

**CONSUMER BEHAVIOUR AS A RESPONSE TO  
LUXURY RETAIL VISUAL MERCHANDISING**

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**Reneé Claudette Topete Hill**

**Reneé Claudette Topete Hill**  
**Matr. 796980**



**Relatore Prof. Paolo Volonté**  
**Correlatore Prof. Alba Cappellieri**

**Politecnico di Milano. Scuola del Design**  
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*“The global luxury fashion sector is estimated to be worth US \$130 billion. The sector is one of the few industrial segments that have remained a constant world economy contributor with an annual growth rate of approximately 20 percent”*

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- Uche Okonkwo

*“Visual merchandising promotes the sale of goods  
by their presentation in retail”*

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- Oxford Dictionary of English

## **Abstract**

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The purpose of this study is to closely examine consumer behaviour (interaction with display's ) as a response to luxury retail visual merchandising techniques, in an in-store retail setting. An interest for this study arises from the retail level point of view, of how consumer interaction with the display varies in result to diverse visual merchandising techniques, and how these results vary in the final outcome of the sale of products.

To test these responses and variations, a model was created. This model consists on the implementation of three different visual merchandising design techniques (repetition, iconic, colour focus), these techniques were tested by analysing 100 consumer's and their behavioural responses.

This study has its roots based on the research of luxury's history, branding and the evolution of fashion in the last centuries. To understand luxury retail consumers it is an essential task to most successfully implement design techniques.

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## **Introduction**

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# **Ch. 1**

## **Visual Merchandising**

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Visual Merchandising can vary in meaning on bases of different literary definitions. To closely analyse these definition leads to a better understanding of the main characteristics and core of visual merchandising. This chapter will go in depth about techniques that are currently being used throughout the leading brands of the luxury fashion sector.

## Visual Merchandising

Martin M. Pegler (2006) describes Visual Merchandising as “the presentation of merchandise at its best; colour coordinated, accessorized, and self-explanatory”

Presenting a product at its best means showing off its qualities visually, emphasizing its use means it is self explanatory, grouping colours that best reflects its style. The product is the protagonist but it is not a solo player, it is the core.

It is important to understand that Visual Merchandising is not limited to the way in which products are arranged, it is a visual persuasive technique that takes intensive research and skill to accomplish its success, including but not limited to its target customer, geographical location, product and brand image.

Vasant Kothari (2010) describes Visual Merchandising as “the actual selling of merchandise through a visual medium”

Everything the customer sees, exterior and interior has either a good or bad impact, which can either result in rejection to proceed with giving it attention, or in continued attention, interest and action. According to Kothari (2010) visual merchandising in a retail space encompasses:

- Store exterior
- Store interior
- Store layout
- Interior display

This is the overall store image which must go hand in hand with the Brand’s image.

Visual Merchandising’s ideal goal according to Vasant Kothari (2010) is to:

- Improve business productivity
- Boost sales per square foot
- Generate a faster turnover rate
- Sell more of most profitable merchandise
- Decrease markdown rates
- Increase the amount of average transactions
- Convert a walk-by into a walk-in



*Alexander McQueen  
November 2014 Milano.*



## Exterior Structures

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In order to obtain a successful result in an operation that deals with customers, it is essential to motivate potential customers to come inside.

According to Kothari (2010), “retail entrances are designed to draw customers into the store through visual appeal and physical convenience” which means easily accessible. Part of the shoppers first impression which is said to be concluded in 10 seconds is the ability to tell who the business is and what it has to sell, this can be transmitted by the brand’s name, core products displayed at first sight, meaning that if a brand’s core product is shoes, but it also sells belts, it is ideal to display shoes at the entrance, this keeps the focus on the strong and identity product of the brand.

Store fronts or exteriors can be categorized as follows:

### Arcade fronts

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Are usually spacious, they allow the close analysis of the product displayed, they seem to get relaxed reactions from consumers, meaning they take their time to look at the product displayed, this is made possible by the design of the store front, it guides the viewer by making them follow a path.

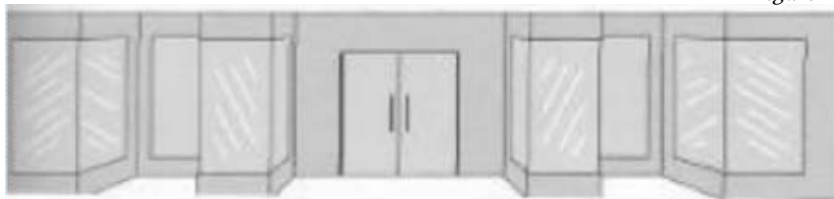


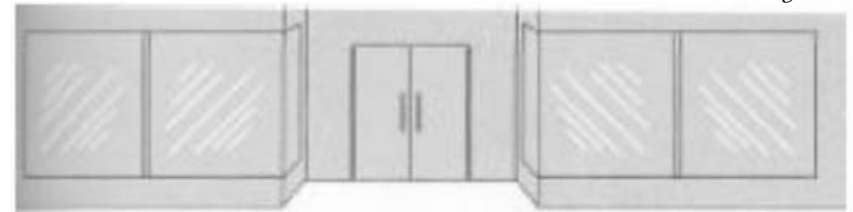
Figure 1.

### Straight front

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This type is parallel to the sidewalk, its monotony is broken by the entrance, meaning that the sidewalk pedestrian traffic can either affect the consumer in a flow manner meaning to keep following its path and the flow of the traffic, or to stop and react fast and go into the shop, this is the type of window that is in need of an attention catcher that pulls in the customer right away, these windows are in need of product to be visible from the outside of the store, this way curiosity arises and customers are pulled in fast.

Figure 2.



### Angled front

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Similar to the straight front, differing in its angles that step away from the sidewalk and halfway into the shop. These windows tend to pull in customers faster, since pedestrians can stop without being pushed by traffic, meaning that it is a relaxed observation and feeling of belonging since the viewer is already surrounded by the inside of the shop.

Figure 3.



## Open back windows

Open back windows are created by retailers who believe that the entire store should be visible to the consumer from the outside, but feel to need to feature conventional window displays, this helps in showing its core product but at the same time showing transparency and the atmosphere inside the store. This results in the consumer getting the feel of the mood from the outside, meaning that he is already experiencing the shopping environment from the outside.



***Pollini***  
*November 2014 Milano.*

## Angled windows

They give more exposure to the viewer, it tends to feature more displays in less space, resulting in leading the customer into the store, angled windows create a surrounding space that wraps the potential shopper while he is observing from the outside.



***Hit Gallery Hong Kong***  
*By Fabio Novembre*

## Half open windows

Half open windows use partitions or architectural dividers to separate the display from the inside of the store, creating a see through effect, this results in curiosity from the consumer, they are invited by a peek but are encouraged to go inside to see the rest.



*Bottega Veneta*  
November 2014 Milano.

## Arcades

The numerous window display design of this store front results in the increase of product display space. This shows the consumer a wider definition of the brands image, resulting in the understanding and communication of what the retail space has to offer and the needs of the consumer, there is a wider exchange of information.



*Fendi*  
November 2014 Milano.

## **Windowless windows**

These windows are categorized by the non display in the window, they do have windows but are named like this due to the lack of product displayed in the window. The consumer feels as if they are inside while observing from the outside. This is done by showing the inside of the store and nothing more, the consumer feels the inside atmosphere before even entering the store.



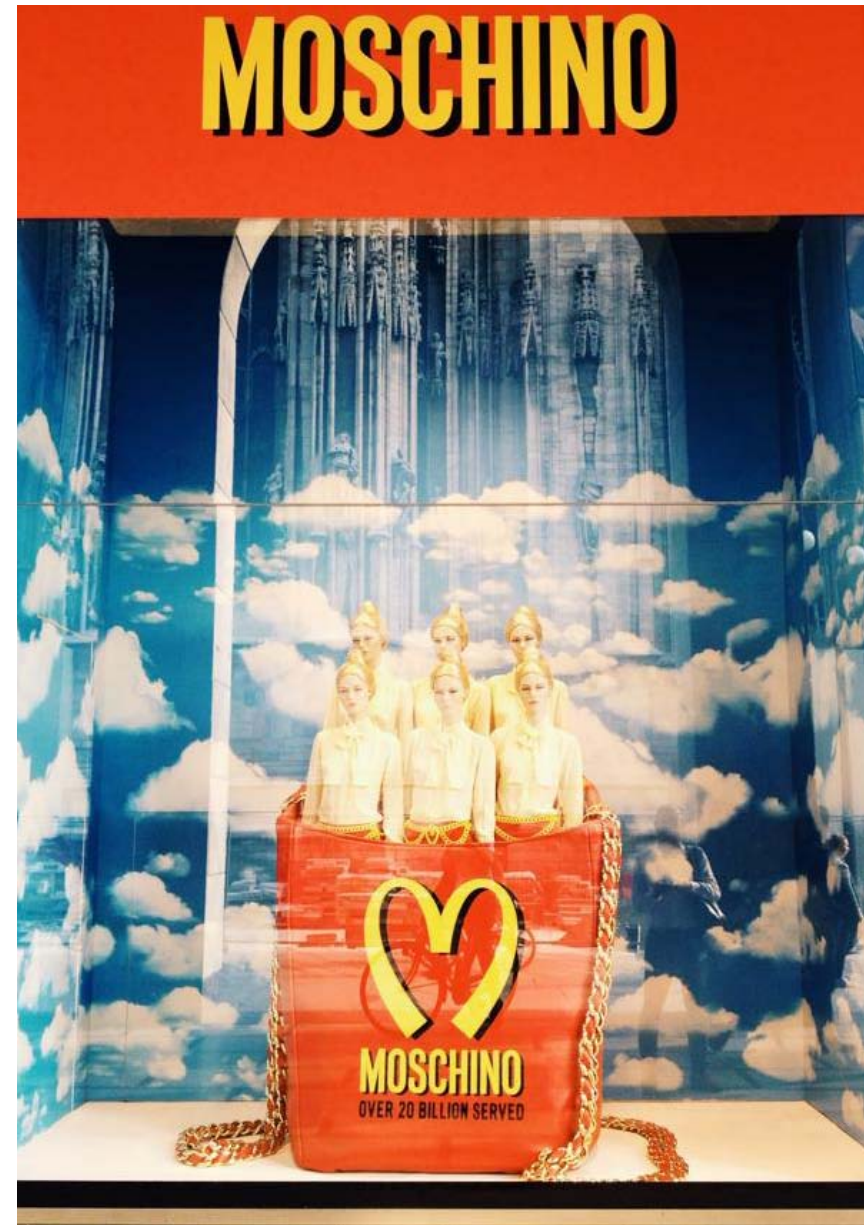
***LeSilla***  
*November 2014 Milano.*

## Window displays

The analysis of window variations gives insight on how these designs differ in consumer observation behaviour.

As consumers, we are bombarded with information on a daily basis, we are being persuaded to purchase something while we are waiting for the metro, while we are watching tv, while we are navigating the internet, while we have already been persuaded and are performing the act of purchasing a product. This information is not only being transmitted through ads, this information is surrounding us, we are being persuaded by seeing someone that owns something you would like to own, we are being persuaded by window displays when we walk through a street with shops. What I am trying to say is that persuasion doesn't only come in the shape of tv ads, they take any and every shape they find in their way.

Me personally, I am somehow immune to tv ads. This is due to companies "puffing" value and description of their products, it is hard to be persuaded when I know that their goal is to persuade me. Lets take a bag for instance, I am more vulnerable when I see products alive, meaning that I would crave to purchase a bag if I see someone wearing it in the street, rather than through a television commercial. I believe this is why most Luxury brands are advertising the "lifestyle" that their products encompass, not only because their products monetary value do not only encompass material, production, transportation cost, they are selling you an idea a lifestyle, this is what you are really paying for, a status, rather than the product itself. I speak about advertising because it is the way in which a product or a brand is communicated to a person that is not aware of its existence.



*Moschino*  
F/W 14 Window Display La Rinascente Milano.



*Valentino  
Campaign*

## Lifestyle

When we see a Luxury ad campaign from Valentino for instance, we do not see the bag being presented by its functional qualities such as an inside zip, number of pockets, inside key holder or its closure. Instead we see them sell the lifestyle of a person that wears Valentino. They are selling the Valentino dream. How is this information relevant to visual merchandising and window exteriors you may ask. The connection is found in Luxury Window display, our eyes are perceiving more to what is being displayed. Our minds are connecting what we have seen, heard, and touched and what we are seeing now, the present. Therefore the idea that we are grasping is not only of what we have in front of us, but of what we have collected throughout our lives with ads, magazines, blogs, celebrities, movies, songs, word of mouth, history, education among many others. We sum up everything, wrong or right, true or false and create additional information to the idea that we had, and therefore there is an evolution of the knowledge we have that is being changed with the knowledge that we are acquiring. Therefore I believe that the following information does not encompass all of these factors. For instance, a person that has never heard of Pinko will receive and perceive information that differs from the information received and perceived by a person that knows it and owns a couple of its products.

## **Window display impact**

“The display window is accepted as the most important part of the store design because it is the first meeting place the customer has with a brand and it gives passerby a quick impression of the store. A passerby can hold an opinion about the type of merchandise sold inside. The layout of the display windows should not take focus away from the product, and it should suggest a feeling” - H&M Official Website, 2010.

Morgan (2008) states that “with the advent of new technology in the 1840s that allowed the production of large panes of glass, department stores were perhaps responsible for taking the art of window display to a higher level, using their large windows as stages” We can see this in the fashion streets of the world, such as New York’s Sak’s Fifth Avenue or Milan’s Montenapoleone.

Window displays are crucial whether a store is situated in a mall or in a busy street. It is a mix of art, fashion, design and marketing which creates the brand image at a passerby sight. Today, retailers have recognized the importance of window display as the first point of contact between the store and the customer. It is a way to show core products, therefore reinforce the brands dna.

Store design and its display windows are the most important communication channels for fashion stores. The images found in this chapter are from Milan’s fashion district, they are being shown to better portray the brands intention.



*Lanvin*  
November 2014, Milano.



*Gucci*  
November 2014 Milano.

## Principal's of design

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The following are the principles of design according to Kothari (2010). These design elements are applied in visual merchandising window displays as well as in-store display.

1. Balance
2. Emphasis
3. Proportion
4. Rhythm
5. Harmony

### Balance

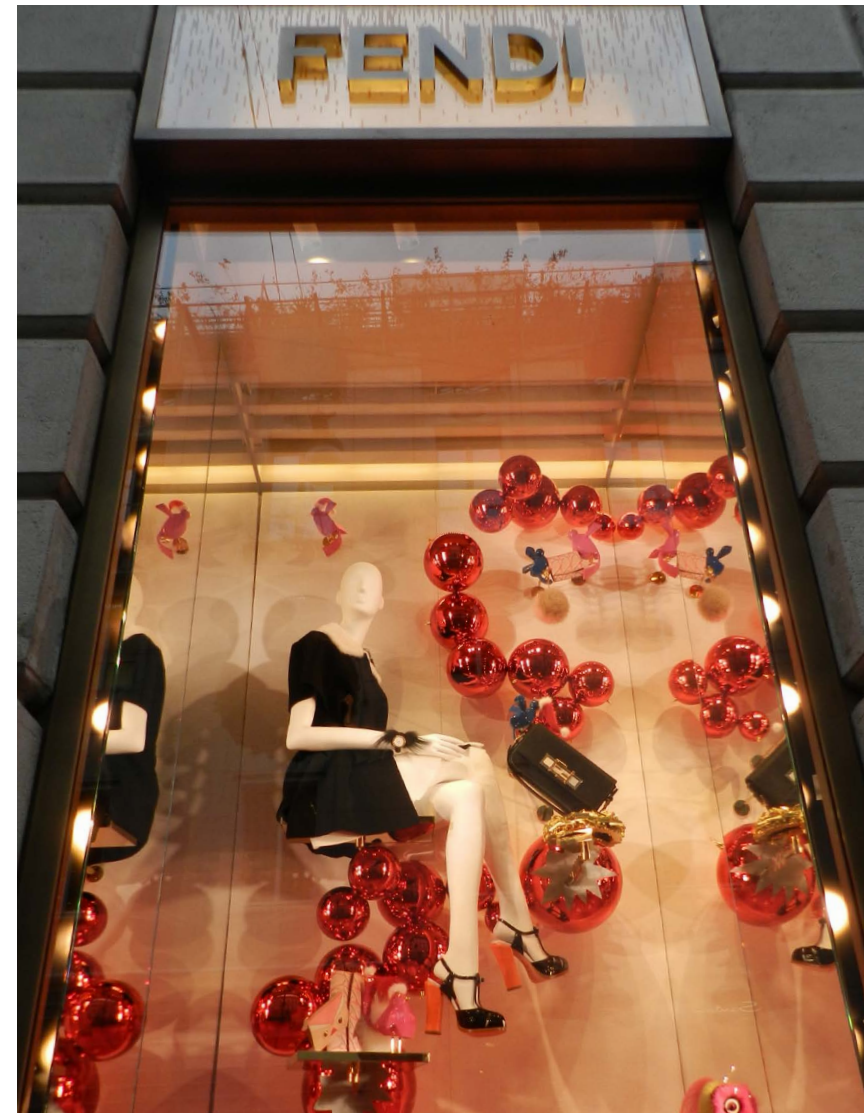
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It can be defined as the state of equipoise between the two sides of an entity. The word balances encompasses weight, something that is to be distributed evenly or on two sides of an imaginary line.

In Visual merchandising it refers to the manner in which the merchandise displayed is distributed in a pleasing manner. This encompasses comparing and estimating the values and importance of the different sides of the display.

Consumers reaction to balance, balance creates a sense of equilibrium that provides a feeling of stability, when things are unbalanced it creates a sense of discomfort and unease.

Balance has to do with the relation of the elements within a composition, it encompasses weight force and quantity, balance is fundamental in design, balance can be created in the scale of a small display or focus on one part of the display or reflected in a bigger scale.



*Fendi*  
November 2014 Milano.



Generally there are two types of balance:

1. Symmetrical or formal balance.
2. Asymmetrical or informal balance.

Symmetrical or formal balance:

It is achieved through the use of identical objects or similar in their composition, it produces a sense of dignity, calm and repose. It creates a “in its place “ environment.

This technique is proven to be effective in promoting classic goods for important occasions, such as classic business suits. This is considered effective where quality and high end merchandise is being presented.

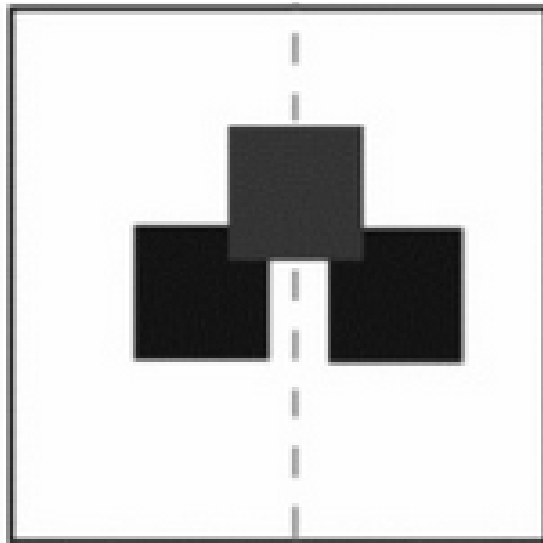


Figure 4.

Formal balance is believed to produce a feeling of conservatism, restraint and a classic atmosphere. This type of balance is usually used to depict tradition, store image and it tends to denote less activity in comparison to an informal type of balance.

Formal balance occurs when each object on one side has an exact counterpart on the opposite side, relative to size, placement, shape and colour coordination. Symmetry is very usual in this type of display.

This way each side has equal power to attract attention and its force is equal in demanding the customers attention and action.



**Valentino**  
November 2014, Milano.



**Valentino**  
*November 2014, Milano.*



**Borsalino**  
*November 2014, Milano.*

Informal or asymmetrical balance :

Informal balance in displays is achieved by creating a component equality to the viewers eye, this equality is not achieved by colour, placement, size and shape of objects on opposite sides of the display, it is achieved by a more subtle and imaginative arrangements.

