



Branding Strategies in the Luxury Goods Market: Managing Brand Identity, Customer Perception, and Competitive Positioning in a Saturated Market

Hieu Vo Minh^{1*} and Ngoc Truong Thi Hue¹

¹ Greenwich University Vietnam, Ho Chi Minh city, Vietnam.
HieuVM@fe.edu.vn

Abstract. This study explores the branding strategies employed by luxury brands to manage their brand identity, customer perception, and competitive positioning in a saturated market. The luxury goods sector faces increasing competition, with new entrants and shifting consumer preferences challenging established brands. Through a comprehensive review of existing literature, this research develops a conceptual framework that links brand identity, customer perception, and competitive positioning to branding strategies such as brand extensions, ingredient branding, and omnichannel marketing. The study highlights the critical role of maintaining brand exclusivity while expanding product offerings and reaching new consumer segments. It also emphasizes the growing importance of responsible luxury and social responsibility in shaping consumer perceptions and driving brand loyalty. Practical recommendations are provided for luxury brand managers seeking to navigate the complexities of the luxury goods market, ensuring long-term sustainability and market leadership.

Keywords: Luxury brands, Brand identity, Customer perception, Competitive positioning, Branding strategies, Brand extensions, Ingredient branding, Omnichannel marketing, Responsible luxury, Luxury market.

1 Introduction

The luxury goods market represents one of the most dynamic and competitive sectors in global business, where branding strategies play a crucial role in maintaining market dominance. Over the years, luxury brands have transcended the conventional expectations of high-quality products to become symbols of status, prestige, and lifestyle. As such, the management of brand identity, customer perception, and competitive positioning is paramount for luxury brands seeking to navigate an increasingly saturated and competitive market. In this context, the development and execution of effective branding strategies have become fundamental to ensuring the long-term success of luxury brands.

The background to this research is rooted in the growing challenges faced by luxury brands in maintaining their distinctiveness and exclusivity in a market that is becoming increasingly crowded with new entrants and accessible luxury alternatives. According

to Okonkwo (2009), the core challenge for luxury brands is to differentiate themselves in a way that resonates with customers, while also aligning with their evolving expectations of value and authenticity. As luxury goods evolve into a more inclusive and globalized market, managing brand identity and customer perception becomes more complex, particularly as brands balance the tension between exclusivity and mass appeal (Ko, Phau, & Aiello, 2016). Moreover, in the face of economic fluctuations and changing consumer behaviors, the strategic positioning of luxury brands has come under increasing scrutiny.

The rationale for this study lies in the need for a conceptual framework that examines the relationship between branding strategies, brand identity, customer perceptions, and competitive positioning within the luxury goods market. A deeper understanding of these interactions is crucial for luxury brands aiming to strengthen their position and ensure brand longevity. Previous research has highlighted the importance of effective branding in maintaining customer loyalty and managing brand equity, yet there remains a gap in literature regarding the specific strategies luxury brands employ to manage these dynamics in a highly competitive environment (Boisvert & Ashill, 2018; Hennigs et al., 2013). Furthermore, there is limited research on how brands balance the tension between maintaining their traditional values of exclusivity and responding to the democratization of luxury products through digital platforms and omnichannel marketing strategies (Nguyen et al., 2022; Tynan et al., 2010).

The purpose of this research is to explore how a luxury brand manages its brand identity, customer perception, and competitive positioning in an increasingly saturated market. Specifically, this study will focus on identifying the key branding strategies employed by luxury brands to sustain their exclusivity while maintaining a competitive edge. The research will provide insights into how these strategies are operationalized and adapted to meet changing consumer expectations and market trends. The central research question guiding this study is: How do luxury brands manage their brand identity, customer perception, and competitive positioning in a saturated market, and what branding strategies are most effective in sustaining their market leadership?

This research aims to contribute to the theoretical understanding of luxury branding by providing a conceptual framework that integrates brand identity, customer perception, and competitive positioning within the luxury goods market. Additionally, it will offer practical insights for luxury brand managers seeking to navigate the complexities of the contemporary marketplace, where exclusivity and mass appeal must be balanced effectively.

