

Analysis of the Impact of Luxury Marketing Model on Consumer Motivation: A Case Study of Louis Vuitton

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Abstract: With the improvement of Chinese people's consumption power, the Chinese market has gradually been attached importance by major luxury brands, and how to attract Chinese consumers has gradually become a topic of heated discussion. This paper takes Louis Vuitton as a case study and adopts the questionnaire survey method in the investigation stage. The consumer motivation and dissatisfaction with luxury goods are investigated. This paper discusses the specific marketing strategy of luxury goods, analyzes the shortcomings of existing marketing means, and puts forward the ideal marketing mode. According to the research, Louis Vuitton mainly adopts the strategy of hunger marketing and scarcity, and successfully maintains its noble sense and successfully attracts many high-end customers by building its own brand image. The purchasing motives of consumers mainly include: external factors that are impressed by the family growth environment or the future living environment, while internal factors are specifically divided into showiness, the pursuit of high-end and personal preference. This paper points out the problems in the existing marketing methods of luxury goods and makes corresponding suggestions for improvement: First, for consumers, the attitude of sales staff does not play a key role in reducing consumers' desire to buy, but a warm and friendly attitude is essential to promote consumption. Therefore, luxury brands must pay attention to the training and management of sales personnel. Secondly, better after-sales experience and service is also very important. Luxury brands should improve their warranty methods to make it more convenient for consumers to have a better impression on luxury brands.

Keywords: Integrated marketing, case study, Luxury marketing

1. Introduction

Luxury brand products have always been a unique presence in the market. Unlike ordinary goods, the price of luxury goods is generally relatively high, and the quantity is limited. Because of this feature, its target customers are mainly high-income people. This paper mainly discusses the consumer motivation psychology of luxury buyers and the marketing strategy of luxury brands. At the same time, taking Louis Vuitton (LV) as an example, it analyzes the shortcomings of the existing marketing model and the ideal marketing model. This paper takes Louis Vuitton as an example, analyzes its marketing means, and summarizes the law of luxury marketing. This paper can be used as a reference for subsequent scholars in luxury marketing.

2. Literature Review

In today's relevant research, the following aspects are discussed in depth: The purchasing motives of Chinese luxury consumers include: independent self and the influence of others' dependence on self. Consumers may have pressure to follow the trend and purchase luxury goods as gifts. Second, Chinese consumers pay more attention to conspicuous value and the public significance of possession; In the choice and consumption of luxury goods, more conformity motives avoid consumption risks and cater to the public taste; The consumers will use the luxury goods as gifts to build social connections [1]. According to the motivations of consumers to buy luxury goods listed in these articles, it is reasonable to study the marketing and advertising strategies of luxury goods from these motivations. For example, the use of luxury goods as gifts is an important part of the motivation for luxury consumption in China. The analysis can be made by analyzing the packaging services provided by luxury goods on special holidays as their marketing means.

3. Louis Vuitton's Marketing Strategy

First, Louis Vuitton uses scarcity pricing. Scarcity pricing takes advantage of the scarcity or exclusivity of a product or brand to set a relatively high price [2]. Secondly, the extension of the Louis Vuitton brand, that is, the brand must be careful to maintain the scarcity and noble sense of the brand when extending downwards; Louis Vuitton entered the Chinese market for 13 years and has only 13 stores in total, ensuring that each store is opened in accordance with global standards, in some traditional business districts or commercial core areas. From this point, it maintains the noble sense of the brand itself, as well as the "temperament" that distinguishes it from other brands. The hunger marketing strategy used by Louis Vuitton includes brand hunger marketing strategy.

Price-hungry marketing strategies, including "expensive" and "never discount." Quantity hunger marketing strategy, by providing and promoting limited edition bags, packaging materials, etc. to control the quantity and quality of products. Crowd screening hunger marketing strategies, Louis Vuitton has no obvious hunger marketing strategy in crowd screening or consumer behavior screening, mainly through high prices to distinguish consumer groups, only serving a small number of rich people, from the marketing point of view is also a consumer positioning.

At the same time, Louis Vuitton pays attention to the marketing of its brand culture. Only when a product itself has a certain visibility can more people know its value. Most of the time, people buy luxury goods because of the Logo effect of its brand. People have a strong desire for its popularity, such as LV bag, whose eye-catching logo determines its fierce market in the domestic market [3].

4. Research Method

This paper mainly adopts the method of questionnaire survey to obtain more real and effective data. There are no special restrictions on the surveyors, as the questionnaire is mainly designed to investigate the motivations for purchasing luxury goods (including but not limited to Louis Vuitton) rather than the characteristics of the population who buy luxury goods. The Questionnaire Star applet is used to distribute data on some social media platforms. Among all kinds of investigation and research methods, questionnaire survey is the most widely used one. It extracts part of the survey objects, uses the questionnaire as the survey tool to collect data, and then carries out statistical analysis on the data to describe, explain and predict the social phenomenon [4]. 60 questionnaires were collected, among which 50 were valid. The reason for judging the invalid questionnaire was that it took less than 40 seconds to fill in. By designing some questions related to the purchase of luxury goods, it is possible to understand people's attitude towards and frequency of purchase of current luxury brands. This step is mainly to further explore the motivations for buying luxury goods.

