

Luxury Brands Culture and Marketing: How Does Chanel Stay popular

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ABSTRACT

With the rapid development of the world economy, people's living standard has gotten a general improvement, which is reflected in the increase of personal disposable income. Therefore, people will consume more that lead to the growth of average consumption power. More people are willing and able to buy luxuries than ever before. These luxury sellers create a brand identity that can attract like-minded buyers, thereby boosting their sales. One wonders why consumers of luxury goods would choose to spend their money on luxury goods rather than other categories. Especially when the price of some luxuries is extremely high, which can reach hundreds of thousands of yuan for a single item, there are still many people full of fanatics for these fashion items and persistent in collecting the limited edition difficult to get. So, how do luxury products shape their cultural values and marketing systems and do both works so that enough consumers are willing to pay for them. To study this topic, we took Chanel as a case study to deeply learn its cultural value and marketing logic based on the analysis of relevant document literature. In the end, we concluded that the luxury brands represented by Chanel attract consumers from the aspect of improving the social status and showing their taste by shaping a kind of image that represents the advanced life and different from the ordinary. Through the research on these luxury brands, the results provide a reference for developing some emerging luxury brands.

Keywords: Brands Culture, Brand Marketing, Chanel, Luxury Brand.

1. INTRODUCTION

The economies of large countries have flourished in modern times. Especially in major world cities, people's incomes are rising, and they have more money to pursue higher living standards. At this time, many people with above-average incomes will pay for luxuries. Those expensive, stylish clothes and accessories add points for their image and enhance their social standing in the eyes of others. Furthermore, luxury goods can also exist as a kind of store of value. The intrinsic value of the brand itself, its design, and its scarcity add value to the product. These are the reasons luxury goods have such high prices but still motivate the rich to snap them up. Due to the information age, various online channels that can convey the latest news to people provide convenience for promoting luxury brands. The concept of luxury is also more prevalent among people than ever before. As a result, the luxury industry is booming. With the emergence of more and more brands available for

customers to choose from, the competition in the market is also increasingly fierce. In this case, all major brands tend to develop various marketing methods to compete for the limited market profit.

We focus on how brand culture is shaped and carry out detailed research and analysis on the history of the creation and development of brands, which has great help to our research. Brand culture is shaped in many ways, from the founder to the product content. Brand culture is extensive and has a great significance to a brand. However, what we need to study about brand culture is far more than how it is shaped. We've been so focused on shaping cause we've missed many things that we haven't explored before. In the following study, we need to pay attention to how brand culture helps and promotes a brand's marketing. One of the great values of brand culture is that it promotes purchasing power and helps the brand to generate revenue. Brand culture can attract customers' attention and arouse customers'

interest in the brand, thus prompting them to have purchase desire. This is a small example of brand culture promoting marketing. There are a lot of things we haven't studied yet. Next, we will conduct a more in-depth study and analysis on how brand culture promotes marketing by searching the literature and interviewing real Chanel customers.

2. WHAT BRAND CULTURE DOES CHANEL CREATE

It can be said that the brand culture of Chanel is precipitated by the change of times. Or it can be born in the stream of time and nurtured from the embryo into a thick tree. Brand culture is the foundation for a brand and one of the important factors determining whether it can survive in this fiercely competitive market. Chanel's brand culture is undoubtedly very clear and widespread. [1]

First of all, when we think of Chanel, we will think of its main audience -- women, think of its history -- liberation and what it advocates -- freedom.

These three pronouns are one of the brand cultures of Chanel, which is closely related to the history of Chanel. The creation of Chanel is about to start from its founder. Gabrielle "Coco" Chanel founded her eponymous brand in 1910. On January 1, 1910, the French designer opened her first store, "Chanel Mode", on the Rue de Cambon in Paris. It was a milliner's shop. However, at that time, Chanel was not satisfied with the fussy, encumbering pre-world War I high fashion look. Her lover Capel gave her a boutique in Deauville in 1913. She began an insidious private war to try to make women as modern and comfortable in their clothing as men were — especially active, outdoor types like Capel. In Deauville, she introduced casual knits and dresses shockingly simple compared to what was coming out of the Parisian couturiers' salons. After many controversies, Chanel is brave enough to break the restriction and liberate women, thus creating these three admirable brand cultures. Making women's clothes easy and comfortable can liberate women to some extent and give them the ability to be free. [2]

Secondly, the logo of a brand is also the cultural representative of the brand. It symbolizes a lot of things. The first thing customers see is its logo. What brand the logo conveys culture determines the positioning and idea of the brand in the eyes of mass consumers.