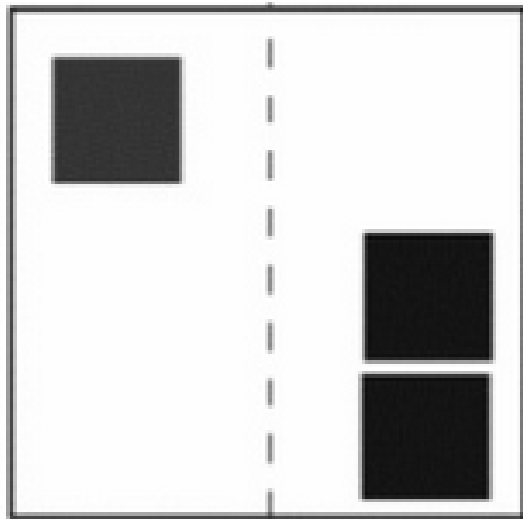


Figure 5.

It is used to express activity, excitement and variety.

This type of balance creates flow and rhythm and a feeling of excitement. The two sides of the display appear to be of equal weight, but they are not a reflection of each other. Dark values of colours tend to appear heavier than lighter values. Dull textures appear heavier than smooth textures and should be placed closer to the centre to balance the design.

When using this type of balance, a large product can be balanced by several items or even empty space, a bright color or a shot of light.

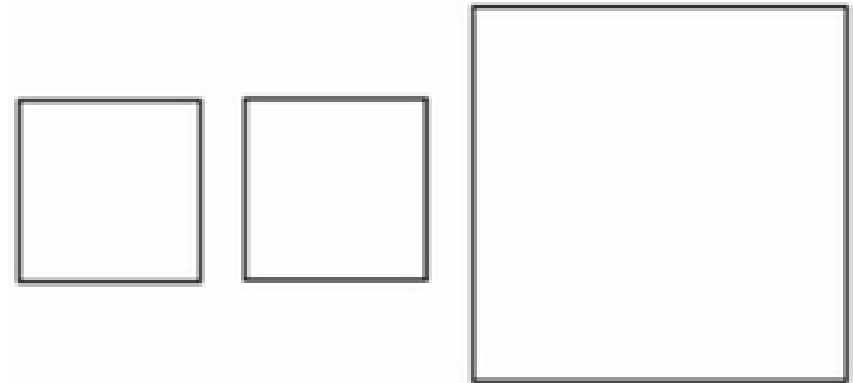


Figure 6.

Several soft colours in a large space can be balanced by one bright colour due to its intensity it compensates for its smaller size. In the case of objects of different weight, the heavier one can be moved closer to the centre to achieve balance.



**Corto Moltedo**  
November 2014, Milano.

Points to consider when balancing:

-If several small objects are more exciting than the large object, they will overpower the large item.

-A large expanse of empty space will call attention to a single object placed within it.

-If an item is placed at an angle or to one side (off centre), the space on either side of the piece becomes important.

-If an object is centred, the empty space loses importance because its shape is predictable and therefore has less recognition as its own element.

-A pleasing distribution of weight using merchandise of similar value will provide importance to both sides.

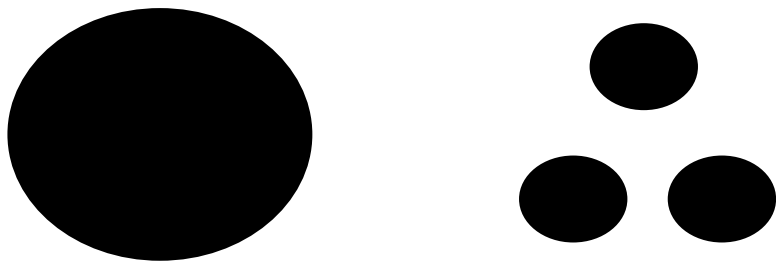


Figure 7.

When determining the effectiveness of balance:

-Draw an imaginary line down the centre of the display to determine the weight of each side.

-Formal balance is achieved, when objects are placed weight for weight on either side of the line.

- Informal balance is achieved, when objects and props are used so that more weight occurs on one side rather than the other.

-Heavier items and stronger colours are to be placed closer to the floor to prevent top heaviness, this can be accomplished by placing a small item in front of a larger item that is found in the background, this will balance the size difference.

-Bright colour items are balanced with larger objects of less intensity.

-Larger objects can be balanced with smaller objects by using repetition, for example one larger item can be balanced with two or more smaller items.

This summarizes two of the main balancing techniques, they are used to reach the same purpose in distinct ways, their execution differs but the goal is shared by both techniques.

## **Emphasis**

Emphasis is the point of initial eye contact. From this spot all other eye movements flow. Emphasis is therefore the formulation of a focal point, with all else in the display subordinate.

The focal point is the dominant or central point of a display, with everything else playing a secondary or subordinate role, the merchandise must be focal point in the majority of displays.

The visual merchandiser must keep in mind that the eye must have a point of beginning and that this point has to be planned and created, emphasis can be achieved in three ways.

### **Repetition**

A frequently used method in creating emphasis on the same product by displaying it numerous times. Colour plays a big role in this method, the shopper is attracted by the repetition of colours, or the repetition of a shape in different colours.

Size is crucial in creating a focal point. Larger items tend to hold attention longer, this can compete with small items with attention calling colour.



**Valentino**  
*November 2014, Milano.*

## Contrast

This can create emphasis by intensifying visual perception. It prolongs the visual involvement and thus provides a point of focus. By contrast, an area of patterns directs the eye to the object, in order not to make an object lose importance, this method can be achieved working together with repetition, this way the focus is on the one product achieved through colour contrast. It can also be interpreted with space, using contrast to focus on the product, for example displaying a bright blue shoe in front of a white wall to make it a focal point.



**Gianvito Rossi**  
November 2014, Milano.

## Elements of design

A composition is in need of a point of emphasis that holds the viewer's visual attention longer than any other point. This is achieved in part by subordinating elements such as colour, texture and space.



**Valentino**  
November 2014, Milano.

Further factors to take into consideration in visual merchandising techniques, are the need to emphasize a theme or mood; this depends on the product displayed.

-All elements in a display must reinforce one another and emphasize the mood. Meaning that they need to be correlated with one another.

-Shiny surfaces tend to enlarge objects, while dull surfaces tend to absorb light and de-emphasize an area or object. Surfaces need to be analysed based on their effect, they are an essential and important factor to take into consideration, they are part of the display.

-Colour is a powerful medium for creating emphasis, bright colours or extreme shades can aid in getting and retaining attention.



*Cornelliani*  
November 2014, Milano.

## Quality emphasis

It is of great importance to emphasize the qualities of a product when displaying it, it gives a sense of function and therefore brings a still product to life. The eight dimensions of product quality described by David Garvin (2008) are essential in successfully portraying the qualities of a product.

1. Performance: Performance refers to a product's primary operating characteristics. This dimension of quality involves measurable attributes.

2. Features: Features are additional characteristics that enhance the appeal of the product or service to the user.

3. Reliability: Reliability is the likelihood that a product will not fail within a specific time period. This is a key element for users who need the product to work without fail.

4. Conformance: Conformance is the precision with which the product or service meets the specified standards.

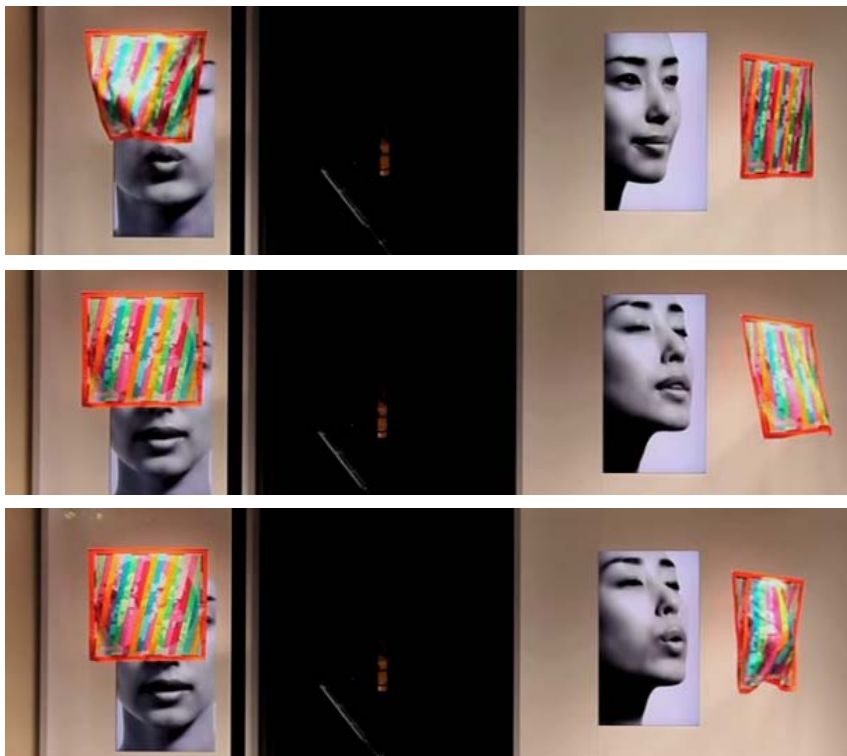
5. Durability: Durability measures the length of a product's life. When the product can be repaired, estimating durability is more complicated. The item will be used until it is no longer economical to operate it.

6. Serviceability: Serviceability is the speed with which the product can be put into service when it breaks down, as well as the competence and the behaviour of the service person.

7. Aesthetics: Aesthetics is the subjective dimension indicating the kind of response a user has to a product. It represents the individual's personal preference.

8. Perceived Quality: Perceived Quality is the quality attributed to a good or service based on indirect measures.

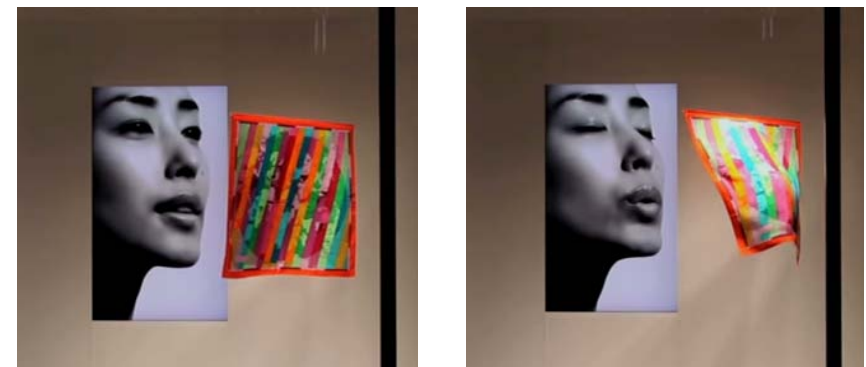
Artist's Tokujin Yoshioka's installation for Hermès is the perfect example of visually portraying the qualities of a product. In this case the artist uses elements such as video projection, a wind blower and the iconic Hermès scarf, notice that none of these elements drag attention away from the product, the elements work as quality enhancement techniques.



*Tokujin Yoshioka for Hermès, Tokyo.  
Nov 19, 2009 / Jan 19, 2010.*

This analyses how each step described by David Garvin (2008) is interpreted in this installation.

1. Performance: Main purpose is to cover the skin, the texture can be visually felt.
2. Features: Colour and print.
3. Reliability: Brands heritage.
4. Conformance: Size and material.
5. Durability: Wind blowing constantly.
6. Serviceability: This occurs inside the retail space.
7. Aesthetics: Feel, movement, silk.
8. Perceived Quality: It gives a feel of wearing the product, brings it to life with movement, showing a human face reflects the "I see myself in it" feel.





## Proportion

According to Kothari (2010) the principal's of proportion involve the comparative relationship of the design elements to each other. Proportion is the ratio of the parts to the whole display, it encompasses the relationship of distance, size, quantity and degree of placement. When each element is in proportion, the entity of the display will reflect a pleasing effect to the eye. When speaking of proportion, it is not limited to the product itself, but to the props used and the area in which the display takes place, it has to be proportionate in its entity. Proportion and contrast are important elements of good composition. Together they can achieve wonders in attracting attention. There are four types of commonly used arrangements by which proportion can be achieved.

### Repetition

As a type of proportion is quite simple in form. It makes use of merchandise of the same general nature, it aligns the items in the same manner by height, spacing, and angle at which they are placed. this type of repetitive arrangement requires deviations to break the monotonous effect that may evolve.



Figure 8.

### Pyramid

The pyramid arrangement technique is triangular with a broad base rising to a centre peak. It is easy to achieve proportion and tends to portray a stiff and formal feeling.



Figure 9.

### Step

The step arrangement is a level elevation within the display area. It is commonly used as a side unit facing the center of attraction, it is less formal than the pyramid and it is considered most effective when only three steps are used.

When the steps face a mid point, it creates an inverted pyramid, and the item in the middle will catch more attention than the rest, it is perceived as a path that leads the eye to the main product.

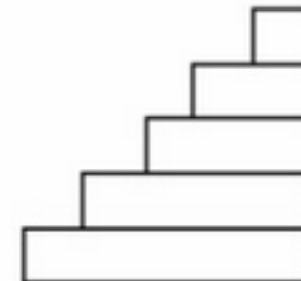


Figure 10.

## Zig zag

The zigzag follows the principle of the double reverse curve, and it is commonly used in apparel due to the ease of fabric draping and flexibility. This arrangement requires spacing and precision, this method can be easily achieved by using materials such as yarn, rope or ribbon to lead the eye throughout the zigzag line.



Figure 11.

## Rhythm

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Rhythm is achieved when all elements are properly placed so that the eye travels smoothly from beginning to end. Rhythm entails arrangement of organized motion and does not necessarily need repetition, although it does gain impact from it. The eye should flow and travel easily throughout the display. This can be achieved through various means:

### Repetition:

It gives regularity to the movement of the eye, as if it predicts what is coming next, this produces a feel of constancy and stability. This is commonly used when promoting classic styles of clothing.

### Continuous line movement:

It is the simplest method for leading the eye in a continuous line either straight or curved.

### Progression of sizes:

Refers to using similar shapes and varying their sizes by consistently increasing or decreasing them along a visual path. The eye's reaction is to move rapidly over the display, it is a more dynamic way of achieving eye movement that repetition.

## Radiation:

Another way to create rhythm is by radiation, meaning using a circular arrangement that guides the eye from a central point and all the way around the design. They are perceived as dramatic when intense colours are used.

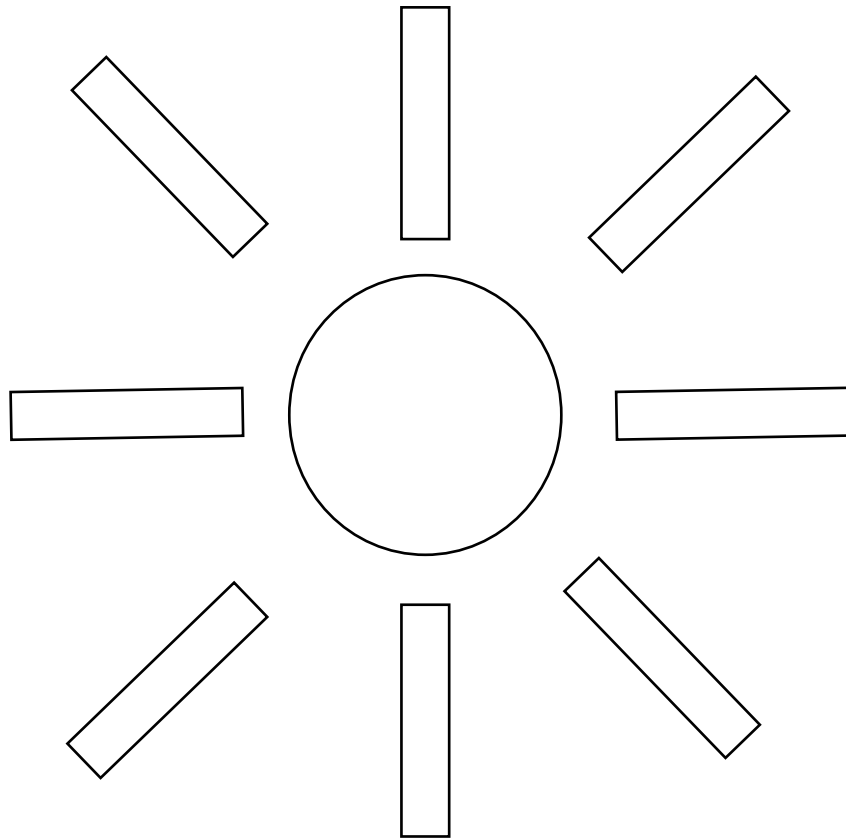


Figure 12.

## Harmony

According to Kothari (2010) harmony is achieved when all the elements in a design properly blend to form a unified picture. Harmony is the umbrella principle, meaning it encompasses every other principle into one. Harmony creates comfort, without it the observer is uncomfortable and therefore is not enticed to purchase merchandise.

Harmony may be subdivided in three sections:

Functional harmony:

Deals with the physical functionality, which means it must be realistic and it must work.

Structural harmony:

All the pieces are fitting correctly, a structure is created by displaying items together that in real life experience would be paired such as fishing wire and a camping stove, because these two items are part of camping gear. All the merchandise is brought together as part of a mood.

Decorative harmony:

This display includes parts that are only for decorative purposes, in a winter atmosphere snow or a snowman may be used as a prop, these aid in creating the theme.

## Atmosphere

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An atmosphere that is inviting attracts people to come inside, and stay there longer.

Morgan (2008) suggests that “the visual merchandising is a vital part of any retail operation. The use of effective visual merchandising techniques can improve a store’s brand image and dramatically increase sales”. Meaning that Visual Merchandising doesn’t only give value to a product by presenting it at its best, it also means that it buys time for the product to sell itself visually and be sold by the sales staff, more time means more opportunity. Store image and shopping environment are a significant factor to the time consumers spend inside a store, therefore if they spend more time than planned inside the store, they will potentially spend more money than planned.

Ries (2010) asserts that “aesthetics within the retail environment do not only affect shopper comfort levels, but can influence employee morale and productivity”. Shopping environment means the physical surroundings of a store. There are many elements of a store environment such as music, lighting, layout, directional signage and human elements. Lam (2001) suggests; “Store environment can also be divided into external environment and internal environment”. On the other hand, retail store elements such as colour, lighting, signage and visual merchandising have an immediate effect on the buying decision making process. Morrison (2002) explains “one of the key challenges for retailers is to constantly add value to their brand. He recommends new and innovative elements to their existing retail marketing mix. Elements that excite the senses of shoppers such as flat screen videos, graphics, music and lighting help to create a unique atmosphere and shopping experience”.

Shop interior is a significant part of merchandising. Designing a shop interior is a creative process that requires the art of planning, it directly affects the brand’s image and therefore its profit. It is the art of drawing, composing and selecting colors, materials, furnishings and accessories to enrich the design of a store interior.

The main purpose is to create an attractive shopping environment and to enhance the presentation of the merchandise. To create a distinctive image should be the main task of a designer, such an image will create a brand recognition which will be immediately perceived by the consumers.



*Moschino*  
November 2014, Milano.