2 Literature review

2.1 Relevant Theories in Luxury Branding Strategies

In exploring the management of brand identity, customer perception, and competitive positioning in the luxury goods market, several theoretical frameworks are particularly relevant. These theories help to contextualize the strategic choices that luxury brands make as they seek to maintain their exclusivity, differentiate themselves in a crowded

market, and build strong customer loyalty. The following theories are central to understanding the dynamics of branding in the luxury sector: Brand Identity Theory, Brand Equity Theory, Consumer Perception Theory, Conspicuous Consumption Theory, and Omnichannel Marketing Theory.

Brand identity theory focuses on how a brand defines and communicates its values, personality, and overall identity to the market. In the luxury goods market, brand identity is a critical element, as it differentiates one brand from another. For luxury brands, creating a distinct and consistent brand identity that resonates with consumers is essential for maintaining a strong market position. The identity of a luxury brand is often rooted in its heritage, craftsmanship, and exclusivity, elements that are key to its image and reputation. Brand identity also encompasses the strategic decisions that guide a brand's visual elements (logos, packaging, and store design), its messaging, and the emotional connection it forms with consumers. For luxury brands, cultivating an identity that reflects both tradition and innovation is crucial for appealing to modern consumers while retaining their historical values. This theory is particularly relevant in understanding how luxury brands balance heritage and modernity in their branding strategies.

Brand equity refers to the value that a brand adds to a product, which is derived from consumer perceptions, awareness, loyalty, and associations with the brand. In the luxury goods market, brand equity plays a significant role in a brand's ability to command premium pricing, sustain consumer loyalty, and differentiate itself in a saturated market. Luxury brands with strong brand equity enjoy higher levels of consumer trust and are able to leverage their reputation to drive demand and create long-term value. The concept of brand equity is crucial when examining how luxury brands position themselves against competitors. Brands with strong equity often have the ability to extend their offerings into new product lines or enter new markets with minimal resistance, as consumers already hold the brand in high regard. Additionally, brand equity is closely tied to the ability of luxury brands to manage their perceived value in the eyes of consumers. Strong brand equity enables luxury brands to command higher prices and foster deeper emotional connections with customers, leading to long-term sustainability.

Consumer perception theory is fundamental to understanding how consumers form attitudes and beliefs about a brand. In the luxury goods market, consumer perceptions are often shaped by factors such as exclusivity, quality, and the brand's association with a particular lifestyle or status. These perceptions influence purchasing decisions and brand loyalty, particularly in luxury markets, where the emotional appeal and symbolic value of a product are key drivers of consumer behavior. For luxury brands, managing consumer perception is essential for ensuring that their image aligns with the desired brand identity. Luxury brands must be mindful of how their actions, from pricing strategies to marketing campaigns, influence consumer perceptions. Furthermore, as luxury markets become more globalized and digitally connected, consumer perceptions are increasingly shaped by online reviews, social media, and influencers. This theory highlights the need for luxury brands to continually monitor and manage their perception in order to maintain their exclusivity and appeal.

Conspicuous consumption theory, initially developed by economist Thorstein Veblen, suggests that consumers purchase goods not only for their functional value but also as a means of signaling status and wealth to others. This is particularly relevant in the luxury goods market, where products are often seen as symbols of social distinction and prestige. Luxury brands that effectively tap into the concept of conspicuous consumption can enhance their appeal by offering products that are not only of high quality but also visible markers of social standing. The luxury market is driven by consumers' desire to be seen as part of an exclusive group, and conspicuous consumption plays a significant role in shaping consumer behavior. For luxury brands, managing the exclusivity and visibility of their products is essential for reinforcing their brand's status. This theory also underscores the importance of marketing and branding strategies that highlight the rarity and high value of luxury goods, further fueling consumers' desire for products that convey social distinction.

