

Research on the Current Situation and Strategies of Independent Designer Brand Marketing

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Abstract: Independent designer brands are a large part of the market, and there is few analysis and research on their marketing strategies. It is necessary to analyze the successful brands in different marketing positions as models and evaluate the problems of their strategies for other new designer brands to consider further promotion, helping them avoid predictable failures and make appropriate choices. The author considers existing issues from the perspective of designer brand operators and provides some suggestions for the future development of independent designer brands. The paper reviewed some literature about designer brands from the past years and used the 4P model to analyze two typical independent designer brands, *Alexanderwang* and *Ami Paris*. The author indicated some problems with the marketing strategies of these brands, including the strong binding between designers and brands, the excessive online commercial, and unreasonable pricing, and analyzed the causes. This paper provided the methods of finding brand spokespersons and creating virtual characters for promotion as solutions for diluting designers' bonding with brands. According to the article, Co-branding is a way to lower production costs and increase the popularity of independent designer brands.

Keywords: independent designer brand, development strategy, 4p analysis, co-branding

1. Introduction

1.1. Research Background

Independent designer brands have developed rapidly, and independent designer brands have gradually attached importance to the originality of design, and many independent designer brands have begun to appear in the public's attention. Designers should not only be good at investing in design, but also understand the marketing and production of original brands, and pay attention to brand marketing before and after the design. Independent designer brands have been long neglected in the international fashion retailing literature. According to some research, in 2000, 114 international fashion design houses competed for a global market of more than 30 billion dollars [1]. For years, independent designer brands have distinguished themselves from luxury brands with their distinctive style and marketing strategies. Nowadays, by mentioning independent designer brands, in most cases, it refers to fashion companies dominated by designers or even named after the designer himself, such as *Alexanderwang*. However, many new independent designer brands get confused about their further development. Some previous designer brands had transformed into luxury brands by selling them to

consortiums such as LVMH but had received critical comments and lost their original customers. Some change in the direction of lower prices but see no profit growth. It is necessary to analyze the successful brands in different marketing positions as models and evaluate the problems of their strategies for other new designer brands to consider further promotion, helping them avoid predictable failures and make appropriate choices.

1.2. Literature Review

Na & Kim aims to analyze the post type of the official account of Korean fashion brands on Instagram and their online promotion strategy from the images and keywords and hashtags [2]. Feng & Tan developed a stylized model to study the impact of business-to-consumer product sharing on luxury fashion brands [3]. Combined with the background of the Internet era, Zhao, Zhang & Li analyze the pros and cons of typical business models of independent designer brand collection stores and attempt to propose two innovative models, namely the O2O model and the free model, in order to provide some constructive suggestions and solutions [4]. Jin & Jisoo conducted an in-depth interview with 13 designers and consumers for empirical analysis and devised a theoretical frame to explain a conceptual structure of designer brand individuality [5]. This empirical research conducted on domestic fashion designers is meaningful for the industry. Zhu noticed the newly emerging force of independent designer brands early. He described and explained the developing trend of the apparel industry, independent designer brands, and brand managing companies in China 2015 [6].

Most studies focused on what influences independent designer brands have brought to the luxury market and analysis of the characteristics of certain brands [7,8]. They contribute more to the luxury and apparel industry than independent businesses. Only a few studies considered the development of independent designer brands and provided suggestions and solutions for designer brand marketing after using certain typical business models to analyze systematically [9].

1.3. Research Framework

This paper analyzed two typical designer brands that have achieved certain success with business tools to summarize their marketing strategies. Then the author evaluates these strategies' feasibility when applying them to other newly developed designer brands. The problems and disadvantages of the strategies were also discussed in the paper. The author provided suggestions and solutions for independent designer brands at the end of the article.

2. Case Description

2.1. Typical Designer Brand

In choosing the independent designer brand, this paper mainly considers the brand's developing history and popularity in past years as a factor. The author chose *Alexanderwang* and *Ami Paris* as the typical model brand for the article.

2.2. The Development Process of Independent Designer Brand

Alexanderwang and *Ami Paris* have relatively short histories compared to other fashion brands. *Alexanderwang* was founded by the designer Alexander wang and released its first series in 2007. His brand was soon exposed to the public, thanks to the attention of Anna Wintour. The sales of *Alexanderwang* dropped due to the lack of a business plan and negative reports about the designer. In recent years, *Alexanderwang* noticed the emerging market in Asia, especially in China and South Korea. They capture this opportunity and begin to localize their product aiming Asian market.

Alexanderwang achieved nearly 150% sales growth in the Chinese market in the past two years. In 2022, Two Chinese companies Youngor and Challenjers Venture cartel acquired part of its share.