**Louis Vuitton**  
*November 2014 Milano, Gift box theme.*

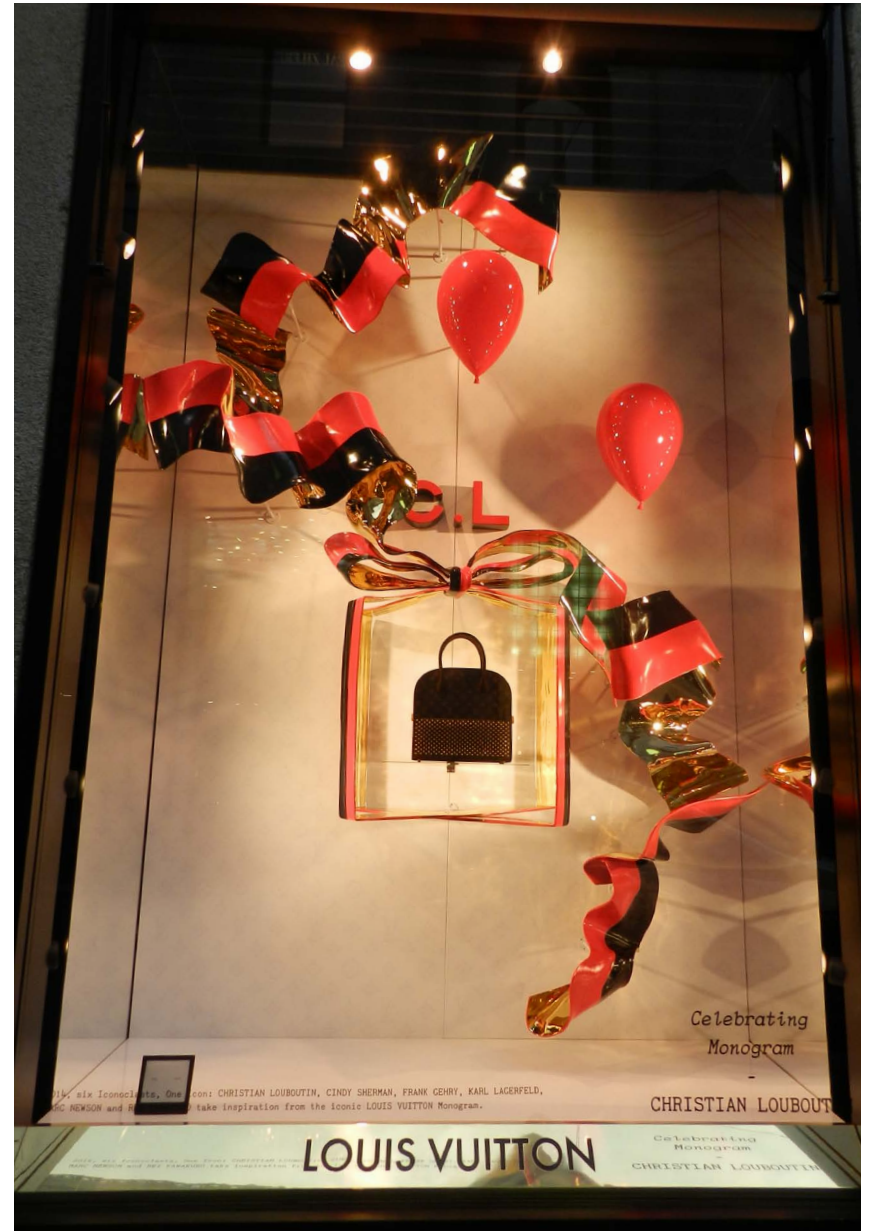
In today's competitive retail environment, fashion retailers struggle in order to increase their sales and to carry their brands to the wider masses. The best way to achieve this purpose is to consider the significance of visual merchandising. The exterior and interior design of a building can help to increase recognition of a fashion brand.



**Ralph Lauren**  
*November 2014 Milano, Christmas theme display.*



**Burberry**  
November 2014, Milano.



**Louis Vuitton**  
November 2014, Milano.

**Parosh**  
*November 2014, Milano.*



## Colour

Colour is accepted as the biggest motivation for shopping. Pegler (2011) suggests that people buy colour before they buy, size, fit, or price. Colour says something about the kind of merchandise and merchandiser.

Pegler (2011) suggests: “colour psychology is very important in visual merchandising. Colours can immediately create a mood. Most of us have colours that tend to cheer us up when we are feeling down and colours that calm us. Each of us also has colours that can make us feel hot or cool”.

Here is an example of how the main colour is communicated in the window display, as well as inside. There is a between what is seen from the outside and is found inside.



*Corto Moltedo*  
November 2014, Milano.



*Miu Miu*  
November 2014, Milano.

Colours are considered as one of the effective way to capture customer's attention. This is done by the effective and knowledgeable use of colours. As the most powerful and effective tool of Visual Merchandising, colours attract customer into the store. In this context, a retailer has to focus on the right choice of colour. The theme of a display has to be in harmony with colour, for example summer contains bright colours, it is sunny outside, vegetation is at its fullest blossom and fashion follows.



According to Stanford encyclopedia of philosophy (2012). “colour is the first element we see when observing an object”

Colour is an element affects the observer physically and psychologically and is considered one of the most important elements in creating a response. It is believed to have tremendous power and expressive qualities, it is inexpensive and versatile in means of creating a display, most of the colour usually comes from the merchandise itself.

The colour combinations of ceiling, walls, floor, furniture, lighting fixtures can affect the atmosphere of a store. Colour is a key factor in all the steps involved in purchasing a product, it attracts the eye of the potential customer, it creates the desired mood and it stimulates the viewer to make a purchase discission. This means that changing colour schemes can change people’s attitudes and feelings and therefore the perception of a store, which would ideally result in an increase of business.

Dark colours have been tested to have more visual weight when viewed against a light colour background. Meaning that its intensity is highlighter when displayed in front of a lighter colour background.

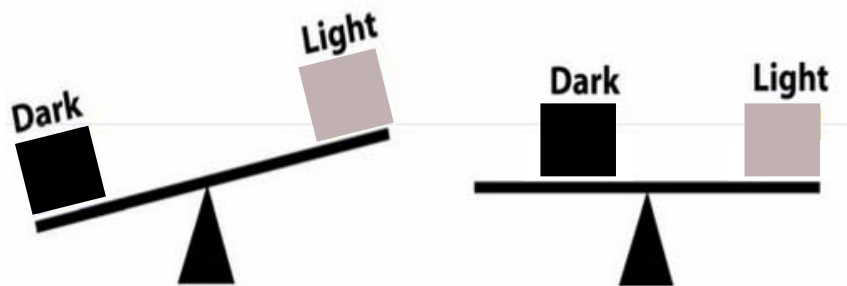


Figure 13.

The average pedestrian sees a window, and if he is drawn by it, it is observed and responded to all in less than 11 seconds.

Therefore the display must be magnetic, it should represent the store and help sell goods all the way from the window. People are colour conscious, it helps in creating desire.

Different colours create different responses:

Warm colours such as reds, oranges and yellows physically attract customers to shop, it is believed to create a sense of intimacy and warmth. Warm colours tend to make a room look smaller while making the object in the room appear larger.

Cool colours such as blues, violets and greens are more appropriate for areas where high priced items are displayed. These colours create a sense of relaxation, it makes a room appear larger and more spacious, they are especially pleasing in small rooms.

Colours can be categorized in its three dimensions.

1. Hue
2. Value
3. Intensity

Hue in simple terms is the name of the colour. Value refers to the lightness or darkness of a hue, this can be used as a way to add light or shading to an environment. Intensity or chroma is used to describe a pure colour, high intensity colours are active and stimulating such as a neon colour, while low intensity colours tend to create a calm and restful mood such as brown colour.

## Monochromatic

This is achieved by using several pieces of the same hue, each consisting of a different value, and varying in intensity. The following window image is an example of a monochromatic colour scheme. This is a good choice when highlighting textures, it makes it more evident when the colours are all the same or similar.



*Yves Saint Laurent*  
November 2014, Milano.

## Analogous

The following colour scheme comprises three hues that are adjacent in the colour wheel, such as yellow orange, yellow green and bright yellow. This is considered more harmonious than a monochromatic scheme, since it avoids the clashing of colours.



*Versace*  
November 2014, Milano.

## What colors imply

According to Stanford encyclopedia of philosophy (2012) The following are the psychological implications of colour:

Blue- Creates a cooler atmosphere, calms and relaxes, seems to make time pass quickly, encourages conversation.

Green- Easy on the eyes, restful and tranquillizing.

Red- Excites and stimulates, induces aggression, makes time pass slowly.

Orange- Friendly, warm and vibrant, exhilarating.

Yellow- Cheerful, warmth, happiness, draws attention, boosts morale.

Violet and purple- Tends to lend elegance and sophistication, royal.

Brown- Relaxing and warm.

Grey- Depressing, cool and sophisticated.

Black- Depression, richness, sophisticated when used correctly.

White- Cold and elegant.

The effect a colour has can vary depending on the combinations used. These implications are limited according to cultural and personal perspectives; however, they aid in the understanding of the general overview and implications of colour.

The following chart attempts to show how a colour's perception changes when combined with other colours. This was reached by analysing colours in front of different colour backgrounds, the intensity, brightness, dullness of colours changes depending on the background in which is placed.

Color of Merchandise	Black background	White background	Beige background	Dark Grey background
Yellow	Enhances in richness	Lightly duller	Warmer	Brighter
Red	Far more brilliant	Darker, purer	Bright but less intense	Brighter but less saturated
Blue	More luminous	Richer and darker	Slightly more luminous	Brighter
Green	Paler sharper	Deepens in intensity	Lighter and yellowish	Increased brilliancy
Orange	More luminous	Darker and redder	Lighter and yellowish	Increased brilliancy
Purple	Loses strenght and brilliancy	Darker	Brighter, grey color becomes greenish	Grey becomes green

Figure 14.

## Lighting

The choice of the right lighting in fashion stores should be strongly considered and studied. Lighting deals with creating the mood, strong white light gives a sense of spotlight, open space, and clarity.

Low light levels will also prevent consumers from comparing and possibly purchasing products. However, too much light can make shoppers uncomfortable. Quartier and Cleempoel (2008) also suggest: "Lighting has an influence on the mood and hence the behaviour of humans in retail environments. Lighting has an influence on how spaces are perceived. It can arouse positive or negative feelings in the perception of that space. Lighting in retail environments encourages people to stay longer in that retail environment and increase the sales numbers".

Lighting is an integral part of design. It contributes greatly to the look of a space. There are many types of lighting that affect the perception of any space. In retail, to create a special ambiance by using special lighting techniques is one of the main tasks of visual merchandisers and designers.

Yellow light gives a sense of belonging, feeling at home, dimmed light, romantic, resting, people tend to stay longer in a place with a yellow lighting, they feel more at ease. As with the case of Prada's window display.



*Prada*  
*November 2014, Milano.*

## Window lighting

The main rule is to use lighting to show the products true color. Focus on merchandise, hinting the lifestyle is done through the product and not the other way around.

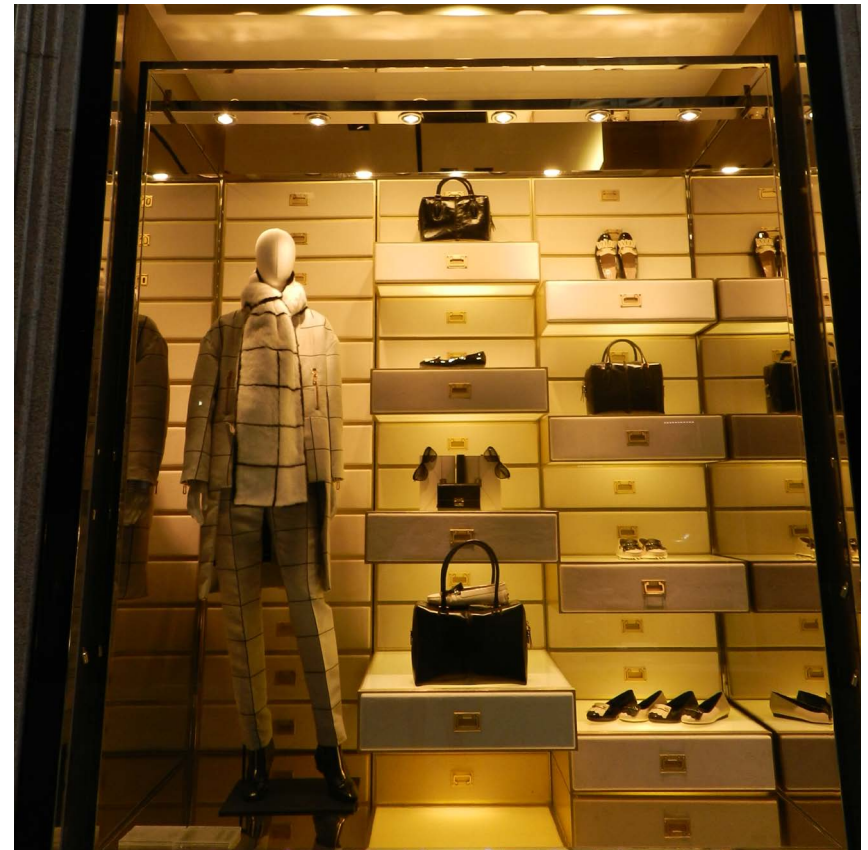
Lighting should be concealed, this keeps the focus on the product, unless lighting is part of the design presentation.



**Parosh**  
November 2014, Milano.

The objectives of lighting are explained as:

1. To attract the customers attention.
2. To create an appropriate mood for the merchandise.
3. To contribute to a positive visual image of the merchandise.
4. To allow careful inspection of the merchandise.



**Tod's**  
November 2014, Milano.



**Versace**  
*November 2014, Milano.*

## Signage

Signage is not a new concept and is used for promotional purposes by merchants. Initially, the purpose was to provide basic information. Today, it is considered an integral part of the retail environment because it plays a growing role in creating the unique image and atmosphere.

Businesses operate in a highly competitive environment. They must communicate with customers quickly and effectively by introducing themselves and their products or services. “For most businesses, the most cost effective and efficient form of advertising to potential customers is on-premise signage” according to James and Susan Claus (2001).

Signage is a business’s basic link to customers. The purpose is to promote impulse “stop and shop,” to create awareness for the product or service for future reference, and to influence purchasing decisions once the customer has stopped.

Today, technology allows us to use digital signage. Digital signage is one of the most important tools in store design. Digital signage is a form of electronic display. Businesses can show information, advertising and other messages concerning the brand. The aim is to convey a message or information to customers and digital signage displays are most usually controlled by basic personal computers, but it must be used effectively, some brands prefer the “human touch” and prefer to keep digital signage away from their shops.

Signage in shopping environment has a great importance to enhance the customer’s shopping experience and is accepted as an integral part of a building’s design.



**Gucci logo**

<http://images.flatworldknowledge.com/>

Timlen (2009) states that “a graphics designer, who understands the implementation of architectural lettering, can put together the right fonts, font sizes, font spacing, and coloration mixtures, to ensure that a sign not only tells the story that it needs to tell, but also does so with style and elegance”.

Visual merchandising varies from market to market, this thesis focuses specifically in Luxury Retail Visual Merchandising, its a competitive market in which distinction is a must in order to survive, visual merchandising is not only about the product itself, but about the idea, ideals, and feeling that it transmits, its about the essence of the brand transmitted at a glance, the information delivered visually being quality, style or atmosphere meaning environment, a feeling of belonging or wanting to belong.

We can say that attention is one of the most important things we need from a consumer to begin the purchasing ritual. Without the consumers attention he feels lost, and that is a sense of discomfort that pushes the person out of the space which he finds himself uncomfortable in. The repetition of goods that need to be pushed works in a long term information retention which means that even if a customer leaves the store without purchasing, he is more willing to come back and purchase the products he retained in his subconscious.

Stepping away from the psychological complexity behind Visual Merchandising, to better understand its meaning and purpose, Visual Merchandising can be broken down into the two words that form it, visual meaning through the sense of sight, and merchandising meaning any practice which contributes to the sale of products to a consumer. When these two are put together you get Visual merchandising, which is Visual techniques that contribute to the sales of products, therefore is fair to say that visual merchandising final goal is profits, its success can be determined by the results of the sell through of products.

We can consider it an indirect technique to the consumers perception because the stimulation provided by VM is visual persuasiveness which means without words, it is a psychological stimulation through sight, therefore the aim (create a sale) is communicated indirectly. We can also say that it is direct, when we see words or numbers, for example in window displays, numbers or descriptive words are no longer only the persuasiveness of the physical product itself, but it now includes words that no longer depend on the consumers interpretation, therefore it is direct and the aim (create a sale) is directly communicated by symbols being numbers (prices) or words (sale banners).



## **Ch. 2**

# **Luxury fashion**

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To study the origins of luxury and how it has evolved throughout the past centuries is an important task, this leads to a deeper understanding of the luxury fashion sector and the intrinsic value of luxury products.

*“Luxury is a necessity that begins where necessity ends.”*

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- Gabrielle Coco Chanel

## What is Luxury

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Luxury has always been present in human history, and refers to a non immediate functionality, but rather symbolic and sometimes even mythical.

Lipovetsky (2012), considered luxury concept has a universal and anthropological character, “It is impossible to envision humanity without luxury. Indeed, through luxury, humans affirm their superiority to mere animals, and that their destiny cannot be reduced to survival, conservation and need.

Shakespeare himself said that removing what is superfluous to a man and you will annihilate his humanity”.

David Millán Planelles, spanish business consultant, identifies six points that provide a clear understanding of luxury’s concept:

### 1. Relativity and dynamism.

You cannot understand luxury in absolute terms. For this reason, it is relative to the society that defines and evolves over time, a factor that gives it a dynamic component.

### 2. Beyond the basics needs.

Luxury represents the impulse of humans to go beyond the basic or natural needs (an idea linked to the relation between desire and necessity). It is also considered as lacking of utility or superficial.

### 3. Quantitative versus qualitative.

Luxury is not based only on ostentation or wealth (which are quantitative elements), but also in the refinement of the basic needs (thus a qualitative aspect).

### 4. The threat.

It is a concept which has several negative associations inherited from earlier times, which are the result of the tension between social and personal motivations.

### 5. Linked to the culture.

Luxury, as a means of demonstrating elitism has always been linked to the development of the arts.

### 6. An economic factor.

While it is an item of commerce, luxury generated an entire market itself.

It is important to understand that luxury is not a term loaded with attributes or properties, as explained by Millan in his article “The concept of luxury” (2013), “The question is not which property defines luxury, but to understand what it is in itself”. To go to the roots of the idea, and emphasize the idea of “not simplify the luxury concept to a list of properties, but understand it as the combination of a social and economic phenomenon”.

## Mass and exclusivity

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As mentioned above, luxury can be a complex concept that creates a market that does not always coincide with the basic rules of the business. The mass exclusive tension refers to the brand's image and exclusivity. In the luxury market, its not always about its success based on profits.

Sales growth involves an increase in customers which leads to lower prices, greater product distribution and more accessibility. "The mass-exclusive tension is supposed to put a limit to growth, establish boundaries that are not yet defined, so its up to the company to set these limits. Properly analysing, this tension requires understand the difference between managing and simply search for growth" (Millan, 2013).

As an example, we can consider the case of Hermès Birkin Bag. In order to get your hands on a Hermès Birkin bag, you must begin the journey in an Hermès store, for this very high end bag is not sold through the online site. You don't have to be a regular customer of Hermès in order to get your name on the list, even though this would probably be helpful. You must simply let a sales associate know that you are interested in purchasing a Birkin, and they will gladly take your name and put it on the list. You do not have to put any money down, as the list only alerts Hermès of your interest in the bag. Whenever a bag is available and your name comes up, you will receive a call. This kind of tension between mass and exclusivity is something to manage in the brand's extension period. Luxury companies often use brand extension as a mean to expand into new markets and reach new audiences. Each brand, as I said before represents a life-

style and values that customers can identify with, therefore, brand extension must be deeply analyzed, even a small mistake could destroy the brand's values.

A research by Mergen Reddy and Nic Terblanche, which was published in a Harvard Business Review article titled "How Not to Extend Your Luxury Brand", shows how risky a strategy this can be. For a brand to be transferred successfully to 'nonadjacent' categories, much depends upon its core values in the eyes of customers, according to Reddy and Terblanche. They say that some luxury brands, such as Louis Vuitton, are valued for their lifestyle, or symbolic aspect. Symbolic brands can, they argue, be successfully transferred into "nonadjacent" categories - as long as they are positioned in line with their key 'symbolic' qualities.

