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Final Term Project

Marketing Plan for Louis Vuitton

Louis Vuitton is a company founded in Paris in 1854 (lvmh.com). Louis Vuitton was born in 1821 and when he was 16 years old, he walked 292 miles from his hometown to Paris and decided to make a new life for himself (A, L, F, J, & M, T, 2020). He was able to work for a successful box maker and packer named Monsieur Marechal and this is where he learned how to craft durable containers as well as pack them properly (A, L, F, J, & M, T, 2020). The luxury brand specialized in monogrammed and personal luggage and handbags like briefcases and suitcases (Bhasin, 2019). Louis Vuitton passed away in 1892 and his son, Georges Vuitton took over and became the new head of the luxury house. This is when the iconic LV monogram logo was introduced (A, L, F, J, & M, T, 2020).

Louis Vuitton's mission statement is to showcase different qualities of Western "Art de Vivre" worldwide. The brand does this by keeping our products both elegant and being creative. Our products embody cultural values, blend tradition and innovation and kindle dream and fantasy (LVMH Mission, Vision & Values, 2020). Our vision statement is to keep our goals long term. We make sure all of our products are creative and innovative, they deliver excellence as well as cultivate an entrepreneurial spirit (LVMH Mission, Vision & Values, 2020).

Swot Analysis

Strengths: Louis Vuitton's Brand Recognition is incredibly strong. Anyone walking around with an LV bag will automatically know it's a Louis Vuitton bag because of the iconic logo. Many people like to have items with the monogram logo because it's really popular and has an association with status and class in society today (Bhasin, 2019). Another strength is their quality. Quality is an important part of fashion, especially luxury fashion and consumers are usually picky when it comes to the quality of items they're willing to spend their money on and Louis Vuitton has one of the best quality and design for hand luggage (Bhasin, 2019). Also, Louis Vuitton has top celebrity endorsements by having celebrities wear their clothing to public appearances. Some of their top endorsers are Scarlett Johansson, Angelina Jolie, Muhammad Ali and Uma Thurman (Bhasin, 2019). An additional strength this company has is that they have a wide network. There are around 21,289 employees globally which makes Louis Vuitton one of the world's top employers in companies that deal with luxury goods. The company is able to sell their products through their own chain of stores, high end retail chains as well as their website (Bhasin, 2019).

Weaknesses: Louis Vuitton is a company that focuses on exclusivity which makes them patent or even copyright most of their designs and they usually rely on centralized decision making which could decrease their morale (Bhasin, 2019). Also, Louis Vuitton has exorbitant pricing. Since it is a luxury brand, their basic products can cost about \$1500 or even more which makes it impossible for most people to purchase an LV bag or suitcase and the company targets a niche market (Bhasin, 2019). Another weakness is that they have a lack of product innovation. They usually come out with products that look the same as others but come out in a different color or different size (Louis Vuitton Swot Analysis, n.d).

Opportunities: Louis Vuitton has the potential to expand their markets to Asia in general and in particular, China and India (Louis Vuitton Swot Analysis, n.d). The global market for luxury goods is constantly increasing and has a growth rate of 4% per annum (Bhasin, 2019). Another opportunity is they can increase their number of working women because the need for status symbols is constantly growing at the workplace since more women are entering it. In addition, there's a rise in per capita income and this can cause a surge in demand for non essential items and luxury goods (Bhasin, 2019).

Threats: Some threats Louis Vuitton faces are counterfeiting, This can give the brand a negative image as well as diluting their market share (Bhasin, 2019). Another threat is they deal with competition. There are many other luxury good companies that produce goods similar to Louis Vuitton's so they constantly have to find ways to one up their products. One more threat is managing multinational customisation. Louis Vuitton's forte is their ability to produce exclusive yet creative merchandise which means they need to customize for individual cultures. Since Louis Vuitton's team mostly comprises of European designers, this can become very challenging (Bhasin, 2019).

Marketing Initiatives: Louis Vuitton thrives to get their younger audiences attention by focusing on streetwear looks and earth tone color for the Spring/Summer 2021 selling season. To help the business do that, our marketing team will pursue the following partnerships in 2020:

Louis Vuitton x Sanrio: Sanrio is a brand that involves a lot of cute and different characters. This brand has been out for about 60 years and was extremely popular in the early 2000s and is still very popular today. Sanrio is very popular amongst teenagers and young adults. The Sanrio characters will be placed on most of our accessories, handbags, wallets, and clothing garments

like t-shirts. This is a Co-Branding partnership and our products will be put on social media sites like Instagram, Facebook, Twitter and Tiktok. The goal of Louis Vuitton x Sanrio is to have the opportunity to increase their target market. The Sanrio company usually targets women that like nostalgic items since Sanrio is really old. Also, Sanrio and Louis Vuitton's target markets are completely different and this collaboration can help Louis Vuitton become even more successful if they can reach a new demographic. Also, Sanrio is seen as a more kawaii brand which is more Korean inspired and the goal is for this collaboration to reach Korea.

Louis Vuitton x Blackpink: Blackpink is a Korean girl group that debuted in 2016 (Chan, 2020). Since then, they've become super popular amongst Western Countries and younger girls. The group contains 4 members named Lisa, Jennie, Rosè and Jisoo. The kind of collaboration we have with Blackpink is they are our Macro-Influencers and they will post our products on both their group instagram page as well as their personals. Blackpink has a total of 5 different instagram accounts. Lisa has 43.5 million followers on instagram. Jennie has 36.6 million followers on instagram, Rosè has 33.2 million followers and Jisoo has 32.9 million followers on instagram. The blackpink group account has 32.7 million followers on instagram. The goal of Louis Vuitton x Blackpink is to also reach a new demographic. Blackpink is a Kpop group and their main focus is in Western areas however since they are a Korean girl group, many fans are Korean and this collaboration could reach Korea and give Louis Vuitton a new target market.

Target Market: The target market for these 2 collaborations are women in between the ages 20-40. These kinds of women live in populated areas like New York, Los Angeles, Chicago as

well as countries outside the U.S like China and South Korea. These women are always shopping and like to treat themselves to nice items.

References

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