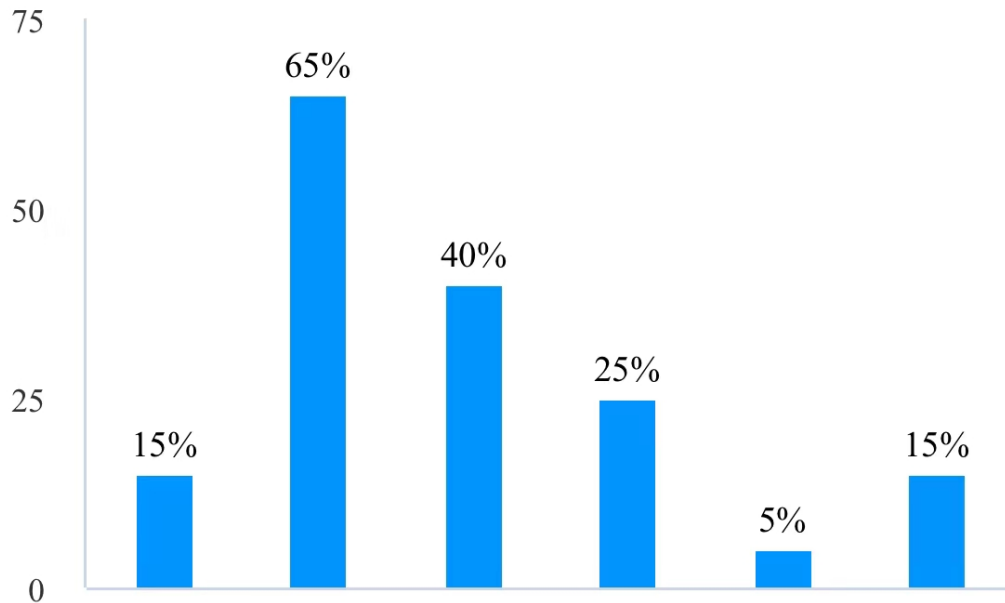


Figure 1: The motivations of purchasing luxury goods.

According to the figure 1, the valid number of people to fill in the question is 50, of which the proportion of "I like" is the highest, reaching 65%; This was followed by "pursuing high-end" and "bringing it to others", at 40% and 25% respectively; "Look good in front of others" was the least popular choice, at 15 percent. At the same time, another 15 percent chose "other," and this group consistently stated that they had not purchased luxury goods. Based on the data analysis, 65% of people buy luxury goods based on their own love, which may be the design of luxury goods makes consumers have the desire to buy. The pursuit of high-end products reached 40%, consumers recognize and accept the quality and cost performance of luxury products and want to improve their living standards through higher-end products. In this survey, the number of people who bought based on vanity only accounted for 25%.

5. The Consumption Motivation of the Buying Group

Consumption motivation can be divided into external factors and internal factors. First, it is the young who are most affected by external factors. They are keen on consuming high-end goods, and there are many young people with relatively high incomes. Their working environment and communication objects have been international and high-level, so it is natural for them to become the young generation of luxury consumption [5]. Influenced by the consumption habits of people around them, young people begin to gradually understand luxury brands and become interested in luxury goods. Most young luxury consumers are affected by their family growth environment or future work environment and may start to contact luxury goods at a young age [6]. The external environment does not make the consumer feel boring. Consumers who buy luxury goods under the influence of external environment will definitely choose to buy luxury goods in order to integrate into their collective. Therefore, it can be said that the consumer purchase motivation affected by this factor is relatively stable. Internal factors are mainly divided into three specific reasons: showing off, the pursuit of high-end and their own love. For the bragging factor, Luxury goods have "symbolic value" beyond practical value, which is a symbol for people to show off their wealth, status and lifestyle. Behavioral economists call this seemingly "irrational" consumption choice conspicuous consumption, arguing

that conspicuous consumption exists because it can bring satisfaction beyond basic needs. In the business community, conspicuous consumption is one of the main ways and means to show financial strength and gain or maintain a good reputation. The main purpose of conspicuous consumption is not the useful value of commodities, but the vanity and satisfaction brought by commodities to show off in front of people [7]. The pursuit of more high-end brands and their own preferences emphasize the aesthetic value of goods and the desire to satisfy people's non-survival needs. While some consumers choose to consume luxury goods under the condition of economic abundance, a large part of them are comfortable and happy because of the intrinsic quality of luxury goods [8].

The reason why luxury goods can become luxury goods is nothing more than better quality and better appearance. When consumers are bored or tired of the quality and appearance of ordinary products, the desire for a better use experience will prompt them to buy luxury goods. This is a spontaneous purchase behavior, based entirely on the inner thoughts and use experience to decide whether to switch to luxury goods.