Reddy and Terblanche named as an example of failed strategy, the french brand Pierre Cardin "The brand's early extensions into perfumes and cosmetics in the 1960s succeeded so well that the company began to sell licenses indiscriminately. By 1988, it had granted more than 800 licenses in 94 countries, generating a \$1 billion annual revenue stream and profits plummeted. It wasn't until the Pierre Cardin name started appearing on wildly nonadjacent products such as baseball caps and cigarettes that margins collapsed. Initially, the brand extensions into the perfumes and cosmetics categories were successful because the premium degree of the Pierre Cardin brand transferred undiminished into the new, adjacent categories. The owners of Pierre Cardin, unfortunately, attributed this to the strength of the brand rather than to the brand's fit with the new product categories".

Another study case the authors named is Bulgari, but as a good example, “when Bulgari licensed its name to Marriott to create a chain of luxury hotels, customers bought into the concept because of the symbolic value of the Bulgari name, not because Bulgari has engineering skills that it brought to bear on the design and installation of Marriott’s bath towel holders.”

### **Tension management**

Luxury brands are characterized by the balance between creativity and business management. This balance requires a particular skill and some business acumen to understand the identity of a brand with creativity and originality, making it successful in its market. In fashion, especially in large firms, the change of designer or the person in charge of the creative direction is normal. For example, when Tom Ford joined Gucci, the house was in bankruptcy and after a while he was eventually named “Gucci’s saviour”, becoming the brand today valued at 4.3 billion dollars. This success does not always have to do with respecting the traditional style of the firm. There are cases such as Yves Saint Laurent, who suffered not only a change of name (and logo) becoming only Saint Laurent, but the style of woman that spoke the brand for years was also changed.



*Herme's  
The Berkin bag*

## Classic

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The success of a luxury brand is based on the tradition, heritage and quality that the brand carries with its name. It is here, where brands face another challenge: to show the world these values and simultaneously be contemporary. To do so, it's necessary to generate specific actions that without hiding the brand heritage show a contemporary style. As an example, we can quote Christopher Bailey's work, responsible for creating and delivering Burberry's global vision and business strategy, including overseeing collections, brand imagery, product design, creative marketing, architecture, consumer technology and digital innovation. In April 2014, Burberry brought the spirit of London to Shanghai with a night of live performances, music and fashion. Personally, I think this is a good example of how to balance brand heritage and modernity.

So far, we have understood that the concept of luxury includes a social and economical component, that change simultaneously with the use of society's traditions and to establish themselves in a market, they must deal with management which involves having clear mass exclusivity tension, creativity-management tension and the timeless dilemma. The reason that many luxury brands have failed in the past 30 years, is due to the lack of understanding that complexity is not merely in the product being offered, but also lies in the management of the company.



**Valentino**  
S/S 2012

## New Luxury

Luxury, as I mentioned, is a concept that changes over time, has a strong emotional component and is rapidly expanding into various fields, becoming a way of life. Originally luxury was reserved for certain products that were consumed by a wealthy minority. Today borders are broken, the concept of luxury is more related to experiences, lifestyles and use of time, and the target is much broader, scattered and unpredictable. For example, nowadays is no surprise to find people who wear Alexander McQueen and H&M at the same time, or fly in a low cost company and stay in five-star hotels. Even prestigious designers such as Karl Lagerfeld, Sonia Rykiel, Martin Margiela or Alexander Wang collaborated with the Swedish low cost brand H&M doing a capsule collection, offering an affordable price specially for a type of consumers called “wannabes” that I will explain in the next chapter.

Ian Yeoman and Una McMahon Beattie, professors from Ulster University, said “The concept of luxury is incredibly fluid, and changes dramatically across time and culture. In the past, it was associated with champagne, caviar, designer clothes and sports cars. Nowadays, with increased affluence, luxury is a blurred genre which is no longer the preserve of the elite. More and more consumers have traded up as the old values of tradition and nobility have become less important.

People are enjoying much more material comfort in comparison with previous generations, resulting in a trend of a cultural shift for personal fulfilment and aspiration through experience. Therefore, it could be argued that luxury is increasingly about experience and authenticity, rather than



<http://www.aboltofblue.net/>

monetary value. This is not to say that luxury is about status, but luxury is more than monetary value” (2005). This indicates that luxury is now based on the experience and authenticity rather than its properties or monetary value.

According to Glyn and Alistair (2009) contemporary consumers use consumption to make statements about themselves, to create identities and develop a sense of belonging. So the old luxury or traditional luxury, which was characterized by extravagance and showing social status through the demonstration of wealth has given way to new luxury, or what some authors have called the democratization of luxury. The new luxury is defined by Glyn and Alistair (2009) as “products and services that have high levels of quality and taste with respect to others of the same class, but are not so expensive as to be out of reach”.

Silverstein and Fiske (2003) make a classification of the new luxury into three types of products:

1. Accessible Super premium.

These products are priced at or near the top of their category, but middle market consumers can still afford them, primarily because they are relatively low-ticket items, such as vodka or perfums.

2. Mass Prestige or “Masstige”.

These goods occupy a sweet spot between mass and class.

While commanding a premium over conventional products, they are priced well below super premium or old luxury goods.

3. Old-Luxury Brand extensions.

These are lower priced versions of goods that have traditionally been affordable only by the rich. On the list of old luxury companies extending their brands are Mercedes-Benz, Ermenegildo Zegna, Tiffany, and Burberry, offering affordable products alongside their traditional ones.

The key that opens the way to new luxury is the emotional connection that consumers establish with such products. But this emotional connection doesn't mean that people have become irrational, instead they pay more for some things and less for others. Old luxury has always been linked to distinction and status, class and exclusivity, while the middle market tried to offer price, functionality and comfort. In contrast to both, the new luxury, worries about the emotional commitment, it means, by personal and direct involvement with the goods.

Finally, Silverstein and Fiske, consider this new reality absolutely positive, compared to traditional criticism, who reviled the wealth, as it is a objectively way to enrich the lives of people (materialistically and emotionally), a goal that so far very few could actually do, but is increasingly available to a greater number of people, from very different social backgrounds. They have broken barriers for the luxury customers,



## Luxury Fashion/ Brands

It is important to start off with understanding the meaning of Luxury fashion, and how it differs from fashion in general. Needless to say, the term “luxury” brings words to mind such as, unique, rare and expensive, it is psychologically linked with price and exclusivity. Therefore I would like to start off by defining Luxury brands, for the availability of luxury products and services are made possible through these entities.

Luxury brands enjoy brand strengths of a recognizable style, strong identity, high awareness, and enhanced emotional and symbolic associations. “Luxury brands differentiate through high quality, innovation, craftsmanship and precision factors that justify premium pricing and exclusive distribution” (Okonkwo, 2007).

“A luxury brand is one that is selective and exclusive, and which has an additional creative and emotional value for the consumer . This definition broadens the traditional view of scarcity, sophistication, and good taste associated with luxury goods to encompass a more modern and inclusive view of fashion products” (Chevalier and Massalovo, 2008).

The term “fashion” is defined as “A popular or the latest style of clothing, hair, decoration, or behaviour” (Oxford dictionary).

The term “luxury” is defined as “A state of great comfort or elegance, especially when involving great expense”(Oxford dictionary).

Luxury brands of the present do not stand so far apart from these definitions, luxury brands create and represent the latest styles in elegant materials and the acquisition of these products or services require great expense.



*Jimmy Choo  
Exclusive Vices Collection.*

According to Castarède (2007) “authentic luxury is recognized by the quality of materials, the originality of manufacturing methods and the time spent for manufacturing products”. I believe that the difference between fashion and luxury fashion stands in its execution. We see brands such as H&M and Zara reflecting big brands styles at lower cost and quality, needless to say the shopping experience stands at a whole different level. Performance and functionality are necessary and expected by luxury brand consumers, but considered insufficient attributes. The quality and value of a luxury brand manifests itself primarily in symbolic and affective performance, luxury is to be worn and displayed, therefore the recognition of a brand by population is a big factor in the way it is perceived, this has a limit, when recognition goes too far it can be considered part of the “mass” and therefore no longer exclusive.

According to Belk’s (1988) theory of the extended self, “individuals define themselves, in part, by what they own”.

Possessions signal to others an individual self concept or identity. The use of luxury brands and luxury products are powerful and able to transform. It is an embellishment that enhances the “self” and “being” therefore when you “have” you “are”. Purchasing a product is a way of incorporating a new meaning, definition or adding to ones self, the mixture of product and self results in redefining or accentuating. Luxury brands can be considered in a way a “lifestyle design” they reflect through their products a style of life, therefore a consumer makes use of these products to define who they are or who they wish to be perceived as.



*H&M vs. Kenzo*



*H&M vs. Celine*

## Luxury's roots

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Luxury is a concept linked with the evolution of society and human beings, it has a sociological component that requires a historical review for clear understanding. Starting from ancient Rome, where luxury meant long baths in four phases (warm bath, hot bath, cold bath and lastly, massage with anointing oil) and large meals which could include breaks to vomit and continue eating, until our present where the concept of luxury is absolutely personal and depends on individual perception.

Gilles Lipovetsky (2003) french sociologist and philosopher, says that “historically the concept of luxury has been related to power, it has the tendency of wasteful spending from the stone age”. Christopher J. Berry (1994) in his book *The Idea of Luxury*, points out the negative connotations that resulted from luxury during this historical period, because it kept away people from the natural life and virtue. It is for this reason that luxury has historically been seen as a motivator of personal desires and has received several negative associations that persist to these days.

The Industrial Revolution in England, resulted in a paradigm shift in the concept of luxury, from the economic point of view. The patterns of consumption present in England at this time period were similar to what one might find in Europe, as well as in some of the Ottoman territories. This is not surprising, however, since most of Europe and the Ottoman Empire were all connected through trade. Through these trade connections, people were able to buy many of the luxury goods that they desired. Very common

amongst the nobility was the idea of Conspicuous consumption. This can be traced back, even into the Middle Ages. People, the nobility especially, had trade connections throughout Europe, and many of them would use these connections to buy the works of art, etc. that they desired. This does not extend only to the rich, however, even Medieval peasants enjoyed imported luxury items: there is evidence to suggest that some English peasants drank imported French wine. Precisely during this period, many craft workshops emerged, such as Louis Vuitton, Hermès, Loewe and spirits drinks such as Moët & Chandon. According to Lipovetsky (2003) the most dramatic change experienced by the luxury industry was with the arrival of the twentieth century, when demand is changed by the offer, luxury ceased production based on the claim of a client, instead is the company who produces luxury goods to stimulate the supply of their products. Therefore, the products go from being purely handcrafted to having an industrial finish.



<http://textileaid.blogspot.it/>

## Beauty and luxury in early civilizations

The contemporary concept of luxury has different interpretations, but there is a much deeper meaning that has constantly evolved of what we now know as Luxury, this has been present since the beginning of mankind, the following information aids in understanding the roots of luxury and its evolution.

Beauty's concept and its connection with human beings can be traced to the Christian bible, when eve placed a flower over her ear to make herself more attractive for Adam. The Bible also shows other ideas of other Luxury materials such as the lavish consumption of Gold and silver during the times of King David and King Solomon, these were the representation of rare metals, and owning what not everyone can have. Jewels are still a predominating feature in the present.

The concept of luxury linked with appearance takes us all the way back to the ancient Egyptian civilization, the use of precious stones as well as precious materials for the making of headgear, crowns and jewellery were reserved for the wealthy, these materials are still used now days, luxury clothing and accessories introduces crystals such as Swarovsky as an embellishment material, brands such as Jimmy Choo and Rene Caovilla use it as a sign of distinction from other brands.

Egyptians were also very concerned with the idea of correctly matching colours. Their attire mostly made in linen was worn with matching jewellery specifically selected to compliment each type of clothing, the concept of matching

in the luxury world is still of high importance, accessories brands create matching items such as a shoe and a bag in the same colour, material and style, the concept of matching can be considered luxurious since it gives the idea of the power of acquisition.



*Rene Caovilla*  
A/W 2014

Trees were used as a source for tooth hygiene and perfume and oils were used on the skin. The idea of perfecting the body and the well being is in no contrast with our current society. The use of natural ingredients in the luxury environment is of great popularity, brands such as Jo Malone base their fragrances and candles in natural ingredients, why are natural ingredients considered luxurious if they are easily found? The idea dates back to early civilizations when hygiene was a luxury, and the use of fragrances and natural oils were an indulgence that not everyone could afford.



## WOOD SAGE & SEA SALT COLOGNE

Escape the everyday along the windswept shore. Waves breaking white, the air fresh with sea salt and spray. Alive with the mineral scent of the rugged cliffs. Mingling with the woody earthiness of sage. Lively, spirited and totally joyful.

Ancient Egyptian fashion has also been a source of inspiration for fashion designers of today such as Christian Dior and John Galliano.



*Christian Dior  
S/S 2004*

## **Fashion as a level of education**

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Crete (700 bc- 1150 bc) was the epicentre of bronze and ceramic production, its structured system influenced the fashion of that time, women who stayed at home showed beauty by wearing elaborate belts around their tiny waists, waists that were a result of wearing girdles since childhood, this in a way reflects how in our society people undergo procedures to appear thin and therefore feel beautiful. The Bronze Era was followed by The Greek Era, “This period also witnessed the progress of politics, history, philosophy, maths, science, geometry and medicine. Its fashion representation was therefore a reflection of intellectual judgement and an indication of an individual’s level of education and upbringing” (Uche Okonkwo) meaning that fashion was a result and continuously changed with the developments in society.

## **Social ranking**

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The Etruscan Era which consists of what is now the Tuscany region of Italy existed between Venice and Po and also included the present Rome. This society was so concerned with fashion that social classes were differentiated by the colour of their shoes, this rule was imposed by the rulers of the time. Women’s fashion differentiated from mens through the use of colours and materials, this era is considered the birth of the Italian style. This depiction of social ranking is also seen in the present, the perception of one’s position in the social world is commonly judged by what one is wearing, the use of social media and internet forums give way to mass criticism, this reflects judgement based on possessions or taste.

## **Appearance/ Distinction**

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The Byzantine Empire (5th- 12th ad), was located between Europe and Asia, The demand for Luxury goods of this period was higher than that of the Roman Empire. This was also due to the fact that its capital Constantinople was one of the wealthiest places in Europe in that time. Appearance was a mark of distinction for the Emperors Justin I and his wife Theodora. The organization of ceremonies where they could display themselves and show off their luxury goods is also something we see in our present reality, we purchase goods for specific occasions such as weddings or even a party with no main purpose. The rulers did not control the way people dressed, this led to women copying the impeccable style of Theodora, who was known for her impeccable taste and taste for the most lavish materials and adornments in her garments. This is reflected in our current society with the ongoing trend of bloggers, they represent a certain style of fashion and life, and people copy it or reinterpret and adapt it to make it their own.

## Nation pride

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The Middle Ages between the 5th and 7th centuries were not so influential in fashion, with conflicts between nations, society was distracted and the focus of the time was in the construction of Universities and Churches. The European empires and the development of national monarchies established, this led to the formation of modern Europe and national pride and national fashion distinction as well.

Other notable developments suggested by (Uche Okonkwo 2010) of this era include the following:

1. England became known for its growing textiles industry.
2. The influence of professional tailoring in France soared to such an extent that by 1300, there were 700 active tailors in Paris.
3. Luxury materials such as silk were heavily imported from Asia whose textile industry was considered to be more advanced than Europe's.
4. The rise of the Italian influence in international fashion became more visible.

National distinction predominated in this period, such as the red lipstick for Spain, or the use of white by the English, as well as the natural colours used by Italians, this was a period in which distinction was defined and owned. These stereotypes are still present in 2014, the image of a nation can be defined by the way they present themselves visually.

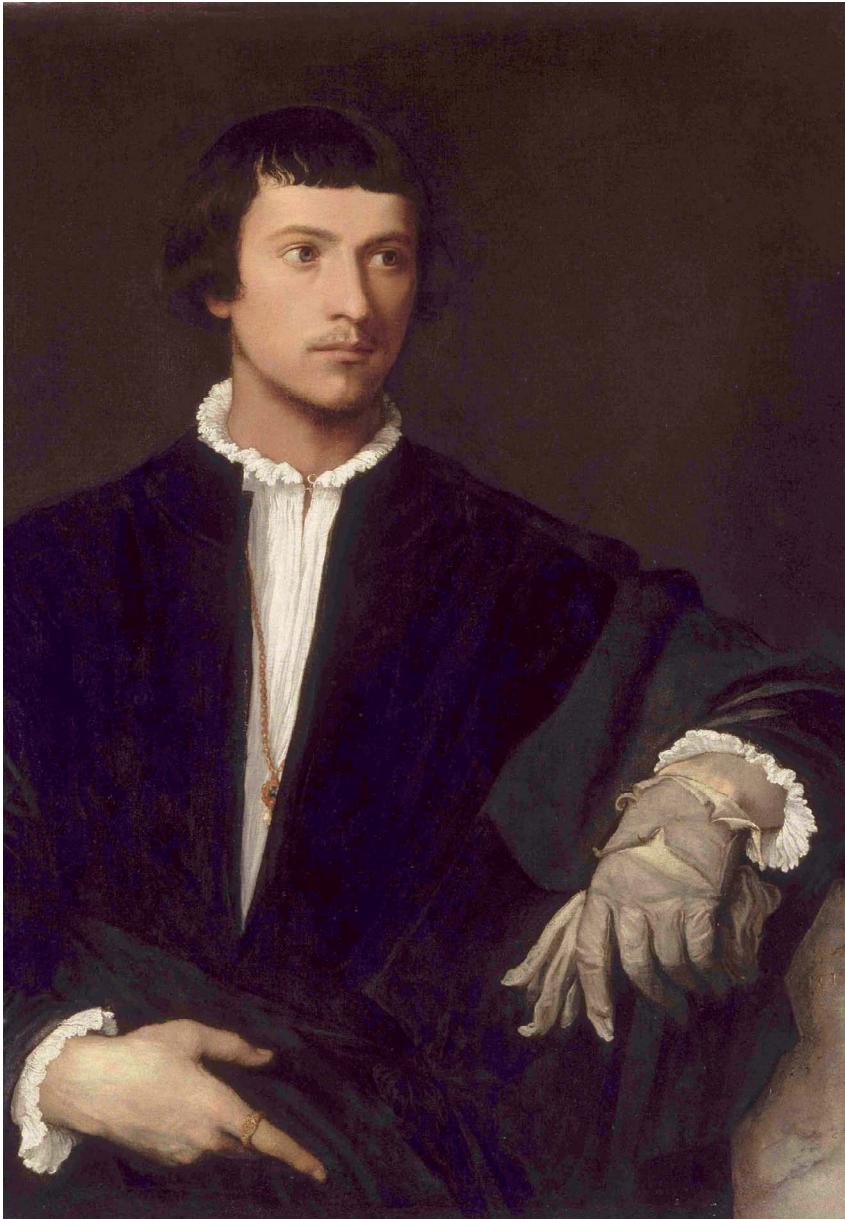


*The Sartorialist*  
*The italian look*

## Art and Fashion in the Renaissance period

Fashion and Art changed drastically with the Renaissance period. A period of cultural development in Continental Europe, era of inventions, new discoveries in communication and travel. Asian world discovered by the Portuguese, America discovered by Cristopher Columbus, this was the era of cultural progression. Artists such as Tiziano were a great influence in society and in the intellectual development in both Art and Literature specially in Spain and England. Fashion was an integral aspect in this era, it was an indicator of social class and knowledge.

This was a period in which Italians had the greatest influence in fashion and culture. After the Roman empire was reinforced with riches, Italy became a strong force in Fashion, Florence became major in jewellery production, also Italy's textile production industry plummeted, it became a fashion authority with the best silk in Europe. The italian government invested in the production of fashion goods. During this period Grandee Aristocratic families emerged, in Italy specially the Gonzague and Montoue families, who indulged in Luxurious materials. All over Europe, luxury and art were perceived as beautiful, not only visually but intellectually when it came to art, it was the enrichment of the mind and body. In high society, there were women's clubs in which they got together to preview new beauty products or new fashion. This can be represented in the present as the preview collections, or trunk shows organized by luxury brands.



*Tiziano Vecellio*  
*Ragazzo col guanto*



## **France in the 17th century**

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The Baroque period, a century in which France was the protagonist. The King of France Louis XIV also known as Louis the great reigned for 72 years, his exceptional ruling techniques positioned France as a major force in Politics, culture, economics, lifestyle and fashion at a global scale. He was also a great influence and example for aristocratic and royal families of the entire continent, for his taste in food, art, theatre and literature. With the predominating style of the Italian and Spanish fashion, the French lifestyle began to predominate at the middle of the century.