It comes from its founder Gabrielle Bonheur Chanel, nicknamed Coco Chanel, in honor of which she took the two C's of the Coco name. Its logo is combined with two clear C's and represents Chanel's products and characteristics, such as solemn, mysterious, and fashionable colors.

Double C has two meanings. The first meaning is depending on your name. The second meaning is a woman's double nature, not the same as you. It was both meaningful and original. The two sides of double C show that women should have both internal and external beauty. Inner good and sincere, external elegant and intellectual.

Double C has been spread for 100 years. Its inheritance has never been cut off as a symbol of Chanel immortality. Since then, the Double C logo has become the most popular and profitable brand in history. Women's fashion, women's Chanel spirit make the world more beautiful and colorful. The logo of Chanel shows not only a pattern but also a spirit of Chanel.

Thirdly, color is a very important brand culture. Color can convey feelings. For example, black gives you a sense of seriousness. Red gives you a sense of enthusiasm. White gives you a sense of calm.

Chanel's sign is made up of simple black and white. We think these two colors match its logo, combined with two clear C's, and well represent Chanel's products and characteristics, as solemn, mysterious, and fashionable colors, especially black. Black was associated with the formal uniforms of missionary orphanages, and for Lady Gabrielle Chanel, it allowed women to "shine." Because Chanel, originally used only for uniforms and mourning, black suddenly became elegant with the arrival of the classic black dress in 1926. Ms. Chanel put it this way: "I imposed black, and it raised still because black trumps all." The meaning of black is to make other colors appear more profound. What's more, Black also stands out on white labels. Since its birth to today, Chanel has been seeking inspiration in black, launching to black as the theme of the works, and these masterpieces, often popular for decades and finally became classics. In the 20th century, the fashionable colors were luxuriant gold, red, and other bright colors, and the dress style was also tedious, with long skirts sweeping the floor. Around this time, Chanel's Petite Robe Noire that born in 1926, turned the tradition, taking the minimalist design of "Less is more" to the best for the first time. This black dress broke the limitation of the use of black, and the design is simple and easy, creating new freedom of women's dress. Ms. Chanel, with her unique fashion sense, created a black fashion trend that many brands compete to imitate. [3]

And the black dress also became one of the important inspirations for the creation of the Chanel brand. For the design concept of Chanel, what it takes at the beginning of its creation is the simple style of black and white. In their stylist's view, simple is eternal. The design of black and white can be called classic. Therefore, development so far, Chanel's black and white color collocation has never changed. Finally, although most of the big brands that are competitive in the luxury industry like Chanel are made up of black

and white, they have their representative color and culture when we search their logos online. For instance, Hermès's orange, Louis Vuitton's brown, and Chanel are black and white. Whether it is in the store door sign in the mall or the logo on the box, and online publicity, Chanel has always used its black and white. There are many fashionable colors, but black and white are undoubtedly the most classic and elegant. Chanel continues to develop the beauty of black and white and collocates out of infinite possibilities with these two simple colors. Chanel using any color, but white is Chanel's favorite color. It is mean holy and simple. It is fit for to brand position.