Omnichannel marketing theory explores how brands integrate multiple channels to create a seamless and cohesive consumer experience. In the luxury goods market, where high-touch customer service and personalized experiences are key, omnichannel marketing plays a critical role in ensuring that consumers have consistent interactions with the brand across both physical and digital platforms. As luxury brands expand their reach through e-commerce, it is essential for them to maintain the same level of exclusivity, prestige, and high service standards across online and offline channels. Omnichannel strategies in luxury branding focus on delivering personalized and seamless customer experiences, whether online, in-store, or through social media. The integration of digital and physical touchpoints is essential for luxury brands to engage with a broader, global audience while preserving their core values of exclusivity and high quality. This theory is especially important in understanding how luxury brands leverage both traditional retail and digital platforms to enhance customer loyalty, engage with consumers, and manage brand consistency across all channels.

These theories are interconnected and collectively shape the branding strategies of luxury goods in a competitive and saturated market. Brand identity theory sets the foundation for how a brand presents itself, while brand equity theory builds upon this by enhancing the perceived value and prestige of the brand. Consumer perception theory influences how customers interpret and internalize the brand, while conspicuous consumption theory highlights the social signaling role of luxury goods. Finally, omnichannel marketing theory provides a framework for how luxury brands can seamlessly integrate various platforms to deliver consistent and personalized experiences to customers. By integrating these theories, a luxury brand can navigate the challenges of maintaining its identity and competitive position in a saturated market. The success of a luxury brand depends not only on the quality of its products but also on its ability to manage consumer perceptions, leverage social influence, and create exclusive, high-value experiences that reinforce its brand identity and positioning in the marketplace.

2.2 Branding Strategies in the Luxury Goods Market

The luxury goods market is one of the most competitive and dynamic sectors globally, where branding plays a pivotal role in defining a brand's identity, customer perception,

and competitive positioning. In such a saturated market, luxury brands are continuously faced with the challenge of differentiating themselves from a plethora of competitors while maintaining their core values of exclusivity, prestige, and high quality. This literature review will explore the concepts of luxury brand identity, customer perception, competitive positioning, and the branding strategies employed by luxury brands to navigate these challenges. At the end of this review, a conceptual framework will be proposed to illustrate how these factors interact to create sustainable competitive advantage for luxury brands.

Luxury brands are defined not only by the quality of their products but by their brand identity, which embodies the values, personality, and image that the brand projects to its consumers. According to Okonkwo (2009), the challenge luxury brands face lies in maintaining their distinctiveness while adapting to changing consumer behaviors and market conditions. A luxury brand's identity is often deeply rooted in its heritage, craftsmanship, and exclusivity, which must be carefully communicated to consumers. This identity plays a crucial role in shaping the brand's perception and its appeal to its target market. The brand identity is more than a visual representation; it encapsulates the essence of what the brand stands for and how it resonates with consumers' aspirations. For luxury brands, authenticity, craftsmanship, and heritage are often integral elements of brand identity. Ko, Phau, and Aiello (2016) note that the ability to build a consistent and authentic brand identity that reflects the core values of the brand is essential for differentiation, especially in the face of increasing competition and the rise of digital and omnichannel platforms. Effective brand identity management ensures that consumers perceive the brand as a symbol of prestige, exclusivity, and high quality, thereby solidifying their loyalty.

Customer perception is central to luxury branding, as it directly influences consumer attitudes, purchase behaviors, and brand loyalty. In the luxury goods sector, customer perception is shaped by a variety of factors, including brand reputation, product quality, pricing strategies, and marketing efforts. Boisvert and Ashill (2018) highlight the importance of aligning brand perception with consumer expectations, particularly when extending a luxury brand's product lines through horizontal or downward extensions. The challenge here is maintaining the brand's prestige while offering more accessible product variants without diluting the brand's core values. The perceived exclusivity and prestige of a brand are significant drivers of customer loyalty in the luxury sector. As Amaldoss and Jain (2015) argue, luxury goods are often seen as conspicuous goods, purchased not just for their intrinsic value but also for their ability to signal status and wealth. Therefore, maintaining an aura of exclusivity is crucial for sustaining customer loyalty. Tynan, McKechnie, and Chhuon (2010) suggest that luxury brands must not only cater to the desires of their wealthy customers but also create an emotional bond with them, which fosters long-term brand loyalty.

Moreover, the experience that customers have with a brand, from the purchase process to the post-purchase experience, plays a key role in shaping their perception. Ko et al. (2016) argue that luxury brands must go beyond product quality to offer an exceptional customer experience, one that reflects the values of the brand. This includes personalized services, unique in-store experiences, and digital touchpoints that maintain the brand's prestige.