France consequently emerged as the biggest supplier of luxury fashion goods in the world, after Louis XIV introduced policies to increase the export of these goods. The financial aid to designers, artisans and craftsman, as well as the distribution of French magazines and newspapers positioned France as a great influence in fashion in entire Europe. Paris Rue Saint Honore' became the land for renowned tailors. The influence of women as tailors emerged, the meeting rooms in grand private residences increased women's influence in lifestyle, it is said that men used to secretly visit to obtain opinions and advice. With the invention of formal dancing, the use of fork and knife and lifestyle and education linked directly with fashion, France became the reference for stylishness. Giving way for the french "Art e vivre". High society around Europe either spoke french or adopted a french undertone.

The perception of the French language being what we call today "chic" still persists, the stylish sense of the French

women is of great importance until this period, and the influence of Paris in the fashion world is as strong as it was in the Baroque period.

## **France and luxury fashion influence**

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In the 18th century France was the centre of style, education, intellect, arts, culture kept rising during this century. At the end of Louis XIV ruling, it was inarguably that France was positioned at the top in Europe, this led to the fall of Italy's influence in fashion.

After Louis XIV established himself as the arbiter of fashion, he used the Palace of Versailles, where he lived, as a centre that dictated fashion and lifestyle all over Europe. "The Versailles courts were known for their splendour, opulence and luxury tastes shown through the dress styles and fabrics made of very expensive material. Everyone who wanted to be recognized followed and adopted the style that emanated from Versailles. Versailles Palace fashion led to haute mode high-society fashion, which dictated the tastes of society. Dressing emerged as one of the most sensitive aspects of society and fashion became a unifying factor and a source of respect" (Uche Okonkwo)

Regardlessly of the nation's power and distinction of this century. France managed to greatly influence Germany, Spain, Portugal, Scandinavia and even Russia, which adopted the French undertone in Fashion. Anyone who wanted to be seen as intellectual and with good taste adopted the french lifestyle even in furniture.

French language even replaced latin as the language of the intellectual throughout Europe's elite groups.

French silk made in Lyon, which were the most highly priced textiles in the world was found in Rue Saint Honore in Paris, A Russian visitor in awe of the luxury goods found in Paris commented that 'all the riches of the world are displayed to the astonished eye" all the inventions of luxury to the embellished eye' (Ribeiro, 2002)

The invention of Fashion magazines in the 1770's in France, England and Germany opened way for English tailors. The fashion role models or now known as fashionistas were also present at the time. Fashion icons were mostly french women, such as Marie Antoinette and Madame Pompadour, who were copied by almost everyone in the world. Their influence in fashion was so high that women mimicked Marie Antoinette pregnancy by stuffing their dresses with pillows. Regardless of the success and the continued influence of France in fashion, the political disturbances the country faced after the french revolution changed french fashion and in result the world. France's leadership was to be restored in the following centuries.



*Marie Antoinette*  
*googleusercontent.com*

## Modern Luxury Fashion in the 19th Century

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The nineteenth century was the century of prosperity for Fashion. It was the beginning for the modern luxury brands that we know today. Thanks to the social and economical opportunities many talented designers came about during this period. The French and most of the rest of continental Europe saw Fashion as a topic to talk about alongside with arts, and other intellectual conversations, it remained seen as the last centuries, fashion was still a sign of wealth and intellectuality, it was a high contributor to the economical growth. The French government continued to fund textile production, fashion was a priority. England on the other hand saw began to see Fashion as cold and superficial, specially among young people.

Paris was positioned at the top in the fashion industry during the beginning of the 19th century, this gave birth to many of the brands we know today such as Cartier 1847, and Louis Vuitton in 1854, while in England Thomas Burberry founded the Burberry brand in 1856. Haute Couture invented in 1858 by Frederick Worth changed the idea of luxury fashion, he introduced the private fashion shows with models wearing his designs as a way of marketing. Europe's industrialization rised due to improvement in manufacturing techniques.

The following are changes mentioned by Uche Okonkwo (Luxury fashion, branding):

1. Fashion, both for men and women became simple, understated, unadorned and classic as a result of the mind progressiveness of the people.

2. The simple and functional English fashion style for women emerged as a complement to the French elaborate and elegant style. Men were also influenced by the English country style.

3. The French revolution acted as a catalyst for the move towards the adoption of simplicity and more democracy in fashion as a sign of modernity, especially in the 1780s.

4. The rise of the Victorian era from the 1820s to the middle of the century also heralded the commencement of ready-to-wear as sewing machines were introduced to everyday women. At the same time, America, the New World, was on the rise in both economic and cultural influence. Although Americans widely adopted fashion from Europe, their own tastes began to emerge especially during and after the French revolution years, which led to less imports of French fashion into America. Fashion for the masses also developed rapidly in America during this period, especially after the emergence of the cowboys and their dress style towards the end of the century. At the same time Americans embraced jeans, introduced in 1850 by Levi Strauss, a Bulgarian immigrant. Although jeans were originally a coverall made for California gold-rush miners from sturdy tent material and were made popular a century later in the 1960s, their foundation was laid during this period. The casual dressing of Native American Indian women also influenced the fashion simplicity of this period. Thus by the late 1800s a new kind of fashion freedom had been ushered in, both in Europe and in America.

## America and global fashion

The increment of opportunities in New York gave way for America to position itself as an influential power in global fashion. Regardless of the fact that most of the fashion luxury goods found in America were imported from Europe mostly France, the introduction of fashion magazines influenced the development of Fashion in America. The increase of wealth of the middle class raised the demand of luxury goods, with the invention of the sewing machine and paper patterns made possible to copy the European style, this contributed to the rise of the ready to wear market, of course Luxury good imported from Europe were still seen as superior from the good made and in America. People who could not afford to travel to Europe to acquire their luxury goods, relied on the copies of the French style available America.

Fashion Retail innovations such as the creation of department stores that still exist today such as Macy's in 1878. Incredible developments occurred during the 19th century, the branding techniques included music playing inside retail "cathedrals", the decoration of A.T Stewart's 1862 store in New York, a 5 story and 2 basement building whose decoration cost was 3 million changed the idea of presenting a brand. This can be considered the beginning of the importance of visual merchandising as a selling technique. America's prestigious retail locations could be compared to the European such as Fifth Avenue. Its level evolved to an international level of recognition.



*Meet me in St. Louis*  
USA 1944

## **The twentieth-century fashion explosion**

Industrialization and trade in the first half of the century created the perception of fashion being materialistic and non crucial to the economic development.

France and Italy influenced in the change of this notion, by paring fashion to other forms of art such as literature. This influence was taken seriously because France was positioned as the fashion capital of the world. Fashion change was asked for after the death of Queen Victoria of England in 1901, this opened way for the expansion of current labels in other forms of luxury goods such as cosmetics and accessories.

Many designer brands in existence today launched their businesses during this period, Charles Worth was still considered the best couturier in the world, along his side recognition wise was Coco Chanel a hat maker for aristocrat families in 1910 in Paris, Jeanne Lanvin opened her couture house in 1889. The cosmetic sector was rapidly growing, as well as the fragrance sector, with th launch of the first branded perfume by Paul Poiret in 1911.

Luxury fashion face changed with the first world war, that dominated society's take on luxury fashion. The hardship that women went under during the war, changed their lifestyles and therefore their needs and taste in fashion, the craving for fashion luxury goods still prevailed, but they seeked simplicity instead of the pre-war extravagance. Success was in the hands of those who understood the needs of the population, like Coco Chanel who designed sought after clothing, such as the classic black dress. The cinema was the greatest and most sophisticated form of entertainment among the

intellectuals of the period, many actresses of the time influenced with their taste and style in fashion, something we an still see today.

Meanwhile in Italy, Fashion reemerged and brands such as Prada 1913 and Gucci 1921 were established. American department stores permitted the middle class to obtain goods at an accessible price. This set way for the successful ready to wear fashion which would later begin in New York.

The scarcity that the Second World War brought during the 1940's and 1950's impacted fashion as well as everything else. The need for distraction from the war led to Cinema being a big influence in Fashion, actresses such as Brigitte Bardot and Liz Taylor were fashionable influences of the period. During this period many designers emerged, such as Christian Dior and Hubert Givenchy, and many constructed the fashion style in movies.



## The 60's

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The sixties were an important decade in the advancements in Fashion, Emilio Pucci introduced prints in luxury apparel, Yves Saint Laurent was one of the first ones to create a collection for every season. Italian fashion was following with designers such as Valentino and Franco Moschino, Italians were responsible for the invention of the stiletto.

Society in the sixties was hektic about womens liberation, it made itself visible through fashion, portraying the new woman. Fashion schools emerged as a result of womens in-dependance that was triggered and responded by designers such as Chanel, Dior and Yves Saint Laurent.

Popular youth culture movements made their appearance during this decade. Individuality was a result of non-comformity with the dictations of fashion, it was a fashion revolution that would later lead to the punk culture of the 1980's. At the end of the 1960's designers saw the craving for difference, and began experimenting with materials such a plastic, wire and metal which generated a lot of cover press, this method was later used for publicity.

*60's Style*

<http://daniahhairstyle.science/.com>

## The 70's

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Mass production in Americas ready to wear was at its peak of prosperity. Manufacturing advancements led to ready to wear exports all over the world, it was a threat to Paris leadership in Fashion, boutique fashion also suffered with the availability of department stores that most favoured. Music and fashion were linked in this period, with bands such as the Rolling Stones, Hollywood stars that were fashion Icons of the previous decade were replaced by these Musicians. The influence of these bands and artists like Mick Jagger became visible through the mass fashion representing a nonconformist attitude in their fashion taste, this decade represented a casual and individualistic attitude.

The cultural influence imposed by music led to the disappearance of social classes which was visible in fashion in the previous decades. During this decade Haute Couture gradually disappeared due to the availability of other sources of fashion acquisition. Successful designers such as Ralph Lauren and Calvin Klein emerged during this decade, simplicity was demanded in the fashion world. Paris and London responded and adopted the American style in fashion by incorporating materials such as denim into their collections, the fashion style of the seventies was simple and contemporary.

*70's Style*  
*impfashion.com*





## The 80's

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Fashion evolution as compared to fashion revolution of the previous decade prevailed during the 80's. Global prominence of designers such as Japanese Yoji Yamamoto, Kenzo and Issey Miyakee was gained during this decade, as well as american designers such as Donna Karan and Tommy Hilfiger, German designer Karl Lagerfeld responded to the society's demand for anti-status style through his fashion style, he established his fashion house in 1984.

The perception of beauty changed during this decade, fashion was a strong contributor with the rising status of black models such as Naomi Campbell, this set the stage for super models as celebrities, a trend that is present in our current times.

With the increase of international travel, fashion was stimulated by influenced from Africa, Mexico, India among others. While in Britain princess Diana triggered the freshness in fashion. Punk culture as prominent during this period, with rebellious and expressive attitudes towards fashion.

Fashions link with art was embellished with Yves Saint Laurant being the first designer to present his collection in a Museum (Metropolitan Museum of Art New York) to honour his 20 years as a fashion contributor. Global business propelled the acquisition and alliances between companies, branding began its show during this period, the importance of branding was recognized as a business technique. The most notable fashion development of the 1980's was Bernard Arnault became president of LVMH IN 1989, which would later turn into the world biggest luxury goods conglomerate.

*Palma Kolansky  
for Seventeen magazine 1983*



## The 90's

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During this decade the global consumption of modern luxury goods plummeted, with vast expenditure from the Middle Eastern and Japanese consumers, many brands opened international operations. Brands increased emphasis on accessories such as leather goods and jewellery in response to consumer demand. The luxury goods industry became really competitive, this led to the advancements in management practices, branding became essential to differ from the competition.

Britain considered the global centre for business, for the first time began to recognize fashion seriously for its corporate potential. The establishment of the British Fashion Council established in 1991 in efforts to protect and encourage Britain's Fashion. Central St Martin's College of Art and Design, London, was also highly promoted as a centre of learning and fashion excellence, this was in the governments intention to discourage British designers from leaving their country.

External non-luxury brands saw the potential of luxury fashion and began investing and funding new brands. Conglomerates such as LVMH which was the first one of its kind, was followed by the Prada group and the Gucci group to name a couple. Brands such as Alexander McQueen and Jimmy Choo launched in 1992 and 1996. As competitor grew, there was a focus on the retailing strategy of "cathedral" retail stores, the design and architecture were greatly emphasized. Innovation in Branding techniques included sales techniques, information technology took a spin with inventory management and tracking in product deliveries, distribution was made possible through internet. The dot com crash in the late 1990's discouraged internet retailing during this decade.

The 1990's witnessed a significant change in fashion, with the rapid growth of manufacturing, distribution, design, and retailing technique, many mass market fashion companies came about, such as Zara from Spain, and H&M from Sweden, this offered catwalk styles at a low cost, it was an alternative for luxury fashion. These changes took its strongest power in the nineties.



*Alexander McQueen*  
*S/S 1999*

## 2000's

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During this decade fashion was negatively impacted by the crash of the dot com of the late 90's and the early years of this decade, However, LVMH launched a e-retail company which sold products from its brands, the unexpected success of this e-retail triggered other brands like Hermès and Giorgio Armani to adopt the e-retail, some brands such as Chanel refused to adopt this trend, they felt it threat the exclusivity of their brands. Brand extension such as furniture, restaurants, hotels. Discount retail and outlets were another impact for fashion during this decade.

The luxury consumer underwent a dramatic change during this period, they were no longer loyal to just one brand, they were demanding and well informed, there was no longer a definition for the Luxury consumer. this was caused by factors such as the internet, globalization, mass luxury among others. Brands were and are still in the process of understanding who their consumer really is, to better understand their needs. The fashion references of this decade were celebrities, with television shows such as Sex and the city, the artists and celebrities became more influential than political figures like in the past decades. As a result, celebrity endorsements became used by the mass.

Consumers wanted to feel pampered by the luxury environment, they wanted themselves to be treated like stars. Companies like Zara and Topshop had become directly competitive with luxury fashion, their concept of fast fashion or throw away fashion was targeting the same consumer. Global expansion of luxury brands was triggered by the influence of the internet, and emerging markets such as Russia and China;

this led to brands having at times more stores abroad than in their country of origin. Protection of a brand had become a business core aspect.

Fashion in Britain was in continuous growth since the 90's with companies such as Jimmy Choo, Burberry, Mulberry, Stella McCartney, Alexander McQueen, Matthew Williamson, John Galliano and Alice Temperley, among others.

Walking along side with fashion brands, were several companies that cater to the needs of luxury companies and luxury consumers alike. These include companies specialising in trend tracking, consumer insights, style reporting, exclusive clubs and private concierge services and product loaning, exchanges and auctioning.



## 2007 and beyond

Information and communication technology are adopted by innovative brands, these innovations include Mobile Shopping, the consumers are informed and therefore demanding, the need for advancements in consumer behaviour tracking techniques to track consumers response to marketing are being used. Satisfying the modern consumer is more challenging. Their expectation from luxury brands will continue to grow, personalized experience as well as customizing are being demanded as we speak, many companies respond to this need, such as Jimmy Choo with their Made to Order service, which includes the option to pick shoe model and make it in the colour and material of your preference with the option of engraving your initials in the bottom of the shoe as well. The expectation differ from markets, the middle eastern customers perception of luxury differs from that of an American, we will further go into this topic in chapter 3. Ethics and moral of a company are essential to the consciousness consumer of now days, the need for innovation is a must.

*Christian Dior*  
S/S 2010

## **Ch. 3**

# **Luxury consumer**

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When speaking about the Luxury sector in fashion, it is crucial to know who this sector caters to. This chapter focuses on the luxury consumer, its spending habits and expectations when purchasing luxury products.

## Shopping relationship

In modern times, we talk about branding as the process in which a brand is built. During its development, it seeks to create a relationship with the customer, born as a psychological process in their mind and manifested through their purchases.

In luxury brands, this relation is stronger than normal, due to the enormous influence of branding and their consequent impact on purchasing decisions. This forces the brands to go further in depth in the analysis of their customers.

Despite of the generalization of luxury consumers, it is possible to determine some concepts that help identify the features of such.

A customer can be classified from the economical factor, considering two non equal fundamental features: economic status and willingness to pay. It means, being able to pay for a product is required, but wanting to spend money is a motivation. The customer's purchasing power, is a socio-demographic factor that allows us to get to know more about him, but that does not solve the essential question in order to understand the customer's reality, his need. I would like to highlight the difference between the ability to pay and willingness to spend. "We ignore the myth that luxury restricted to just unnecessary purchases conducted the rich" (Millan, 2013). Power of purchase refers to the monetary power, willingness to spend will depend on the appetite to purchase as well as the need to purchase, attractiveness of a product that is directly correlated with its functionality, quality and brand perception.



## Purchasing

In marketing, a product is an object that is offered in a certain market in order to satisfy the needs and wants of a consumer. Thus, the product goes beyond its physical condition and includes the consumer's perception at the time of purchase. According to David Aaker, marketing consultant, and Erich Joachimsthaler, founder and chief executive officer of Vivaldi Partners Group, In a product there exist three types of benefits:

1. Functional, linked to the function itself.
2. Emotional, linked to what makes us feel.
3. Expressive, related to what say about us.

One of the first evidences that regards social importance in purchase motivation dates from the nineteenth century, when Thorstein Veblen referred to "conspicuous consumption"; meaning, consumption became visible.

Luxury brand customer's, want that these three benefits satisfy their expectations and although many of the luxury items mainly searched for satisfy the functional needs, customers try to cover their expressive and emotional needs, this recalls the extended self when purchasing a product is an addition to ones self, meaning that the self is modified physically and emotionally.

Buying a product means getting a tangible and intangible benefit, but for luxury brands, its main value is the intangible benefits. That is, the customer's experience before, during and after the purchase.

Brands that seek to stay at this level, must face a "branding battle", looking for customer preference in their purchase decision process. At this point, the relationship between the customer and the brand goes from the practical and functional to the expressive and emotional.



[www.squarespace.com](http://www.squarespace.com)

Uche Okonkwo in her book “Luxury Fashion Branding” and following Schiffman and Kanuk model, propose a way to approach the luxury consumer behaviour, through ten basic questions:

1. What consumers buy?

Luxury consumers buy more than luxury products and services. They buy a complete package of experiences, feelings and identities made up of the product, the service and the brand’s characteristics.

2. When consumers buy?

Luxury consumers purchase luxury goods whenever the opportunity arises. Luxury goods purchases often don’t result from convenience as they are constantly desired and often fall within the priority of luxury consumers.

3. Why consumers buy?

Luxury consumers do not buy luxury fashion goods when they are required because the desire for luxury goods is not fuelled by basic needs. Luxury products are ‘cravings’ and sometimes ‘wishes’, rather than functional needs, therefore there is a continuous yearning to possess them. Luxury goods are objects of desire and desires exist on a continuous basis.

4. Where consumers buy?

Luxury consumers buy their products mainly in major fashion centres of the world where luxury fashion is prominent in consumer lifestyles.

5. How consumers buy?

The majority of luxury consumers prefer to shop in the physical stores in order to benefit from a complete product selection and also enjoy the luxury retail atmosphere. However, other shopping channels such as the Internet and Mobile shopping are gaining increasing influence in the luxury arena and consumers are continuously shopping through these channels.

6. How often consumers buy?

Luxury consumers buy luxury goods as frequently as is practically and financially possible for them. They often do not evaluate the buying decision of luxury goods on a logical basis. As previously indicated, luxury goods are objects of desire, meaning that if consumers can help it, they would fulfil this desire on a continuous basis.

7. How often consumers use the products?

Luxury goods are highly relevant to consumers as a stamp of their personalities and lifestyles. As a result, the products are used frequently.