Ami Paris was founded in 2011 by Alexandre Mattiussi, who designed the Dior Homme Avenue Montaigne collection and once worked with Marc Jacob and Givenchy. The revenue of *Ami Paris* increased from 35 million euros in 2019 to 230 million euros in 2022, and the brand's target for 2023 is 300 million euros. It is reported that their retail business is mainly concentrated abroad, especially in Asia, with about 40 stores operated. China is the main market for the brand in Asia and the country with the fastest brand expansion. In January 2021, Sequoia China announced to acquisition of most of *Ami Paris* equity, which is also the first international M&A project of Sequoia China, and will help *Ami Paris* accelerate their expansion in China.

2.3. 4P Analysis of brands

2.3.1.Product

Clothes are the main product of the two brands selling accessories. *Alexanderwang* is more famous for its shoes and bags. *Ami Paris* also released multiple bags but still be known for the shirt with their heart-shaped logo.

2.3.2.Place

At first, *Ami Paris* and *Alexanderwang* frequently appear in fashion buyer shops because they have limited store and purchase channels. They join large chain fashion brand retail stores such as IT and Lane Crawford as their fame grows. They both aim at Asia in recent years and have opened more stores there. *Alexanderwang* opened 18 stores in China, while they own only 3 stores in the US, where the brand was founded. *Ami* opened around 40 stores in Asia, 15 in Japan, 12 in Korea, and 17 in China. They both opened their online shops on China's largest internet sales platform, TAOBAO, and on WeChat. China is predicted to be the main market of the two brands.

2.3.3.Price

Most of *Ami Paris*'s products cost less than 700 dollars, and most of their clothes cost around 100 to 300 dollars in China. *Alexanderwang* is more expensive. Most products cost 600 to 1100 dollars in China, and the most expensive are jackets which can be more than 2200 dollars. These two brands both price at a medium level, differentiating themselves from luxury and fast-moving consumer goods.

2.3.4.Promotion

Alexanderwang heavily relies on its products' promotion of celebrities. Fashion models and Stars wear their products and get pictures posted on media, leaving an impression on the customers. Their product's design always has a conspicuous logo: clear printed brand name *Alexanderwang*, making the products the moving advertisement for the brand.

Ami Paris also has a memorable logo: an A below a heart. *Ami Paris* does more promotion on social media, such as Instagram. Many influencers on the fashion channel wear and recommend their clothes.

Both of them also do fashion shows of their ready-to-wear. Alexander wang himself running out from the stage is also an impression of his brand, making himself a marketing tool of the brand. This is a common strategy of designer brands, keeping the designer's impression in the consumer's mind and spreading the idea of the brand for the designer's image.

In 2022, *Alexanderwang* began to do advertisements on China's social media, Douyin, working with influencers, gaining a lot of attention.

3. Analysis of Problems

3.1. The Image of the Designer

It is a fast and easy way to promote the brand by emphasizing the image of the designer at the beginning when the designer was more famous than the brands. Designers can spread out the concept of their brand through their words. This kind of promotion makes purchasing their products no longer solely out of the product's design but also due to recognition of the designer's philosophy.

However, it is also a potential risk for the brand relating to the designer strongly. Alexander Wang was evolving into a scandal that immediately led to resistance from organizations and the public, causing massive losses to the brand.

This is a very common problem in designer brands that is worth discussing. Any inappropriate behavior or comments from the designer affects the brand directly. This phenomenon is because people have long known brand products through the designer under such marketing methods. Such a strong correlation between designers and brands harms the brand's long-term development.

3.2. Excessive Low Marketing may Affect Brand Image

Many brands choose to do marketing through current popular social media such as Instagram and TikTok. Most of the commercials on these platforms gain much attention. However, excessively low marketing may harm the brand image. *Alexanderwang* worked with some influencers on Tiktok who have millions of followers, mainly the elder. This collaboration has unintentionally gained a great deal of exposure and sparked a trend of imitation, but it has caused young audiences of the brand to question its positioning. Most influencers have a relatively fixed audience, even if the number of followers is high. Advertisements from influencers in unfamiliar or not interesting channels often lack persuasiveness for the audience. In customers' minds, the binding of *Alexanderwang* and unfashionable style has lowered the brand's class. Such cooperation brought massive exposure to the brand, but it may not necessarily be effective, which means that most of the exposure can not turn into sales growth.

3.3. Unreasonable Pricing

Some designer brands can be priced too high. Established luxury brands usually have mature design teams and high brand awareness; the relatively low price and distinctive design are one of the few advantages of designer brands compared to luxury. When the price is too high, and the product's design is not that outstanding, people may compare the product with those similar ones from luxury brands, which is unfavorable for the designer brand.

It is reasonable that designer brands' products are generally more expensive than other clothing brands. This is because of the operation model of independent designer brands. Many designer brands don't have mature and large factories compared with other clothing brands. Some brands don't even have a factory and must find a foundry to yield. This deficiency led to a high production cost for designer brands. Higher prices can increase the profits of individual products, but they can lead to poor sales when prices are unreasonably high.