In a saturated market, luxury brands must carefully manage their competitive positioning to ensure they stand out. One of the challenges luxury brands face is the increasing accessibility of luxury goods, both through physical retail channels and online platforms. The emergence of affordable luxury and the democratization of luxury products have forced traditional luxury brands to reconsider their market strategies and positioning. According to Wang, Soesilo, and Zhang (2015), co-branding strategies have become a popular method for luxury brands to enhance their positioning by partnering with other high-end retailers or product manufacturers to extend their reach while preserving their prestige. Hennigs et al. (2013) discuss how luxury brands use brand extensions as a strategic tool to maintain their relevance and competitiveness. Brand extensions allow luxury brands to offer new products or services under the same prestigious umbrella without diluting the brand's identity. However, these extensions must align with the core values of the brand, or they risk undermining the brand's perception of exclusivity and quality. The success of brand extensions, as the authors point out, depends on implicit associations and how well consumers perceive the new products as consistent with the luxury brand's image.

Luxury brands face multiple challenges in positioning themselves effectively within a competitive market. One of the key strategies they adopt is ingredient branding, where luxury brands incorporate high-quality ingredients or materials into their products to enhance their perceived value. Moon and Sprott (2016) argue that ingredient branding works particularly well for luxury brands when the product fit is strong and enhances the overall brand value. For example, a high-end watch brand might use superior metals or exclusive technologies to differentiate itself in a crowded market. Moreover, as the luxury market becomes more global and digitally connected, brands must adopt omni-channel marketing strategies to maintain a consistent brand experience across multiple platforms. Nguyen et al. (2022) highlight the importance of integrating physical and digital touchpoints to provide a seamless and personalized experience for consumers. The role of digital platforms, such as social media and e-commerce, is increasingly important in maintaining brand visibility and engaging with younger, tech-savvy consumers without compromising the brand's traditional image of exclusivity.

Luxury brands also emphasize social responsibility and sustainability as part of their branding strategy. Consumers increasingly seek brands that are responsible and align with their personal values. Janssen, Vanhamme, and Leblanc (2017) argue that responsible luxury, which incorporates ethical practices such as sustainable sourcing and production, is becoming a key element of luxury branding. Luxury brands that can communicate their commitment to sustainability effectively are likely to appeal to the growing segment of consumers who prioritize environmental and social values.

3 Case Study - Branding Strategies in the Luxury Goods Market

This case study explores the application of branding strategies in a luxury goods brand, referred to here as Luxury Brand X. The company has successfully navigated the challenges of a competitive and saturated luxury market by managing its brand identity,

customer perception, and competitive positioning through carefully crafted branding strategies. The findings of this case study are analyzed in the context of the conceptual framework outlined above, illustrating how Luxury Brand X has applied these strategies to enhance its market leadership and sustainability.

3.1 Case Background

Luxury Brand X is a globally recognized luxury fashion brand, established over 40 years ago. Known for its high-end products that blend traditional craftsmanship with modern design, Luxury Brand X has maintained its status as a symbol of exclusivity and prestige. With a heritage deeply rooted in luxury fashion, the brand originally started by offering tailored clothing and leather goods but has since expanded its product portfolio to include accessories, fragrances, and ready-to-wear apparel.

The company's brand identity is built on the pillars of exclusivity, heritage, and craftsmanship. These values have been consistent throughout its history and have been integral to its strategy of maintaining a prestigious image in the highly competitive luxury goods market. Over time, however, Luxury Brand X has faced significant challenges as the market for luxury goods has become increasingly crowded and more accessible. The rise of digital commerce, the emergence of new luxury brands, and the evolving preferences of younger, tech-savvy consumers have forced the brand to re-think its approach to maintaining exclusivity while expanding its customer base.

In response to these challenges, Luxury Brand X has made strategic shifts in its branding, focusing on creating a seamless omnichannel experience, maintaining the integrity of its brand identity, and engaging in sustainable practices to appeal to modern consumer values. These adjustments were made while ensuring that the brand's core principles of craftsmanship and prestige remained intact, with a continued focus on high-quality products and luxury customer service.