8. How consumers evaluate the products?

The post purchase evaluation of luxury products is almost a nonrepresentational occurrence. This is because the appreciation of luxury goods extends beyond the products’ functional attributes to include abstract and symbolic benefits. As a result, the evaluation focus is on the role of the luxury product in the life of the consumer and the satisfaction that it provides. Since the symbolic role of luxury products is continuous, their post purchase evaluation remains immaterial.

9. How consumers dispose of the products?

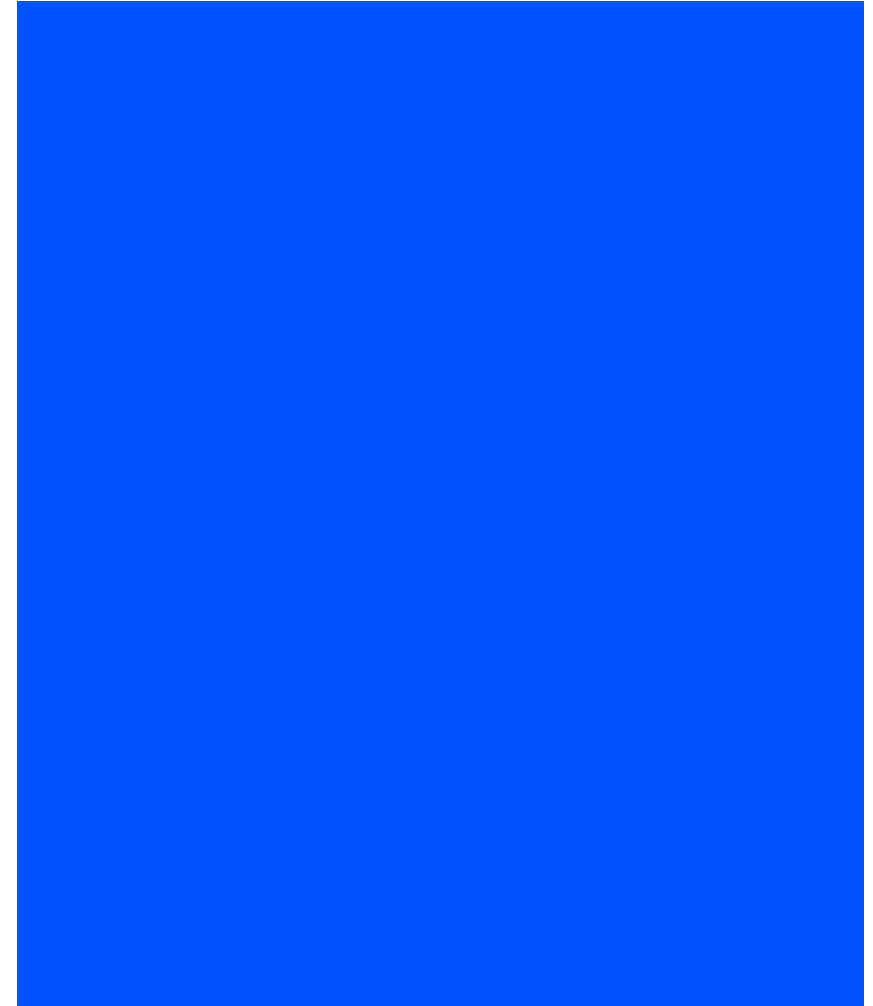
Luxury goods traditionally last for a lifetime and are rarely disposed of. However, an interesting occurrence has developed in the luxury goods sector between 2004 and 2009 that has made luxury goods disposable. This occurrence is called the 'fast fashion' phenomenon. Fast fashion means that the design turnover of luxury products has become higher and the product life cycles have become shorter. As a result, the 'It' fashion items change every few weeks. Consumers in a bid to keep up have also become smart and savvy in their luxury goods purchase cycle. They now sell their 'used' or 'semi-used' products for substantial amounts (sometimes close to the original price tag) in order to purchase new ones. Several second-hand dealers who trade in these items are cropping up in different global markets. This factor, however, does not diminish the value of the products or their brands.

10. How consumers decide on future purchases?

The decision for the future purchase of luxury goods has already been made.

According to Okonkwo, the current luxury consumer is "highly sophisticated and brand literate. They are fashionable and aware of their tastes and preferences. Their choices of luxury products are based more on an understanding of their own style needs and less on the brand factor. They also have an attitude that is a personification of youth, assertion and adventure, irrespective of their age. Also older consumers can now look years younger through advanced cosmetics, giving them the freedom to appear like youths.

The consumer market has consequently become loosened and diluted".



*Alexander McQueen*  
*S/S 1999*



## Luxury consumers

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The Lens on the worldwide luxury consumer report, made by the business consulting firm Bain & Company, in collaboration with the research agency Millward Brown and the securities intermediary Redburn, presented in Milan in 2014, is the reference guide to understand today luxury customers.

One of the main reasons this report is so interesting is because it focuses on the changes in the industry; from a homogenized view of the customer, to a heterogeneous view of customers who understand and enjoy luxury in many different ways. The report “7 new faces of global luxury consumer” describe seven consumer profiles:

### 1. The omnivore.

These shoppers are typically new entrants to luxury. On average, they are younger than the other clusters and have a high willingness to experiment with products and brands. They are primarily women. They tend to purchase high ticket items, focusing on the jewelry and watches categories. They prefer to shop in brands' own stores. Many of their purchases are made while travelling. They prefer aspirational brands, and while they have high advocacy for luxury brands, their loyalty level is relatively low. These attitudes are common among Chinese consumers from Tier Two and Three cities.

### 2. The opinionated.

These are highly educated Generations X and Y shoppers. They favour leather goods and watches, and are highly aware of the differences between brands. They shop often within

their hometown, and are influenced by online information, and social networks. They dominate China's Tier One cities and are also prevalent in Western Europe and the United States.

### 3. The Investor.

These shoppers pay the greatest attention to the quality and durability of luxury materials. They favor long lasting leather goods and watches which can be handed down from generation to generation. They carefully evaluate luxury purchases with research and referrals from other consumers. The segment is skewed to shoppers from Japan, the Middle East and mature markets where discretionary spending is more cautiously allocated.

### 4. The hedonist.

These shoppers are infatuated with luxury goods and the luxury shopping experience. They have a high affinity for brand logos and much of their purchasing is within accessories categories. They are most influenced by advertising. Despite their interest in luxury for show, they exhibit the lowest levels of advocacy for brands, often due to cognitive dissonance sometimes following purchase. This is the only cluster represented across all nationalities and generations.

### 5. The Conservative.

These are mature and mainstream shoppers, both men and women. They favor watches and jewelry from big name

brands. They shop in multi-brand stores, and are influenced primarily by what friends and family recommend. They are mainly in mature markets, but also in China.

#### 6. The Disillusioned.

These are mostly baby boomer shoppers who suffer from “luxury fatigue.” They purchase leather goods and beauty products. They look for products that last more than one season, but are unseen in brand messaging or advertising. They tend to shop in frequently, and like shopping online when they can. The segment is dominated by women. They are found in the United States, Europe, and Japan.

#### 7. The wannabe.

These predominantly female shoppers look for entry level items in beauty and shoes, valuing affordability, and are highly likely to mix and match outside of the luxury spectrum. They are impulse shoppers who demonstrate little brand loyalty, primarily influenced by what their friends say and what they see in fashion publications. They come from the global middle class, especially in the United States, Western Europe, and new consumers in Eastern Europe.

The idea of breaking down luxury consumers is not to segregate, but to demonstrate the different types of value given to luxury products, they are evaluated at completely different levels depending on the type of consumer.

## The concept of wealth

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The concept of luxury changed with history and especially during the last decades, along with it, the meaning of being wealthy.

Although current luxury customers are socioeconomically heterogeneous, there is the existence of a kind of blurred genre which is no longer exclusive for the elite, most of luxury consumers are nearlionaires, wealthy, or newly wealthy. To be more specific, nearlionaires are the households holding between €500K and €1M in aggregate wealth; wealthy are the ones with more than €1M and the newly wealthy are rich people who acquired their wealth within their own generation.

Regarding the meaning of being wealthy, we can consider different aspects which will give us different conceptions of what being rich means. For example, wealth differs geographically, wealth is not perceived the same way in the UK than in New Delhi. “Clearly what it means to be wealthy depends very much on the country in which you live, economic factors, concentration of wealth, wages and cost of living, and so on”, says Gerard Aquilina, Vice Chairman at Barclays Wealth. “US \$10 million on a purchasing power parity basis is different in the US as compared to India or Chile”. Even within a city these differences can be substantial. What you need to be wealthy in Manhattan is not the same as to be considered wealthy in a different part of the city.

According to the research made by the Economist Intelligence Unit (EIU) on behalf of Barclays Wealth, the perception of being wealthy is relative: it depends on the environment in

which an individual finds him or herself, and any consideration of what it means to be wealthy will be driven as much by comparisons with peers as by the number of zero's on a bank statement. Other factors will usually be considered a component of wealth: time; health, happiness, and friendship may all be perceived as role players, as without them, mere possession of money loses its lustre.

EIU / Barclays Wealth consider the future for “time-substitute services” a brilliant one. Wealthy people tend to lead very complex and busy lives and many do experience serious time pressure and stress. In this context, the demand for ‘time-substitute’ services among the wealthy is growing rapidly.

The results of EIU / Barclays Wealth's survey, about which services they currently use, those that could be grouped under the heading of time substitutes, such as cleaners, concierges, personal shoppers and travel search agencies, were almost always the most popular among the wealthiest band of respondents. By point of comparison, the difference in extent of usage is much less pronounced between the wealth bands when we look at health and grooming services, such as personal trainers, personal stylists and alternative health practitioners. “The shift from goods to services in the broader economies of developed countries is a trend that is mirrored in the world of luxury. Experience, exclusivity and time substitution are the watchwords for these services, and any company that can meet these needs in an innovative way is likely to have a bright future”. (EIU, 2007)

## The value of time

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It is arguable whether the wealthy really have more leisure time or get to spend more time with their families time is usually at a premium for these individuals. What is more likely, and may be at the heart of this finding, is that the time they have can be better spent, because greater wealth provides more opportunities and options.

Wealthier respondents those with assets in excess of €3M are more likely than those in other wealth bands to say that increased wealth has brought them more time with the family. However, respondents in the higher wealth brackets are also more likely to say that increased wealth has brought them more stress in their lives.

This reflects the experience of many professionals who work closely with the wealthy and their families. “And many do experience serious time pressure and stress. This is one reason why the wealthy use the internet intensively, as we discovered in our recent research. And this is why the wealthy are increasingly likely to consume services that help save time and make their lives easier”, says Mr Pedraza founder and CEO of the Luxury Institute.

Time is priceless, there is no monetary value for time when it comes to wealthy consumers, time is precious and their expectations is that it must be treated as such. I had the experience to work in the luxury retail environment, and was surprised to see how much in a rush they were after making their purchasing decision, while in the process of taking such decision they seemed careless regarding the time spent.

## Customer loyalty

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As I mentioned before, luxury brands play an important battle to sell their emotional and symbolic values through branding. And this battle is hard to win, but even harder is keeping the victory over time.

Brand success and its growth is sustained by four major objectives:

1. Get more customers
2. Get current customers to buy more
3. Get current customers to buy more frequently and for a longer period of time through loyalty
4. Get your current customers to buy different products and services from your business rather than jumping over to a competitor.

These last two points can only exist if the brand was able to build a successful customer loyalty. The Business dictionary defines Customer loyalty as “Likelihood of previous customers to continue to buy from a specific organization. Great attention is given to marketing and customer service to retain current customers by increasing their customer loyalty”. The loyalty is based on trust, it makes customers trust in your brand. “When consumers have the right perception of a brand, they position the brand in their minds and are likely to involve that brand in their brand choices. If the brand is repeatedly favoured, its share in the mind of the consumer will

increase. This is called Brand Share and a high brand share ensures the continuous choice of the products of that brand". (Okonkwo, 2007).

Customer loyalty also means to understand each customer. Personally I see the retail experience as a great opportunity to have personal contact with the customers and get to know his or her expectations, its current behaviour with the brand. But retail could be the first step to start a relation with new customers, but is not the key factor for loyalty. For example, during the after purchase phase, a relation can be fortified, or otherwise weakened, depends on the aftercare customer service. And this is the main difference between customer satisfaction and customer loyalty. Satisfaction occurs when a customer completes a purchase and feels satisfied with it. The transaction met the customer's expectations, but this does not necessarily mean the customer will return for future purchases. Loyalty, on the other hand, occurs when the customer's experience creates an inclination to return. Companies should strive not only to meet one time expectations, but to leave an impression that will create a lasting relationship with the customer and treat each of them as a royalty member, regardless of the fact if they purchased or not, the future is uncertain and a future sale is a sale. For a luxury brand, having loyal customers not only means new purchases in the future, it also means a lower service cost for the company because they show a high level of commitment to the brand and are often willing to pay a higher price for the products in addition to recommending the brand to others. Loyal customers are an investment.

## **Ch. 4**

### **Jimmy Choo case study**

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This case study was created to test the efficiency of visual merchandising inside the retail space, this specific case study takes as its core a “dead zone” inside the Jimmy Choo Milan boutique. In this case the dead zone is a space that is surrounded by a closed environment, meaning that its a space people hardly go in to. Testing diverse concepts of display and analysing consumers response and interaction, this will eventually help reach a conclusion as to what is the most effective strategy to use in the dead zone to create more observational traffic.

## Jimmy Choo Profile

Jimmy Choo's design and merchandising organisation has a proven ability to innovate and initiate new fashion trends while fully respecting the Jimmy Choo iconography and style. Jimmy Choo has assembled a prestigious design team formed around Sandra Choi, Creative Director, who has been designing at Jimmy Choo since its inception. The design team has been further strengthened in recent years by the addition of international design talent.

Jimmy Choo has grown revenue continuously since its founding in 1996, driven by careful expansion of both its distribution network and product offering. From its beginnings in the boutique of Mr. Jimmy Choo, OBE, a couture shoemaker based in the East End of London who began to collaborate with Tamara Mellon, OBE, the business has become an iconic brand in the luxury goods sector with a retail presence in 34 countries. Given the brand's unique DNA, along with its glamorous product offering, Jimmy Choo has achieved wide recognition with fashion opinion leaders, magazine editors and retailers. Jimmy Choo has also successfully expanded its product range from women's shoes to include handbags, men's shoes and small leather goods, in addition to the licensed categories of sunglasses, eyewear, fragrance and soft accessories.

Jimmy Choo has developed a growing global distribution network encompassing 120 directly operated stores (DOS) in prime locations supported by a rapidly growing e-commerce business, a high quality network of wholesale distributors and a successful franchise business targeting, in particular, key Asian and emerging markets.



*Jimmy Choo Campaign  
Ava and*

## Jimmy Choo Strategy

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Shoes are at the heart of Jimmy Choo and will remain the core offering of the brand. Jimmy Choo is a specialist luxury shoe company first and foremost, and the Group is focussed on growing this relationship with its customers and clients. Growth will always be pursued within the context of protecting the Jimmy Choo brand identity and luxury positioning. The Group's store opening plan in forthcoming years is expected to be in line with what has been achieved over recent years. The new store concept introduced recently will be rolled out across most of the estate. In addition to its DOS expansion plans, the Group is expected to continue to pursue growth through its JV and wholesale channels. Both JVs and wholesale are important for Jimmy Choo's business model, as they provide access to new markets.

The Group's aim is to shift to a regional mix more in line with the wider luxury market through growth in Asia and selected new markets, while maintaining its presence in EMEA and the US. Jimmy Choo's growth strategy is focussed around the following key pillars:

### Market Outperformance:

Jimmy Choo's client insight, design approach and systems that the Group has developed as a specialist will enable us to outperform the wider luxury market. Jimmy Choo has the right specialist resource, know how, skills and people to excel in this complex category.

### Like-for-like growth:

Through continued strong product performance and investment in its DOS, with selected openings, relocations and refurbishments in Jimmy Choo's existing developed markets of Europe, the US and Japan.

### Retail door growth opportunity:

Expansion of DOS in greater China and Russia, where Jimmy Choo is currently under-represented versus its peers, and potential franchise buybacks and JVs in incumbent fast growing markets, including the Middle East, South Korea, Singapore and Malaysia.

### E-commerce:

The Group will continue its investment in e-commerce which has proved to be one of the key elements of growth in the current environment. Recent investments into the supply chain and systems upgrades are expected to position the Group to participate in the growth of the global online trade, and provide an omni-channel distribution offering in the medium term.

### Wholesale entry:

Explore potential franchises in new markets where Jimmy Choo currently has a limited presence, particularly in Latin America and Eastern Europe.



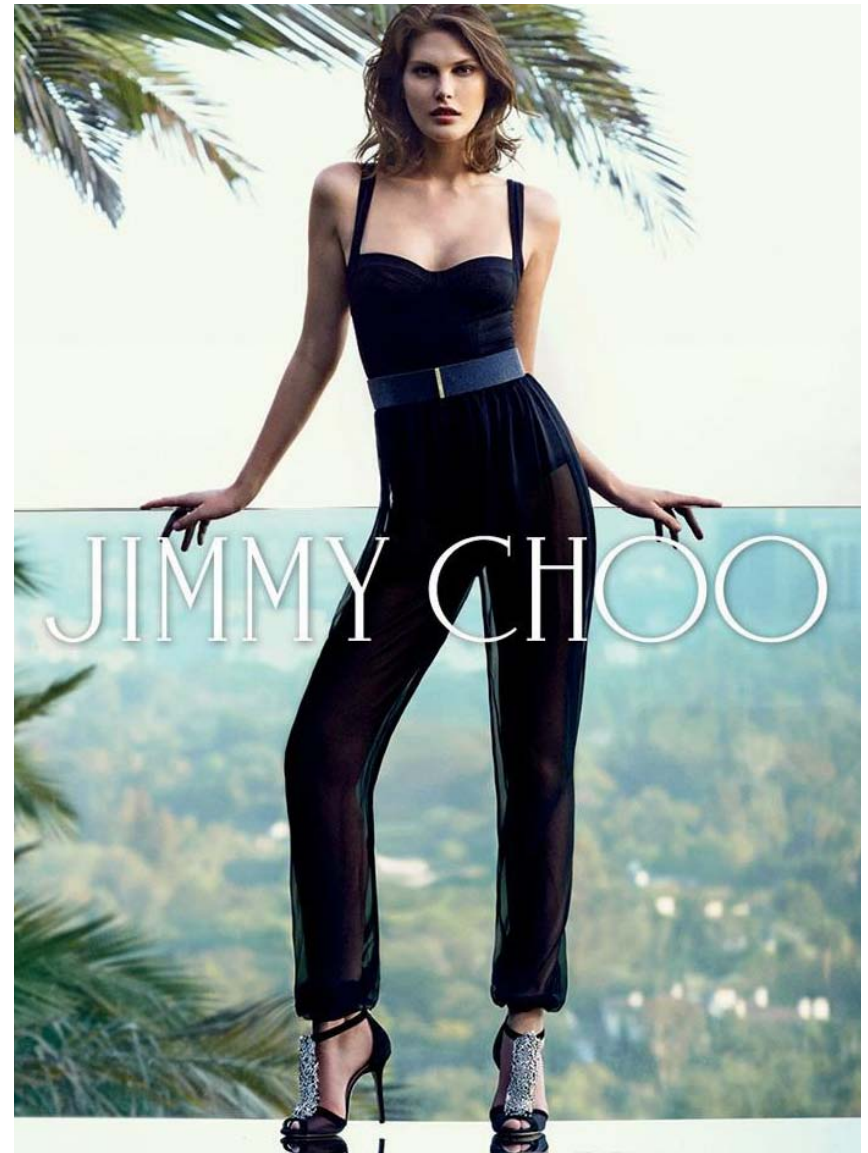
## Jimmy Choo Business model

Jimmy Choo's core product is luxury shoes, which represented approximately three quarters of net sales in 2013, followed by accessories. In addition to these categories, which Jimmy Choo manages directly, Jimmy Choo's product range also includes sunglasses, eye wear, fragrance and soft accessories, which are each produced under licensing agreements.