It is also an unwise choice to set the price too low. Firstly, the result of a too-low sale price combined with a relatively high cost is poor profit. The price can also determine the customer group of the brand. People who pursue fashion tend not to buy products that are too commonly seen in public or owned by too many people, and too low prices can cause them to have such concerns. Moreover, people who don't care about fashion are likely to refuse buying the products even though they are cheap. This is because they care more about the practicality and durability of products. The distinctive design has become a disadvantage of the product in such a situation.

4. Suggestions

4.1. Dilute Designer's Image

The suggestion for weakening the correlation between designers and brands is to dilute the image of the designer. Avoid expressing product concepts through the designer's language but through other approaches. Create certain scenarios in fashion shows or make videos that illustrate the concept of products.

4.2. Searching Brand Spokespersons and Create Virtual Figure

The substitute for the designers' role in the brand is searching for spokespersons or creating virtual figures. Independent designer brands have developed rapidly in recent years, and new Chinese fashion designers continue to emerge. The celebrity effect is a common marketing method in clothing brands, and its rational use plays an important role in improving brand awareness and influence. Research on celebrity effect marketing strategies of independent designer brands, analyze their brand development and celebrity effect marketing strategies in order to provide a more feasible reference for celebrity effect marketing of independent designer clothing brands and achieve the purpose of sustainable brand development.

Celebrities and idols have a stable presence in front of the public, and they have professional teams and groups to maintain the image. Celebrities as brand spokespeople can encourage their fans groups to be the brand's customers and illustrate the brand's identity [10].

Creating virtual figures is a new trend on digital marketing platforms. This method has multiple advantages. First and foremost, customized virtual characters can fit the brand image to a great extent, which is more doable than finding an ideal celebrity. Secondly, using virtual characters can avoid the impact of people's perception of the spokesperson on the brand. Celebrities can still have scandals of all kinds; some personal issues can have serious impacts on the brand. Evaluating the potential risks of celebrities is difficult. Although it is expensive and complicated for an indecent designer brand to create a virtual figure, virtual figures are a safe and effective choice for the brand's promotion.

4.3. Protrude the Characteristics of the Brands

Another way to weaken the connection between designers and brands is to protrude the brand's characteristics.

Alexanderwang has noticed the singularity and risks of bundling designers. In 2022, *Alexanderwang* held a comeback fashion show in Chinatown in LA, emphasizing the Asian cultural heritage of the brand.

Ami Paris used their uniquely designed logo, an A with a heart shape, which appeared on most of their products, to enhance customers' impression of the brand and weaken the correlation with the designer. People tend to recognize the logo as a representation of the brand rather than the designer himself.

4.4. Co-Branding for Pricing

Independent designer brands should deeply understand their product pricing positioning and distinguish themselves from Fast fashion and luxury brands.

However, it doesn't mean that designer brands should always be at the same price level. Designer brands can launch their products at different price ranges through co-branding programs. These few attempts may boost sales and expand brand awareness [11]. Co-branding can also solve the problem

of producing process by using mature brands' production lines, reducing the production cost while increasing output.

Unlike luxury brands and those brands that have single and sustained style, designer brands have a wide selection of co-branding brands. They can work with both FMCGs and luxury brands.

Alexanderwang made co-branding products with McDonald's in 2019. There were two products, global limited 300 editions black basket bag for 820 dollars sold in *Alexanderwang*'s stores and handbags for 13.9 dollars sold in McDonald's in every region. McDonald's also provided a limited-edition fried chicken set with the McDonald's package. This co-branding program was undoubtedly successful and brought *Alexanderwang* huge flow and attention.

5. Conclusion

5.1. Key Findings

In the era of consumption upgrading, luxury brands with eye-catching brand logos and logos have lost their initial appeal to consumers. Designer brands with high recognition and precise customer positioning have unique advantages. Compared with traditional commercial brands, they can fully meet the new needs of consumers to show their own personality. Driven by this trend, independent designer brands are moving into the mainstream market. The author mentioned three problems with marketing independent designer brands in the paper. Firstly, the author discussed the risks and drawbacks of bundled marketing between designers and brands. The cause of this problem lies in the initial brand promotion mode. The paper suggests diluting the designers' image, finding celebrities as brand spokespersons, or creating virtual figures for the brand. Using virtual characters to promote can also solve the problem of excessive unmatched marketing, avoiding the destruction of brands' image. On the third problem of inappropriate pricing, the author predicted that the high production costs might be the reason and provided the idea of co-branding as the solution.

5.2. Research Significance

The author fully considers the situation of independent designer brands, comparing their positioning with luxury and fast fashion brands. The research focused on independent designer brands and contributed to the brands considering their existing marketing problems and adjusting their strategies based on suggestions from the paper. The article has given some solutions for independent designer brands' future developments.

5.3. Limitations

There are limitations in the research, mainly because many independent designer brands have their own style and positioning vastly different from others. The problems may not exist in every independent designer brand, and the suggestion given in the article may not apply to some brands. The paper only considered problems that commonly appeared in mature designer brands. The suggestions in the article lack practical validation on the designers' brands and only provide some novel methods that some other industries attempted as a reference.

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