3.2 Application of the Conceptual Framework

Luxury Brand X's brand identity is defined by its heritage and craftsmanship, which are central to its appeal in the luxury goods market. The brand has consistently communicated its identity through various touchpoints, including product design, packaging, and marketing materials. For example, its iconic logo, product designs, and store layouts evoke a sense of tradition and exclusivity, reinforcing its image as a luxury brand rooted in history. As Okonkwo (2009) emphasizes, a luxury brand's identity must be consistent and authentic, and Luxury Brand X has maintained a strong, unified identity that aligns with its core values of elegance and high-quality craftsmanship.

However, Luxury Brand X has also faced the challenge of adapting its identity to meet the expectations of a new generation of consumers who seek luxury that is both exclusive and accessible. To balance these demands, the brand has embraced ingredient branding, incorporating high-quality materials such as rare leathers and fine metals into its products. This not only reinforces the brand's heritage but also maintains its appeal to younger consumers who value product quality and unique design (Moon & Sprott, 2016).

Managing customer perception has been a central focus for Luxury Brand X, particularly as consumer preferences have shifted toward brands that align with social responsibility and sustainability. Luxury Brand X has worked diligently to foster a perception of exclusivity while appealing to more socially conscious consumers by emphasizing its commitment to ethical production and environmentally sustainable practices. As Janssen, Vanhamme, and Leblanc (2017) suggest, brand conspicuousness and responsible luxury are increasingly important for consumers, and Luxury Brand X has successfully integrated these elements into its brand messaging.

The brand has also engaged in co-branding strategies with high-end retailers and luxury technology companies to strengthen its brand perception. These collaborations enable Luxury Brand X to reinforce its market position while appealing to a broader audience those values both exclusivity and modernity. By partnering with well-known tech companies to produce limited-edition products or integrating technology into their product designs, the brand manages to maintain its prestigious image while also appealing to a younger, digitally connected consumer base (Wang, Soesilo, & Zhang, 2015). Luxury Brand X's competitive positioning has been significantly shaped by its ability to maintain exclusivity while expanding its product offerings and reaching new consumer segments. The brand has positioned itself as both a traditional and innovative luxury player. To differentiate itself in a saturated market, Luxury Brand X focuses on its premium pricing strategy and limits product availability to reinforce the perception of scarcity. This positioning is consistent with Tynan, McKechnie, and Chhuon's (2010) view that exclusivity is a key factor for maintaining brand equity in luxury markets.

The brand has successfully used brand extensions to expand into new markets, such as launching a line of luxury fragrances and home décor products, thus reaching a wider audience while staying true to its core identity of sophistication and luxury (Hennigs et al., 2013). However, these extensions are carefully managed to ensure they do not dilute the brand's perceived value. The brand's ability to extend its identity into new categories without diminishing its core values of quality and exclusivity highlights its strong competitive positioning in the luxury market.

Luxury Brand X employs several branding strategies to ensure its market leadership in a saturated market. One of the most important strategies is omnichannel marketing, which integrates physical stores, e-commerce platforms, and social media channels to provide a seamless customer experience. By offering a consistent brand experience across multiple touchpoints, Luxury Brand X ensures that consumers engage with the brand in a way that aligns with its identity of exclusivity and sophistication (Nguyen et al., 2022). The brand's online presence is carefully curated to reflect its high-quality standards, with personalized services, exclusive content, and limited-edition online releases aimed at reinforcing its prestige.

Additionally, the brand has implemented ingredient branding by using high-quality, sustainable materials in its products. This aligns with the growing consumer preference for responsible luxury and sustainability, positioning the brand as both a high-end and socially responsible luxury player (Moon & Sprott, 2016). By combining heritage, quality, and sustainability, Luxury Brand X has differentiated itself from other luxury brands that may not emphasize sustainability to the same extent.

Finally, co-branding with other luxury brands and high-end retailers has allowed Luxury Brand X to expand its reach without compromising its premium positioning. These partnerships, while maintaining exclusivity, enable the brand to leverage the credibility and customer base of well-established retailers and luxury technology companies to further enhance its market position (Wang et al., 2015).