In managing the balance between current fashions and timeless styles, Jimmy Choo centres its product strategy around iconic products, which are often more classic or timeless in nature and are targeted to appeal to a broader audience, and innovative products, which are intended to set and lead fashion trends.



*Jimmy Choo Perfume  
Campaign*



*Jimmy Choo Campaign  
Feline*

## Jimmy Choo Collections

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Jimmy Choo introduces new products eight times a year in discrete collection drops. This keeps the visual merchandising of the stores refreshed, drives footfall and nourishes the brand with contemporary fashion-forward products. Each half year is structured as a pre-season collection, a main season collection and a catwalk collection with the balance of iconic and innovative products in shoes, handbags, small leather goods and accessories structured to meet different requirements across the collections. The catwalk collections are smaller collections with more fashion-forward focus of innovative products released around the time of the key fashion weeks.

Seasonal collections incorporate Fashion, CHOO.08° and Weekend product segments, with Fashion reflecting the instinctively seductive and on-trend brand, CHOO.08° reflecting a more daring side of the Jimmy Choo woman and Weekend expressing a more cool, relaxed feel. In addition to the seasonal collections, Jimmy Choo's women's shoe business is complemented by CHOO 24:7, which is a continuative collection that encompasses all of the core products which make up a Jimmy Choo woman's ideal shoe collection. The CHOO 24:7 collection is continuously refreshed with best sellers from seasonal collections being promoted to the continuative range. In addition, the core designs are updated with seasonal colours and materials in order to keep the CHOO 24:7 collection contemporary and on trend. This collection is a stable, robust business which does not go on mark down, has higher margins, is quickly replenished and underlies the seasonal fashion collection.

## Women Shoes:

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As its core offering, Jimmy Choo offers an extensive range of luxury shoes covering occasions from casual daytime wear to elegant evening wear and special occasions. All collections typically cover the full range of women's shoes including fashion, evening, cocktail, day and weekend. Jimmy Choo has also expanded into a select number of sub-categories including espadrilles and trainers. Pricing for each shoe category is organised in a pyramid stretching from the entry price to higher prices for aspirational products with exotic designs and materials. Entry level prices are set to ensure Jimmy Choo remains competitive with its key luxury peers, while prices at the top of the pyramid are in line with or above the most exclusive shoe offerings in the market. Overall, Jimmy Choo's price positioning on women's shoes is broadly comparable to its key luxury peers although Jimmy Choo typically covers a greater number of price points given the depth and breadth of its product range in its core category.

## Accessories :

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Jimmy Choo subsequently introduced small leather goods in 2006, which now includes purses, wallets and cardholders. Jimmy Choo's design and merchandising philosophy in handbags is to have several core iconic evening handbag lines which are refreshed each season in new material and functions. These core lines are complemented by a range of day and seasonal bags, which are also refreshed each season in new materials and colours. Jimmy Choo introduced

its first standalone handbag collection in 2003. Since then, handbags have grown to become an integral part of Jimmy Choo's product offering.

#### Mens Shoes:

Jimmy Choo first introduced men's shoes in 2011, and it remains a small but growing part of the business. The Jimmy Choo brand has natural authority in evening shoes, where Jimmy Choo's approach is to add a twist to classic shapes, and has seen strong growth in luxury sneakers. Currently the men's collections are available in a small number of single gender stores, largely centred around Japan, but also in selected markets such as London and Shanghai, and in a dual gender format in Jimmy Choo's new store concept currently being rolled out. There is also a limited presence of men's shoes in a number of Jimmy Choo's wholesale partners.

#### Eyewear Fragrance And Soft Accessories :

Jimmy Choo's sunglasses and other eyewear product ranges were launched in 2008 and are produced under a licensing agreement with Safilo SpA.

Jimmy Choo introduced a fragrance line in 2011 and has expanded the line from one fragrance to four, all of which are produced under a licensing agreement with InterParfums SA. Jimmy Choo also offers other soft accessories such as scarves and belts and has recently extended its offer in this area to include swimwear, which are produced under a licensing agreement with ISA s.p.a.



*Jimmy Choo Campaign*

## Jimmy Choo Channels

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Jimmy Choo has a strong network of directly operated stores (DOS) in key luxury shopping locations, supplemented by its growing e-commerce business, a wholesale presence in selected multibrand luxury department stores and selected franchising in certain markets.

Jimmy Choo's network covers 79 countries across five continents, with each geography approached through tailored distribution strategies designed to address the conditions in each local market.

### Retail channels:

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Included within Jimmy Choo's retail channel are its DOS, its e-commerce business and its joint ventures.

### DOS:

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Jimmy Choo's retail channel includes 120 DOS (including concessions and outlets) located in prestigious locations around the world including New Bond Street and Sloane Street in London, Madison Avenue in New York City, Rodeo Drive in Beverly Hills, Via Sant'Andrea in Milan, Avenue Montaigne in Paris, Ginza in Tokyo and Landmark in Hong Kong. Jimmy Choo debuted a new store concept in 2014, developed with David Collins Studio and inspired by haute couture salon and fantasy shoe closet. The new concept integrates the dual gender product portfolio, helping with penetration of the men's collection globally.

### E-commerce:

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Jimmy Choo's e-commerce infrastructure was relaunched in November 2013, with a new system that provides a flexible and powerful mobile optimised platform to enable the roll out of e-commerce sites in new countries while retaining a core backbone to deliver excellent customer service. The Jimmy Choo online store represents Jimmy Choo's largest single DOS.

### Joint ventures:

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Historically, JVs have allowed Jimmy Choo to benefit from the JV partner's local expertise. Jimmy Choo sells products to the JVs on a wholesale basis, although these sales are reported within the retail sales figure. In 2013, Jimmy Choo entered into a JV agreement in order to increase its presence in Russia. Prior to 2012, Jimmy Choo operated through 50/50 JV partnerships in Japan and Hong Kong. In each case, the creation of the JV coincided with rapid and sustainable growth in both markets, both organically and through expansion in the number of stores. The terms of these JV agreements allowed Jimmy Choo to buy back its partners' shares after a specified period.

### Wholesale :

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The wholesale channel consists of multibrand wholesale (sales of Jimmy Choo products to third parties who then sell the products through their own stores) and monobrand franchise stores.

### Multibrand wholesale:

Jimmy Choo has wholesale arrangements with prestigious department stores and multibrand speciality stores. Wholesale enables Jimmy Choo to have broader reach to cities which cannot support a DOS but still have pockets of luxury demand, such as New Orleans or Verona. In addition, wholesale provides a benchmark against competitors and a leading indicator of consumer demand, as initial orders (excluding reorders) are placed approximately five or six months in advance of delivery. Strategic relationships with key wholesale customers have also served as a platform for Jimmy Choo's development into new categories.

### Franchise stores:

In emerging markets in particular, Jimmy Choo has developed its distribution network through distribution agreements with select partners, creating the basis for a franchise store network. The franchise store network has supported Jimmy Choo's geographic expansion, enabling it to enter markets that typically require local knowledge. Historically, Jimmy Choo has successfully transformed franchise locations into higher margin DOS.



*Jimmy Choo Campaign*

## Jimmy Choo Brand DNA

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Jimmy Choo has subdivided their DNA consumers into profiles that best reflect the idea of each consumer. The brand's DNA doesn't completely rely on the brand, but of who makes this brand their own.



*Jimmy Choo Campaign  
Leighton Meester*

### Effortlessly glamorous:

- Glorious, Luminous, Charismatic.
- Striking - Making an entrance, ability to shine.
- Spectacular and alluring - A presence you cannot ignore, who changes the atmosphere of the room.
- Able to be the centre of the attention - Without trying too hard.
- Seductive sense of style - With a nonchalant luxury.

### Cosmopolitan:

- A new luxury for the new world- Multi-cultural and re-appropriated.
- 21st Century - Fast, optimistic, mixing influences and values, classic with bohemian, traditions with technology.
- Embracing Cultural Eclecticism - With the confidence of a world traveller, inventing personal style.
- Progressive and Energetic - Fearless.

## **Instinctively seductive**

- The right side of sexy- With an instinctive feral nature.
- Sexual power - As a symbol of confidence.
- Always elegant - Never vulgar or trying too hard.
- Impulsive - In touch with instinctive animal nature.
- Provocative - As a way to toy with rules.

## **Daring**

Provocative risk taker- Who understands the rules but is unafraid to challenge.

Provocative - Not desperate, nor attention seeking, but a sign of confidence to toy with the rules.

A risk taker - Dares as a path to more interesting experiences and a rich world view.

Audacious - Entrepreneurial, inventive and fearless.

Inhabits the moment - Unafraid to provoke, but never goes too far.

## **Playful**

Joyful - Extroverted and daring.

Sense of humour - An ambitious nature.

Ardent - Living all aspects of life to the fullest.

Personal enjoyment - Is a reward for fully living life.

Clever and witty - Not clowning nor foolish.

## Jimmy Choo Case study

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This case study focuses on a space inside the retail space on the first floor, a space that is hardly observed, a space that encompasses 6 niches. I believe the reason is that people see the space but the competition of curiosity of the stairs next to them hint that there is more, so the attention is snapped away in seconds, the focus of this case study is to test different concepts of display that will ideally retain attention.

### 1. “Repetition” test

Using repetition as a technique in this area can help increase observation, it hints importance and therefore deserves attention, this is the conceptual and ideal outcome.

### 2. “The icon” test

To display items that are well known, items that customers usually come in asking for, such as Bridal collection or the Biker boots. The concept behind this is that people tend to feel more comfortable with the things that they know, and things they know or recognize tend to call attention. It also gives importance to their knowledge, in a way makes them feel special, this concept will be tested during this case study, to understand if the best technique is to display items that are well known to increase observation.

### 3. “Colour” test

Colour is believed to be the number one factor people shop for, colour is an attention grabber, ever since childhood people are attracted by colour. During this case study colour will be used to test if it is the main factor and possible solution for this space. In this concept, competition is of high importance, meaning that the niche next to it must be balanced.



## Repetition test

This niche was created using the repetition strategy, in this case numerous Chandra evening bags were displayed, an iconic bag in the colours and materials from the SS15 collection.

### Concept reasoning

1. The idea of repetition is believed to hold a place in the viewers memory for a longer period of time. Since of course repetition hints that it is something you have seen before, therefore it is a thought you analyse.

2. I believe repetition creates a sense of comfort between the product and the viewer, people feel more comfortable with the “known” rather than the unknown. This reasoning I believe can be vaguely compared to why people commonly order the same food at a Restaurant, they risk less with what they already know.

3. The repetition of the same product hints importance, and if its important then it deserves my attention. The idea of an icon comes to mind.

4. Value, I also believe value plays a big role when repeating in small quantities, it gives the sense of a solo player, protagonist. I hold that displaying valuable items in small quantities helps in portraying value, again importance.

5. Quantity, is another factor of importance. I believe that delicacy and value is portrayed through small quantity.



## Display design elements

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The repetition test was created in accordance to the following design elements. These elements are in accordance with the principals of design.

### Balance:

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The type of balance found in this design is considered :

Symmetrical or formal balance.

It is considered symmetrical or formal balance because it was achieved through the use of objects similar in their composition, in this case evening bags. Symmetrical or formal balance is believed produce a sense of dignity, calm and repose. It creates a “in its place “ environment. This technique is proven to be effective in promoting classic goods for important occasions. This is considered most effective where quality and high end merchandise is being presented. Formal balance is believed to produce a feeling of conservatism, restraint and a classic atmosphere. Formal balance occurred when each object weights equally on one side, and has an exact counterpart on the opposite side, relative to size, placement, shape and colour coordination. Dark colours are placed in the back, to create a since of shadowing, except for the middle niche where the colour is the retention focus. This way each side has equal power to attract attention and its force is equal in demanding the customers attention and action. Heavier items were placed closer to the floor to prevent top heaviness. Small items or lighter coloured items are placed in front of larger items that are found in the background, this balances the size difference.

### Emphasis:

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Emphasis was achieved through the repetition technique.

A frequently used method in creating emphasis on the same product by displaying it numerous times. Colour plays a big role in this method, the shopper is attracted by the repetition of colours, or hues, or the repetition of a shape in different colours. In this case hues were repeated, including hues that can be compared or in accordance with the background colour, as mentioned in chapter 1, the merchandise itself provides most of the colour, but the display space and props have a role as well, it is important to create an overall environment. Size is crucial in creating a focal point, in this case the middle niche was balanced with the rest by using a display prop. Larger items tend to hold attention longer, this is why bigger bags were placed on the top and bottom, to lead from top to bottom observation.

### Proportion:

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Proportion was achieved through the repetition technique.

A type of proportion that is simple in form. This display made use of merchandise of the same nature, evening bags, style, size and colours. It aligns the items in the same manner by height, spacing, and angle at which they are placed. The layering of the bags shows its material softness and even helps brighten up certain colours such as the middle purple Chandra. Proportion was also achieved by using a prop in the middle niche that reflects the size of the other niches.

### Harmony:

Harmony has been achieved through its functional elements.

It deals with the physical functionality, which means it must be realistic and it must work, the Chandra functionality is not limited to being held as a clutch, but to being worn with its chain; both of its functions are reflected through this display by displaying it with its chain, as well as it would be held by hand.

### Colour:

Colour principles can sometimes vary depending on the Visual Merchandisers taste or even the Brand's collection colours. In this case once again elements of design play an important role. Dark hues and low intensity colours were used, meaning neutral and low impact colours except for the Violet bag which transmits elegance and sophistication, a reason why it is placed in the middle. It is considered a monochromatic colour design.

### Communicating brand values:

Most of the time these values are portrayed through the merchandise itself, construction and materials. In the case of the repetition display, the design doesn't quite reflect the common Jimmy Choo display, it is the only test that involved merchandise in minimal quantities. This is to test the efficiency of repetition in small quantities.

### Luxury's concept:

As mentioned in Chapter 2, fashion and luxury fashion can be very similar as far as style, design concept and colour choices. What really sets them apart is the execution of this design, the materials used, craftsmanship and the intricate finishing that are well known to be used in Luxury fashion industry. The shape of these bags reflect softness, delicateness, femininity, and all of this is done through its shape and material. They use shimmer suede which is a material that has shine on the inside layer, this way the shine is subtle and elegant, a luxurious material. Another luxurious concept is the metallic accents used on the closure of the evening bags, metallic tonalities are used to portray the luxurious elements that are provided by mother earth, the roots of nature.

## Observational survey

The display using the repetition strategy was displayed in the following time period:

From the 1st of December- 6th of December 2014.

During its period of exposure the weekly footfall accounted for:

Mon 1st- 190  
 Tue 2nd- 221  
 Wed 3rd- 112  
 Thu 4th- 153  
 Fri 5th- 258  
 Sat 6th- 280

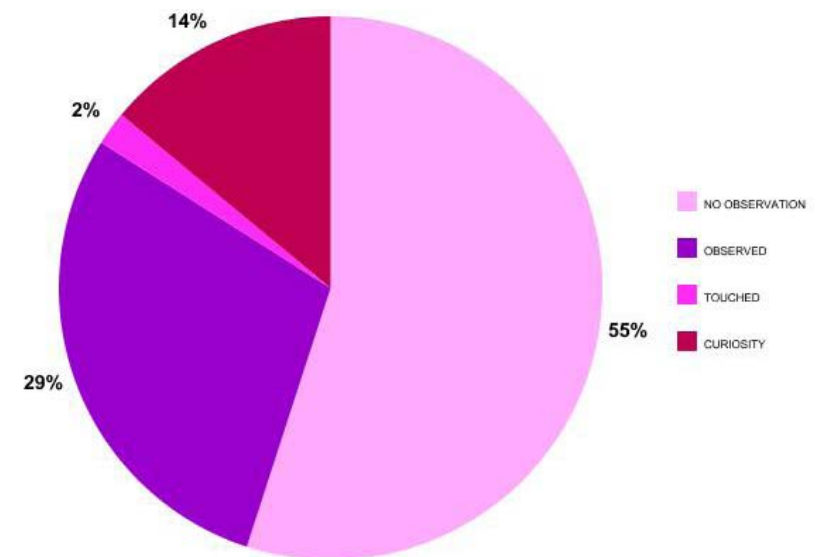
In order to make an accurate analysis, 100 people of the previously shown footfall were observed. The analysis focus on four aspects:

1. Observation
2. No observation
3. Interaction with the product (touching)
4. Curiosity (asked about the product)

This analysis took place at the Boutique premises, during 3 days out of the 6 that it was displayed. The analysis was held on the following dates:

Tue 2nd- from 3:00- 6:00 pm.	42 pp
Wed 3rd from 2:00- 5:00 pm.	31 pp
Fri 5th from 5:00- 6:30 pm.	27 pp
<b>Total</b>	<b>7:30 Hours</b>
	<b>100pp</b>

The following graph shows the breakdown of the results obtained during the analysis of the Repetition strategy. This is a statistical perspective, the effectiveness of the display itself is not limited to the following numbers and percentages but it does give insight in comparing different strategies and how they vary in result. The variables drawn out of these results are factors that play a big role in determining consumer observation. These variables are the main conclusion, while analysing the variables leads to a rough idea of the impact each variable really has.



## The “icon” test

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This test is implemented through items that are easy to recognize, in this case Jimmy Choo’s bridal collection. By utilizing a space that lacks observation, this will ideally impact in a higher number of viewers, by why? I creating a space that caters to a specific consumer. Not only does it make the consumer feel special with an area completely dedicated to them, but at the same time this space calls attention to consumers that are not seeking the bridal collection, due to the striking atmosphere it creates.

### Concept reasoning

1. The concept of comfort is correlated with spending more time inside a retail space, an example is a boutique that offers tea, coffee or champagne. From a business point of view, the aim is to retain the consumer as much time as possible, as much time as possible means the consumer is investing their time, which means a higher possibility of them purchasing.

2. Dedicated space, the idea of displaying the bridal collection in this space creates a sense of “private” space, this way the closed space which had a negative impact, now has a positive impact. A space dedicated to this collection and therefore this specific client. Brides are know to be difficult consumers when it comes to shoes or clutches, with so many things in mind it is calming to have a clear idea of the options available.

3. Another motive, is from a sale point of view, by displaying the bridal collection, the sales associates can easily

understand that if someone observes this niche, they must be looking for bridal shoes or interested to purchase them for someone else as a gift, which happens commonly, this leads to a better brand- consumer understanding and communication.

An important factor is the competition within the display, this means that the balance is not only within the niche itself, but with the surrounding space as well, it is important that the niche next to it does not steal all the attention away, balancing it off with colour, quantity and merchandise of the same nature. The evening collection was displayed, since they are both used for elegant occasions.



## Display design elements

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### Balance:

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The type of balance found in this design is considered :

Symmetrical or formal balance.

It is considered symmetrical or formal balance when an imaginary line can be drawn through the middle of the display and each side weights equally. Display props also have weight, this can be seen at the top niche where the shoe stand was placed, this is done not only to highlight a specific style, but to use 3 elements just like the bottom left niche, this is quantity balance. Bags are also balanced on two sides, visually heavier bags were placed next to one item, while more delicate were placed next to two items.

### Emphasis:

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The type of emphasis found in this design is considered elements of design:

A composition that is in need of a point of emphasis that holds the viewers visual attention longer than any other point. In this case the “less repeated” product is evening bags, they are placed in each niche to create the effect of a focal point, except at the bottom niche where equally number items were placed instead. Top heaviness is a way to lead the viewer by attracting him to the niche where there is the most merchandise and lead him down to the finishing point. This emphasis was also achieved in part by subordinating elements such as weight, texture and space.

### Proportion:

Proportion was achieved through zigzag and step elements.

The zigzag follows the principle of the double reverse curve, this is reflected through the quantity displayed, the display shows its zig zag element on each niche, 3 items are placed on a zig zag design, as well as 5 items on the counter part. The step arrangement is a level elevation within the display area. It is considered most effective when only three steps are used, in this case these three levels are the product itself, the base used and the shoe prop placed at the top.

### Rhythm:

Rhythm was achieved through repetition.

In the case of the “icon” design, this is reflected through the quantity weight. It gives regularity to the movement of the eye, as if it predicts what is coming next, this produces a feel of constancy and stability.