6. The Existing Shortcomings of Past Marketing Methods

Integrated marketing is a concept widely used in the purchase of luxury goods and other kinds of products. The concept of integrated marketing was put forward by American marketing expert Lauterborn in the 1990s. He believes that all activities of enterprises should be based on marketing. Enterprises must take communication as the core, first understand and research customers, and provide products according to customer needs. The ideal state of product pricing should be lower than the customer's psychological price, but also make the enterprise profit; Through active and effective two-way communication with customers, the establishment of a new type of corporate customer relationship based on mutual interests, no longer one-way sales and persuasion [9]. For ordinary goods, the concept of customer orientation and product assistance is very effective in motivating consumers to buy. For high-income luxury consumers, the concept still holds true. For high-income consumers, luxury brands are not the only option unless there is a fixed preference. In the case of similar positioning and price, its service attitude may become one of the important factors to decide the purchase of consumers. However, for consumers who do not often buy luxury goods, the pricing and tone of luxury brands directly determine whether consumers buy them to a certain extent. When most ordinary people choose their first luxury bag, Louis Vuitton is the most popular brand, its "timeless", "great value", "high acceptance" characteristics perfectly fit the characteristics of people who do not often buy luxury goods: want to let everyone know that they are wearing a luxury bag; If consumers run out of money, then the consumers can sell it without losing too much. In this case, the attitude of the sales staff may not be the key factor, as this group of people may be more concerned about the cost performance of the product. However, in the questionnaire survey conducted by the author, most people believe that luxury goods cannot successfully attract consumers for the following reasons: Luxury service staff are cold and arrogant towards customers. The products offered by existing luxury brands can be divided into the following categories: clothing, leather goods, perfumes, cosmetics, watches, jewelry, high-end cars, high-end hotels and resorts, where clothing and some limited bags are more expensive, and the sales staff is also more commission. The target group of such products is ultra-high income people, with a monthly income of 100,000 to more than 5 million yuan. This group may only account for 1% of the total population. Of course, the luxury consumption group also includes the high-income group with a monthly income of 10,000 to 100,000 yuan. Most of them often buy ordinary luxury bags of 10,000 to 20,000 yuan, which are cheaper. At the same time, the more popular the style is often less commission. People with higher incomes tend to be more confident when buying luxury goods and pay faster. For salespeople, it also reduces the time they spend on sales and service. Based on the convenience of service and the difference in commissions, salespeople tend to invest more time and effort in the top 1%. The sales staff will judge the consumers

according to their dress, speech and temperament. If the clothes look cheap and inferior, the service attitude may be relatively cold, and sometimes, some higher income people may also be in this judgment compared to the lower income people. However, as the nation's spending power has increased, luxury brands have also strengthened the training of sales staff. So, when meeting potential customers, salespeople will generally maintain basic politeness, but whether it is warm is uncertain. Therefore, a neutral conclusion can be drawn; For consumers, the attitude of sales staff does not play a key role in reducing consumers' desire to buy, but a warm and friendly attitude is indispensable to promote consumption. The consumers may lack of relevant experience after purchasing the luxury goods. Relevant experience is to experience the value of the brand in social relations through the integration of various experiences. If the consumers can experience the feeling of being served everywhere after purchasing products, they may be more willing to purchase the brand next time [10]. For example, if the consumers buy a product in a luxury store, and if they want to return it, it can be only returned it to the store where the consumers bought it, which is undoubtedly very inconvenient for some consumers who travel to other places and buy it, and also reduces the user experience. The scratch of a bag has a warranty six months after purchase, but to enjoy the official warranty service also means that the consumers must personally go to its store or counter for after-sales. Some consumers may not want to make a special trip for a bag, when the quality of its products is problematic, consumers will have a bad impression on the brand, the next purchase will choose those who provide better convenient and quick after-sales service brands.

7. The Improvement of Existing Marketing Methods

According to the shortcomings, the paper proposes some improvement measures for luxury marketing. First of all, luxury brands must pay attention to the training and management of sales personnel to promote purchase. Secondly, better after-sales experience and service is also very important. Luxury brands should improve their after-sales methods, such as allowing consumers to repair purchased products by mail, so that consumers can have a more convenient post-purchase experience, so as to have a better impression of luxury brands and continue to buy in the future

8. Conclusion

This paper points out the shortcomings of existing luxury marketing methods: First of all, for consumers, the attitude of sales staff is not the key factor to reduce consumers' desire to buy, but a warm and friendly attitude is a necessary condition to promote consumption. Based on this, luxury brands should strengthen the training of luxury sales personnel to enhance consumers' desire to buy. Secondly, the after-sales service is relatively imperfect, specifically, only support offline stores for after-sales, which will lead to the risk of not wanting to repair products and raise questions about brand quality control. As a result, the convenience of services outside the purchase process can be enhanced. For example, increase online channels, improve consumers' after-sales convenience, shorten consumers' waiting time and enhance consumers' purchase desire. Secondly, this paper divides the purchasing motivation of consumers into internal and external factors. Internal factors include showiness, the pursuit of high-end and their own preferences. External factors include the influence of growth environment and future living environment. In contrast, external factors are more stable and will not change easily.

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