertising creates a world of

meaning and value, promising consumers the happiness, freedom, and rights they can obtain through consumption, thus materializing the "freedom of happiness" itself and people's spiritual feelings [15]. Because consumers are in a state of multiple ignorances of symbol consumption, they blindly followed and are never tired of it. Some salariat has saved their salary for several months to buy Louis Vuitton handbags. However, they are carrying Louis Vuitton handbags and taking crowded buses to work.

Chinese traditional cultural values are gradually being undermined by the stimulation of advertising symbols and luxury sign-values. People look for stimulation in the phenomenal world, advocating luxury brands and believing in money is the absolute truth, "feeling replaces thinking, fashion choice replaces independent choice, and market orientation replaces life belief orientation" [16].

The consumption of sign-values intensifies the alienation of human nature. Advertising communication according to the characteristics of human nature, using the leading symbol will help people rambling project to specific product consumption desire, people only through the consumption of these symbols can sense its own value and the real world, this leads to a non-productive personality orientation, namely "people not from their own experience to comprehend the value of things, but to feel that everything of value comes from outside [17]."

5. CONCLUSION

Through the analysis of Louis Vuitton's transcultural brand marketing strategy in China. Louis Vuitton is based on its brand value, which is the meaning of traveling. Louis Vuitton has also taken a different approach to advertise, including the traditional media, print advertisements, TV advertisements, and fashion magazines as a basic form of advertisements. They promote the communication of the Louis Vuitton brand. With the development of the internet, official account about Wechat, Weibo, TikTok, Xiaohongshu and so on has become more and more significant in Louis Vuitton brand marketing strategy. Louis Vuitton attaches great importance to brand marketing operation in the era of new media. Brand marketing not only through new media but also build a strong relationship with Chinese consumers. To establish a strong and stable relationship with Chinese consumers, Louis Vuitton plays the role of the cultural dimension in transcultural communication. Through the brand image embedded in the rich Chinese cultural elements of advertisements, Chinese consumers are more receptive to brands.

On the one hand, although the research on the advertising marketing strategy of luxury brands is relatively abundant. Taking Louis Vuitton as an example, this paper analyzes the brand marketing strategy for China from the perspective of transcultural

communication. This is of great significance for luxury brands to establish and adjust their brand communication strategy in China. On the other hand, with the development of artificial intelligence, luxury brands are also taking full advantage of the technology and integrating it with new media. As a result of the time limitation, there is a lack of data and research on the use of artificial intelligence in the brand marketing of luxury brands. It is hoped that researchers who are interested in transcultural marketing communication of luxury products can refer to this paper for further study.

However, it is noted that this study has limitations which include a lack of data. Although Louis Vuitton developed its market in China about 30 years ago, much-expected information is a loss because of the underdevelopment of the internet at that time.

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