### Harmony:

Harmony is achieved through its structural harmony:

This structure is created by displaying items together that in real life experience would be paired. They reflect a mood and environment, in this case the bridal atmosphere. Ivory tonalities, lace and glitter elements as wells as metallic accents.

### Colour:

A monochromatic scheme was used in this display design. This was achieved through the use of colours that vary in tone but belong to the same chromatic area. These colours were ivory, sand, and light coloured textures such as lace and mirrored leather. This is a good choice when highlighting textures, it makes it more evident when the colors are all the same or similar.

### Communicating brand values:

Brand values are communicated through the merchandise used to create this design display. The idea of providing an item for such a special day in your life is a big responsibility for the brand. Its values in this sense are communicated through the making of the shoes or bag itself, comfort, style and choice. The availability of different heights can all be considered expressed through the display design, the concept of displaying so many items at the same time, is to provide this customer category “brides to be” the options to choose, and to feel as if this space is completely dedicated to them.

### Luxury’s concept:

Not only is the entire branding strategy made to depict luxury for everyday use. In this case it is portrayed through the use of elements that reflect vibrant, feminine, and “precious stone” like elements, this drifts away from the “everyday” to the “special day” use.

## Observational survey

The display using the “ icon” was displayed during the following time period:

From the 9th of December- 15th of December 2014.

During its period of exposure the footfall accounted for:

Tue 9th - 78  
Wed 10th - 158  
Thu 11th -147  
Fri 12th -190  
Sat 13th -191  
Sun 14th -102  
Mon 15th - 115

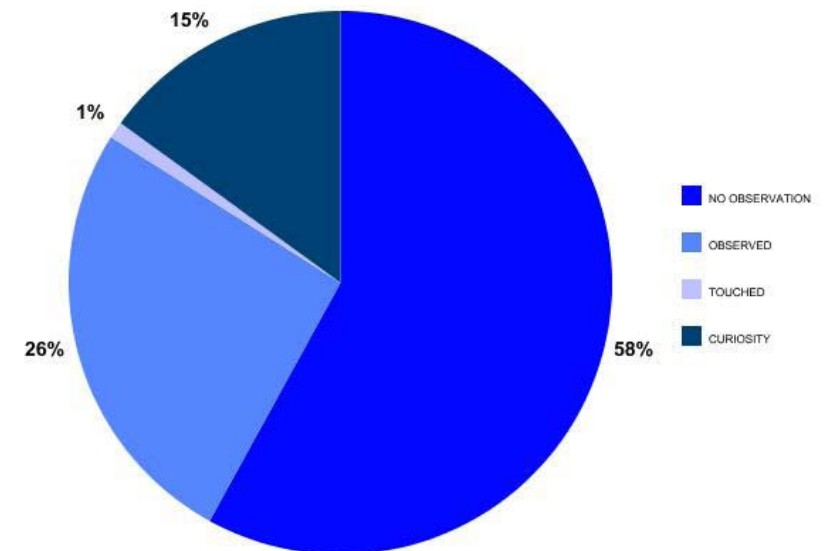
In order to reach an accurate analysis, 100 people of the entire footfall were observed in their response to the display, and recorded through numbers, during 3 days out of the 7 that it was displayed. The analysis focus on four aspects:

1. Observation
2. No observation
3. Interaction with the product (touching)
4. Curiosity (asked about the product)

This analysis took place at the Boutique premises. The observation was done on the following dates:

Tue 9th	from 6:00- 7:00 pm.	17 pp
Wed 10th	from 3:00- 5:00 pm.	50 pp
Fri 12th	from 5:00- 7:00 pm.	33 pp

Total	5 Hours	100pp
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## Colour test

This niche was created with a colour scheme, using darkness and brightness. This geranium colour was chosen, because it is one of the brightest inside the collection, the concept is to display items with bright tonalities and see if colour creates any response that differs from the other strategies previously displayed.

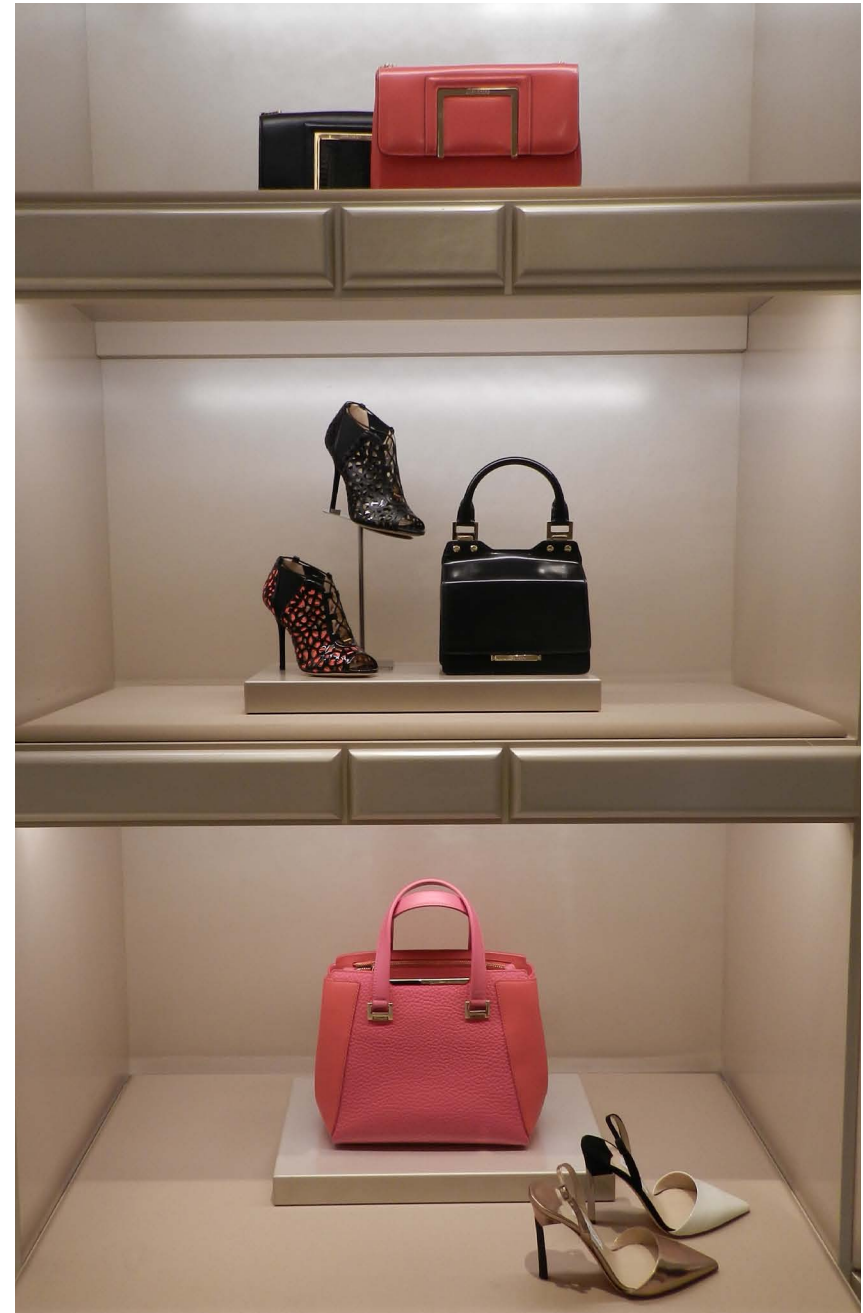
In this strategy competition of the surrounding space takes a big role as seen also in the previous strategy (icon). In this case it was decided to place darker items in the niche next to it, this way the focus remains on the bright colours, and ideally slowly drifts away to the darker and also more visually accessible niche.

### Concept reasoning

1. Ideally in this niche, people are attracted by colour, it is also a colour that is seen in the window display, which in a way implies importance, and also creates a sense of repetition in the consumer mind, it is something they have seen before.

2. Newness, ideally curiosity would arise by seeing new shapes from the new collection, the curiosity of the unknown, or the new.

3. Quantity is not at its minimum in this display, but it does not appear crowded, this is due to placing darker similar shapes behind, creating a sense of shadowing and repetition.



## Display design elements

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### Balance:

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The type of balance found in this design is considered :

#### Informal or asymmetrical balance :

Informal balance in displays is achieved by creating a component equality to the viewers eye, this equality is not necessarily achieved by colour, placement, size and shape of objects on opposite sides of the display, it is achieved by a more subtle and imaginative arrangement. In this case this was achieved through colour and size, varying it in its placement. It is used to express activity, excitement and variety, as opposed to symmetrical balance. The two sides of the display appear to be of equal weight, but they are not a reflection of each other. Dark values of colours tend to appear heavier than lighter values, this is why they are placed behind brighter colours. Dull textures appear heavier than smooth textures and should be placed closer to the centre to balance the design, as in the case of the shoes found displayed in the middle niche. When using this type of balance, a large product can be balanced by several items or even empty space, a bright colour or a shot of light. In the case of objects and their weight, the heavier one was placed at the bottom to accentuate the ending of the exploratory search of the display design and to balance the two smaller items that are placed at the top niche.

### Emphasis:

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The type of emphasis found in this design was achieved through contrast:

The colours used intensify visual perception. It prolongs the visual involvement and thus provides a colour point of focus. This method was achieved working together with repetition, this way the focus is on the one product achieved through colour contrast with black. It can also be interpreted with space, using contrast to focus on the product, the focal colour is neon geranium, this is intensified by placing it in front of darkness (black).

### Proportion:

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Proportion was achieved through the step element.

The step arrangement is a level elevation within the display area. In the case of this informally balanced display design, this proportion is achieved through the step elements of colours used. This step can be seen to lead the eye through the intensity of the geranium colour and how it shows its path leading to the next niche, beginning from the right (top niche) zig zagging to the left (middle niche) and finishing at the middle point (bottom niche).

### Rhythm:

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Rhythm was achieved through progression of sizes.

Rhythm is achieved when all elements are properly placed

so that the eye travels smoothly from beginning to end. Rhythm entails arrangement of organized motion and does not necessarily need repetition, although it does gain impact from it. The eye should flow and travel easily throughout the display. In the case of the “colour” test this is achieved through progression of sizes, referring to using similar shapes and varying their sizes by consistently increasing or decreasing them along a visual path as in the case with the bags that belong to the same family as far as design and real life use. The eye’s reaction is to move rapidly over the display, in a dynamic way of achieving eye movement through colour.

#### Harmony:

Harmony in this case is achieved through its structural harmony:

Harmony is meant to create visual comfort, in the case of structural harmony all of the pieces should fit correctly. The structure has been created by displaying items that would go together once purchased, they can be worn combined, as in the case with the shoes and bags displayed, they are not only harmonious in style, but colour as well. All the merchandise is brought together as part of a mood.

#### Colour

Dark colours have been tested to have more visual weight. This is the reason why darker colours are placed as background in this display design, the idea behind matching black and a bright color is to focus on the brightness.

#### Communicating brand values:

As mentioned in the previous tests, values are portrayed through the merchandise as well as the display design, in the case of the colour display design, it is the customer that you cater to who consciously or even unconsciously reads these values. In this case the idea of providing the “total look” in one niche is a value that Jimmy Choo carries within its products availability, this has an effect in the consumer decision as well, as it hints a product that would ideally match the item chosen, this not only means that it makes it easier for the consumer to understand how this style is paired in real life, but it also gives Jimmy Choo the opportunity to represent itself entirely through a consumer that chooses to wear matching products styled and made by Jimmy Choo, everyday luxury.

#### Luxury’s concept:

Everyday luxury is a big focus for Jimmy Choo, the idea of luxury for special occasions is seen as something that doesn’t happen very often, therefore special. But the idea of luxurious product for everyday use depicts luxury at a whole different level, a level in which the consumer is capable of using luxury for everyday. And a level in which Jimmy Choo is capable and has the ability to attract consumers who are willing to buy Jimmy Choo products for everyday, this not only means that Jimmy Choo is big for red carpet shoes and Gala evening bags, but it caters to the luxury consumer who wears it on a regular basis.

## Observational survey

The display using the “colour” was displayed during the following time period:

7th of January- 13th of January 2015.

During its period of exposure the footfall accounted for:

Wed 7th - 85  
 Thu 8th - 76  
 Fri 9th - 80  
 Sat 10th - 102  
 Sun 11th - 46  
 Mon 12th - 77  
 Tue 13th - 99

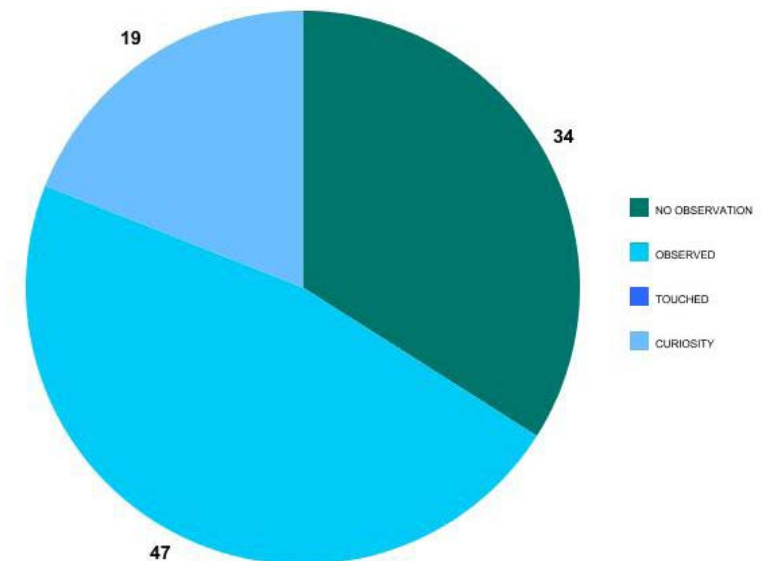
The analysis is based on 100 people of the entire footfall, during 5 days out of the 6 that it was displayed. The analysis focus on four aspects:

1. Observation
2. No observation
3. Interaction with the product (touching)
4. Curiosity (asked about the product)

This analysis took place at the Boutique premises. The observation was done on the following dates:

Wed 7th-	from 11:00- 1:00 pm.	12 pp
Thu 8th	from 11:00- 1:00 pm.	9 pp
Fri 9th	from 11:00- 1:00 pm.	15 pp
Sat 10th	from 10:30- 12:00pm.	35pp
Mon 12th	from 11:00- 1:00 pm.	29pp

Total	8:30 Hours	100pp
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## Comparative analysis

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The 3 tests previously examined represent an idea, a concept that was to be tested to understand its capabilities of attracting visual traffic in a zone that is considered “dead” as far as observation received from the customers who enter the store.

These tests were implemented and examined, this examination led to results, quantitative results. These results are now to be analysed, broken down and compared among each other. This will lead to a conclusion (based on the information collected during the testing period) as to which test concept is the most efficient and has proven to be more successful of driving observational traffic to this area. The following is a comparative analysis that takes as its core the 3 tests that were implemented.

Test results are as follows:

	Test 1 Repetition	Test 2 Iconic	Test 3 Color
Not observed	55%	58%	34%
Observed	29%	26%	47%
Touched	02%	01%	00%
Asked	14%	15%	19%

These results show evident similarities as well as differences among the different tests. It is the duty of the comparative analysis to analyse these similarities and differences and reach a conclusion as to why these differences and similarities took place, keeping as its root the display design.

The following conclusions can be drawn by comparing the results shown on the previous page:

- These results are shown to be similar in Test 1 (repetition) and Test 2 (Iconic). Differing by maximum 3%.
- All 3 tests are similar in the “touch” and “asked” aspects. Varying maximum by 4%.
- Test 3 differs drastically in the “observation” and “non observation” aspects of the test. Varying max by 27% compared to test 1 and 2.

These 3 topics are the core of the results obtained through the observational survey. It is fair to say that based on the results obtained, Test 3 Colour, has proven to be the most efficient in receiving observational traffic, there are many variables in this conclusion, the following analysis will breakdown these variables for a better understanding of the reason behind the results obtained.

- Test 1 (repetition) and Test 2 (Iconic). Differing by maximum 3%.

	Test 1 Repetition		Test 2 Iconic
Not observed	55%	< 3%	58%
Observed	29%	3%>	26%
Touched	02%	1%>	01%
Asked	14%	< 1%	15%

Test 1 (repetition) and Test 2 (iconic) were both made during a period of time that consisted in the same month, this leads to the following question:

1. How did the weather influence the relation of consumer response to the different types of VM strategies implemented during this case study?

Possible linkages between weather, mood, and behaviour are an important factor in the results of this study. It is important to note that the weather was relatively cold and rainy during the period of exposure of Test 1 and Test 2. This not only reflects in the mood of the consumer and increases internet shopping preference, but it could have also determined the behaviour of the consumer inside the retail space. These two tests were the least observed out of the 3 tests implemented, I observed that customers felt less at ease as

far as guiding themselves through the displayed, they seem as if rushed to go directly downstairs. Customers might have been wanting to “hide” from the rainy weather found outside, leading them to unconsciously find shelter at a different level. I believe there is a big correlation between the shiny aspects of rain (outside) and the shiny elements of the products displayed (inside), eyes easily recognize elements that are repeated, the repetition of shine found outside and inside could have been a link made by consumers who were attracted by these items believed to be due to their shiny elements.

3. The consequences of repetition, was there a future impact?

Repetition is believed to hold a longer time in the viewers mind, meaning that even once the consumer left, the item will be printed in their minds. During my analysis. I also analysed the 55% that accounted for people who did not stop to observe the display, the majority, there was a future impact that I have seen throughout the following weeks that I would like to discuss, the future sale of the repetition strategy. I noticed that the future impact this strategy produces was also reflected in consumers I didn't account for as observers, it was documented by associates that two customers came back asking for this specific evening bag without them having asked about it the first time they came in. This leads me to believe that repetition is a strong strategy that impacts consumers once they have left the retail space, and this impact can be conscious or subconscious.

- All 3 tests are similar in the “touch” and “asked” aspects. Varying maximum by 4%.

	Test 1 Repetition		Test 2 Iconic		Test 3 Colour	
Comparison	1-2		2-3		3-1	
Not observed	55%	< 3%	58%	< 24%	34%	< 27%
Observed	29%	3%>	26%	21%>	47%	18%>
Touched	02%	1%>	01%	1%>	00%	2%>
Asked	14%	< 1%	15%	< 4%	19%	< 3%

2. During this case study, what was the relationship between quantity- interaction and value?

There is a big difference between Test 1 and Test 2, as far as display design, Test 1 encompasses very little merchandise, to focus on the value of the product, while Test 2, shows a great variety of merchandise, to best reflect the availability and choices available to the bride- to- be customer. I believe that quantity interaction are directly linked, and I believe this is due to the unconscious value given to a product based on the way it is displayed. This belief was proven otherwise in the the case of Test 1 and Test 2 comparison. They encompassed different levels as far as quantity displayed, but managed to show close results to one another. I can say that on the base of this study, quantity- interaction- and value held no significant correlation to one another.

- Test 3 differs drastically in the “observation” and “non observation” aspects of the test. Varying maximum by 27% compared to test 1 and 2.

	Test 1 Repetition		Test 2 Iconic		Test 3 Colour	
Comparison	1-2		2-3		3-1	
Not observed	55%	< 3%	58%	< 24%	34%	< 27%
Observed	29%	3%>	26%	21%>	47%	18%>
Touched	02%	1%>	01%	1%>	00%	2%>
Asked	14%	< 1%	15%	< 4%	19%	< 3%

There is a correlation between these three that highlights one another. Quantity, in this display quantity was as important as the repetition of the product, quantity is believed to give value, items that are displayed in small quantities tend to seem more expensive, as to where items that are displayed with numerous items tend to seem less special and more economically accesible. During this study I observed the correlation between quantity and value, curiosity accounted for 14% of the total observers, I strongly believed quantity played an important role, most of the curiosity was due to the price of the product, meaning that it seemed expensive, this can be a positive or negative impact to visual merchandising inside the retail space, either they feel that the product is valued and therefore are triggered to wanting

it, or they discard the possibility of it being a product they want due to its high price, but then again this depends on the spending power each consumer has.