3. HOW DOES CHANEL USE BRAND CULTURE TO PROMOTE MARKETING

Brand set people into different groups, while Chanel set people on top of the group. It displays that a person with Chanel is valuable, elegant, graceful, and polite. If a person wears Chanel clothes, he or she will be considered as a top of the class. Chanel saves personal social costs. For example, if salesmen want to sell a Rolls-Royce car, they just need to find out a man wearing Chanel, then the trade is successful on the first step. All the fans of Chanel are the pride of Chanel's mind. Buyers could understand it when they check its history and background. Chanel saved the woman's body by being the first brand-produced pants for a woman. Before the innovation from Chanel, all European women wore girding because of the backwardness and deformity of aesthetics. Women at that time only had a low social status that their value was defined as trying to please the men. But Chanel changed that by making the first women's clothing revolution. Since then, Chanel has been a warrior to fight for woman's freedom and human right. [4]

For instance, the represents in the Chinese region of the survey subjects on the target sales group of Chanel is females approximately from 18 to 45 years old who live in big cities, such as Shanghai and Beijing.

Most of them or their families are financially well off and belonged to the upper-middle class or above. Although they might not be independent yet, they still have plenty of money to meet the extra demands of life.

They pay more attention to their overall images, such as clothes, hairstyle, accessories, and makeup. They always learn information about luxury brands like Chanel through social media or on the Internet. For instance, they may follow fashion bloggers' posts on social networking apps like Weibo and Xiaohongshu, check the latest brand news from Instagram or online official accounts, and read e-books of fashion magazines. Also, they exchange information with people that are at similar economic levels and have similar interests.

They are loyal customers of Chanel. However, the condition being reported is that shortages of popular products had worsened recently. Due to the epidemic, the global logistics is not smooth, so the goods are not enough. And Chanel has so far kept its distance from online shopping. Only cosmetics can be bought online, while other products such as clothes and bags can only be bought through purchasing agencies or physical stores.

In response, Chanel could reasonably increase production to meet the demand of buyers. The brand can solve this problem by finding a balance between hunger marketing of luxury goods and supplying enough goods (supply surplus).

On the one hand, many of Chanel's strengths are obvious. The first is that it has a clearer brand image, and the spokesman of this brand image is the founder of Chanel, Coco Chanel, which is more likely to attract the attention of contemporary people. Therefore, in "Inside Chanel", a series of videos released successively since 2012, Chanel restored the stories of Coco Chanel, including the introduction of No.5 perfume, the era under which haute couture was born, and the "creativity" represented by Chanel, with black and white videos and fasted forward. [5]

In addition, Chanel attracts customers to create their stories. Take the accessories of Chanel, for example. Many people will match and combine to wear them and then share their matching on many social platforms. It is not only those customers who use products to create their own stories but also to publicize them. When some public figures share their stories with Chanel, there will be many people to see and imitate and innovate. The whole plays a very good role, there is nearly no negative impression. [6]

At last, Chanel has a wide range of classic products, including clothing, jewelry, accessories, perfumes. Each of which is well known, especially its perfume and fashion. Besides, Chanel has sufficient staff and experience in key areas. Brand leaders also have a unique understanding of product design that has succeeded in keeping the classics alive. Therefore, development so far, Chanel's black and white color collocation has never changed.

On the other hand, Chanel has its weakness. Competitors in the same business provide similar kinds of clothes and accessories. Chanel's ability to compete is disappearing. With the booming luxury industry, many famous international clothing brands and major cosmetics companies have launched various products, Chanel's leading position has been threatened. Like Burberry, Dior, and Gucci, they all have competitive products in the international market and even have strong competitive advantages in packaging and publicity.

The degree of innovation in styling is cited by many in the analysis of Chanel's declining profits. Chanel is featured in its classic tweed coat in ready-to-wear products, but almost every season is to do a certain deformation on the basic design; In the perfume business, the new fragrance series is not as popular as the No.5 classic perfume. Chanel's classic image is too deeply rooted to have a subversive design. After Louis Vuitton collaborated with the popular Supreme logo, Chanel approached Pharrell Williams for a co-design in 2016, but it wasn't widely publicized.

4. DISCUSSION: THE INTERNAL MECHANISM AND FUTURE OF LUXURY BRAND MARKETING

Through the case of Chanel, we can summarize the internal mechanism of luxury brands' marketing by brand culture:

1. Brand history and culture are the "soul" of a brand. People do not buy luxury goods out of flaunting wealth psychology, but rather the ultimate pursuit of quality and cultural connotation. What they consume is not products but a kind of humanity. The success of luxury goods cannot be separated from the accumulation and dissemination of its culture.