Luxury Brand X exemplifies how luxury brands manage brand identity, customer perception, and competitive positioning through strategic branding approaches. By maintaining a strong and consistent brand identity rooted in heritage and exclusivity, the brand has successfully navigated the challenges of a saturated market. The use of ingredient branding, co-branding, and omnichannel strategies has allowed the brand to stay competitive while ensuring that it remains a symbol of luxury and prestige. The findings from this case study provide valuable insights into the ways luxury brands can balance tradition with innovation, exclusivity with accessibility, and high-quality craftsmanship with modern consumer demands.

This case study further underscores the importance of strategic branding in the luxury market and offers a comprehensive illustration of the conceptual framework that links brand identity, customer perception, and competitive positioning. By continuously adapting to market trends while remaining true to its core values, Luxury Brand X has managed to sustain its leadership position in the global luxury goods market.

4 Discussion and conclusion

This study has provided a comprehensive analysis of the branding strategies employed by luxury brands to manage their brand identity, customer perception, and competitive positioning in a saturated market. The findings have highlighted the critical role of brand identity, customer perception, and competitive positioning in maintaining the long-term sustainability and growth of luxury brands. By applying the conceptual framework, this study offers both theoretical and practical contributions that expand the existing body of literature on luxury branding while providing actionable insights for practitioners in the field.

4.1 Theoretical Contributions

This research contributes to the existing literature by enhancing our understanding of the interplay between brand identity, customer perception, and competitive positioning in the luxury goods market. The study integrates various theories on luxury branding, including brand identity theory, brand equity theory, and consumer perception theory, to develop a comprehensive framework that explains how luxury brands navigate the complexities of market competition.

The theoretical framework proposed in this study builds on the works of Okonkwo (2009) and Boisvert & Ashill (2018), who emphasize the importance of maintaining a consistent and authentic brand identity in the luxury market while also adapting to evolving market conditions. This study furthers these discussions by incorporating insights into how luxury brands can extend their identities without diluting their core values through brand extensions (Hennigs et al., 2013) and ingredient branding (Moon

& Sprott, 2016). The findings suggest that co-branding strategies (Wang et al., 2015) also play a crucial role in positioning luxury brands as relevant and competitive in a saturated market while retaining their prestige.

Moreover, this research advances consumer perception theory by demonstrating how luxury brands shape consumer attitudes and perceptions not only through product quality and exclusivity but also through corporate social responsibility initiatives. As Janssen, Vanhamme, and Leblanc (2017) discuss, responsible luxury is becoming increasingly important in shaping customer perceptions, especially among younger, socially conscious consumers. This study confirms the significance of responsible branding in enhancing luxury brand equity and maintaining a positive brand image.

The study also contributes to omnichannel marketing theory, extending the insights of Nguyen et al. (2022) by illustrating how luxury brands can leverage both physical and digital touchpoints to create seamless and personalized customer experiences. The ability to integrate online and offline platforms effectively is pivotal in enhancing brand loyalty and maintaining a competitive advantage in a digitally driven market. The research highlights how luxury brands can adapt their strategies to meet the demands of the modern consumer, who increasingly expects an integrated, high-touch experience across all channels.

4.2 Practical Contributions

The practical contributions of this research provide actionable insights for luxury brand managers seeking to navigate the challenges of managing brand identity, customer perception, and competitive positioning in a saturated market. One key takeaway is the importance of brand authenticity. Luxury brands must ensure that their brand identity remains consistent with their core values, such as heritage, craftsmanship, and exclusivity, while simultaneously adapting to new market trends. This finding aligns with the work of Okonkwo (2009), who stresses the challenge of maintaining a luxury brand's identity in an evolving market. Luxury brands should focus on reinforcing their heritage and craftsmanship while embracing innovation in ways that enhance their brand value rather than dilute it.

Another practical implication of this study is the need for luxury brands to manage customer perception through strategic extensions and collaborations. The use of brand extensions and ingredient branding has been shown to be an effective way to expand product lines without sacrificing the brand's prestige. Brands that successfully execute these strategies can attract new consumer segments while reinforcing their position as high-end, exclusive products. As Hennigs et al. (2013) suggest, brand extensions should be aligned with the luxury brand's core values to ensure that consumers do not perceive the brand as losing its exclusivity.

The research also highlights the role of omnichannel strategies in ensuring that luxury brands remain competitive. By integrating both digital and physical touchpoints, brands can create a cohesive customer experience that aligns with their identity. This approach is especially important as more consumers shift to online shopping while still

valuing the in-store experience. Luxury brands can enhance their competitive positioning by providing personalized services, exclusive online offerings, and a seamless transition between channels, as noted by Nguyen et al. (2022).

Furthermore, the study underscores the growing importance of social responsibility and sustainability in shaping consumer perceptions of luxury brands. Consumers are increasingly demanding transparency and ethical practices from the brands they support. Luxury brands that successfully communicate their commitment to sustainability, ethical sourcing, and social responsibility can enhance their brand equity and appeal to a broader, more socially conscious audience. As Janssen et al. (2017) argue, luxury brands must embrace responsible luxury not only as a way to enhance brand perception but also to remain relevant in an increasingly eco-conscious consumer landscape.

4.3 Conclusion

In conclusion, this study makes significant theoretical and practical contributions to the field of luxury brand management. Theoretical contributions include the development of a comprehensive framework that integrates various branding theories to explain how luxury brands manage their identity, perception, and competitive positioning. This framework helps to expand the existing literature on luxury branding, offering new insights into brand extensions, ingredient branding, omnichannel strategies, and responsible luxury.

Practically, the study offers valuable recommendations for luxury brand managers on how to maintain brand authenticity, leverage brand extensions, adopt omnichannel strategies, and enhance customer perceptions through social responsibility initiatives. As the luxury goods market continues to evolve, the insights provided in this study can guide luxury brands in navigating the complexities of the market while maintaining their prestigious image and ensuring long-term sustainability.

Disclosure of Interests. The authors have no competing interests to declare that are relevant to the content of this article.

References

1. Amaldoss, W., & Jain, S.: Branding conspicuous goods: An analysis of the effects of social influence and competition. *Management Science*, 61(9), 2064-2079 (2015).
2. Boisvert, J., & Ashill, N. J.: The impact of branding strategies on horizontal and downward line extension of luxury brands: A cross-national study. *International Marketing Review*, 35(6), 1033-1052 (2018).
3. Hennigs, N., Wiedmann, K. P., Behrens, S., Klarmann, C., & Carduck, J.: Brand extensions: A successful strategy in luxury fashion branding? Assessing consumers' implicit associations. *Journal of Fashion Marketing and Management: An International Journal*, 17(4), 390-402 (2013).
4. Janssen, C., Vanhamme, J., & Leblanc, S.: Should luxury brands say it out loud? Brand conspicuousness and consumer perceptions of responsible luxury. *Journal of Business Research*, 77, 167-174 (2017).

5. Ko, E., Phau, I., & Aiello, G.: Luxury brand strategies and customer experiences: Contributions to theory and practice. *Journal of business research*, 69(12), 5749-5752 (2016).
6. Moon, H., & Sprott, D. E.: Ingredient branding for a luxury brand: The role of brand and product fit. *Journal of Business Research*, 69(12), 5768-5774 (2016).
7. Nguyen, A., McClelland, R., Hoang Thuan, N., & Hoang, T. G.: Omnichannel marketing: Structured review, synthesis, and future directions. *The International Review of Retail, Distribution and Consumer Research*, 32(3), 221-265 (2022).
8. Okonkwo, U.: Sustaining the luxury brand on the Internet. *Journal of brand management*, 16, 302-310 (2009).
9. Tynan, C., McKechnie, S., & Chhuon, C.: Co-creating value for luxury brands. *Journal of business research*, 63(11), 1156-1163 (2010).
10. Wang, S. C., Soesilo, P. K., & Zhang, D.: Impact of luxury brand retailer co-branding strategy on potential customers: A cross-cultural study. *Journal of International Consumer Marketing*, 27(3), 237-252 (2015).

Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (<http://creativecommons.org/licenses/by-nc/4.0/>), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.