2. The brand logo is also an important part of brand culture. A logo design that is both eye-pleasing and good-looking should contain the design idea and concept of the brand and be consistent with the brand's design style. This is not only the brand's charm but also one of the important reasons to maintain the brand's enduring popularity.

3. The key to a brand's leapfrog development is to seize the opportunity of The Times and the mass's material and psychological needs. With the development of The Times, the needs of consumers are constantly changing. How to meet the design needs of consumers is a problem that designers need to think about constantly. Successful brands often require great creativity to keep pace with The Times and arouse consumers' desire to buy.

The entire luxury industry is facing a huge crisis in 2020. Many brands have temporarily closed some of their stores in Italy, Spain, and elsewhere. Luxuries' sales have also fallen as large numbers of Asian customers, especially from China and Japan, who used to visit Paris for luxury goods during the holidays, have stayed at home because of the lockdown. [7]

The good news is that Purchasing power keeps going online. The prediction says that, by 2025, 25% of global luxury sales will be online. However, in addition to cosmetics, luxury brands' clothing, bags, and other main products are still not contacted with e-commerce, even the official website does not sell. Though this is a

good deal for luxury marketing, things still depend on how long the COVID-19 will last.

Faced with the loss caused by the epidemic and the shortage of epidemic prevention materials, it tends to be a wise choice for big brands such as Chanel and LV to cross the border to fight the epidemic. Chanel's Couture Workshop is involved in the production of face masks and protective clothing as part of its efforts to combat the increasing COVID-19 in France. This is an opportunity for various luxury brands to develop culture marketing and reinforcing brand image during this period.

More and more people involved in the industry have concluded that as people have a deeper understanding of luxury goods, consumers will become more rational and mature. They will no longer buy products just because of the Logo but will have their own aesthetic for the design of new products launched by brands and pay more attention to the concept of environmental protection.

After experiencing the baptism of a round of epidemic, the global retail and luxury industry may reflect that even a century-old brand cannot always easily win by relying on the high growth of the Chinese market. Only when all luxury brands study how to inherit and innovate and combine appropriate marketing methods to promote the cultural value of their brands can they better meet the uncertain future. [8]

5. CONCLUSION

The success of a brand is bound to have its unique style and attitude in its field. Time changes Fashion concepts of every era are changing, Chanel can be appreciated by people of different times is a very difficult thing. When the customer base is basically the same, its design and style are some of the most important points. Most of the big brands that are competitive in the luxury industry have their own representative color and culture. For instance, Hermès's orange, Louis Vuitton's brown, Dior's blue, and Chanel are obviously black and white. The recent novel coronavirus disaster also pulls the major luxury brands into a struggle. We can find that luxury brand culture is also essential in the marketing strategy to resolve the crisis. No matter what brand culture it is, it can be matched with appropriate marketing to stimulate sales. As long as the brand sticks to and reinforces the brand culture, it will naturally attract a growing number of customers and remain popular even over a long period.

Compared with previous researches, my research tends to be different and innovative. Previous studies have focused more on Chanel's history and the birth and development of its brand culture. At the same time, my research also evaluates the significance of the marketing of a brand-to-brand culture and its influence on the

brand. In the process of exploring how brand culture and marketing can effectively cooperate to stimulate sales and consolidate the brand's good image among customers, I've also done some research on the possible outlook of luxury brands. How will luxury brands cope with tighter markets in the future? I believe that the right use of the brand culture and co-marketing will remain crucial for the brand leaders.

Undeniably, there are still some deficiencies in this article due to my limited research level, which needs to be further studied in the future. For some well-known brands to the brand culture and marketing combination strategy, I still need further study and this article. Chanel is the only main case analysis. The conclusion is not fully applied to other similar luxury brands since each brand has its unique customized development plan that cannot be treated as the same. Some of the conclusions in this paper do not actually cover a broad range, have limitations, and lack sufficient accuracy. Thus, there will be a certain amount of deviation in this paper compared with the real situation and potential room for progress in the future.

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