

Who is better suited to the current luxury market: A Comparative Analysis of Gucci and Louis Vuitton

Yule Yang

the Second High School Attached to
Beijing Normal University

Abstract:

This paper explores the branding strategies and design approaches of two leading luxury brands, Gucci and Louis Vuitton, to understand their unique impact on the industry and consumers. By examining their historical development, marketing strategies, and design philosophies, the analysis seeks to determine which brand is better suited to today's market and poised for continued growth. Founded in 1921, Gucci has evolved from a premium leather goods company into a full-fledged luxury brand known for its adaptability and focus on sustainability. In contrast, Louis Vuitton, established in 1854, has built its reputation on craftsmanship and luxury travel trunks, expanding into fashion and accessories while maintaining strict control over quality and distribution. The comparison reveals that Gucci excels in embracing digital platforms and engaging younger audiences through innovative marketing campaigns, whereas Louis Vuitton relies more on traditional marketing, celebrity endorsements, and exclusive access to enhance desirability. Both brands demonstrate a commitment to quality and heritage, but their differing strategies reflect their responses to contemporary consumer expectations and market dynamics. This analysis concludes that while both Gucci and Louis Vuitton have strong brand identities, Gucci's dynamic approach and focus on innovation may offer a better fit for today's market, appealing to a younger, trend-conscious consumer base.

Keywords: Louis Vuitton, Gucci, Marketing strategies, Cultural value, Historical Development, Sustainability, Craftsmanship, Quality Control, Distribution, Digital Platforms, Younger Audiences

Introduction:

The global luxury market is an arena where brands continually strive to outshine each other through their heritage, exclusivity, and quality. Among the many players in this market, Gucci and Louis Vuitton stand out for their consistent performance and brand value. Ever since they had emerged into this competitive market, they have been continuously battling for the attention of the richest customers around the globe. And now they are seeking for ways to integrate the modern market to attract more customers. The paper explores the discourse surrounding two leading luxury brands, Gucci and Louis Vuitton, by comparing their branding strategies and design to understand their unique approaches and impacts on the industry and consumers. Through a comprehensive review of literature, interviews, and case studies, this analysis delves into discussing which one suits today's market better, and will continue to grow.

Gucci and Louis Vuitton's development:

Founded in Florence in 1921, Gucci began as a premium leather goods company. By the 1950s, Gucci had expanded internationally with stores in major cities such as New York, Paris, and London. In the 1960s, Gucci became popular among Hollywood celebrities, further increasing its brand recognition. The famous "GG" logo and the striped web design were introduced during this time. However, internal family disputes and management issues led to a decline in the brand's reputation by the 1980s. And in 1990s, under the stewardship of Tom Ford, it transformed into a full-fledged luxury brand synonymous with sex appeal and modern luxury. Gucci's recent focus on sustainability and social responsibility reflects its adaptability to contemporary consumer expectations. Such evolution showcases Gucci's capacity to redefine its image while maintaining its core values.

Established in 1854, Louis Vuitton has built its reputation on craftsmanship and luxury travel trunks. Under the leadership of Henry Racamier and Louis Vuitton's great-grandson Patrick Vuitton, the brand expanded into ready-to-wear clothing and accessories in the 1980s and 1990s. Marc Jacobs was appointed as the creative director of Louis Vuitton in 1997 and brought a fresh perspective to the brand with his bold and contemporary designs. Recent years, Louis Vuitton has continued to grow under the creative direction of Nicolas Ghesquière and later Virgil Abloh. The brand has collaborated with prominent artists and designers on limited-edition collections and has become known for its innovative use of technology in its products and marketing campaigns. Over time, it expanded into fashion and accessories, becoming synonymous with status and luxury. LV's strict control over quality and

limited distribution channels have fostered its exclusivity, central to its brand image.

Comparison of the marketing strategies:

Marketing strategy is ways how luxury brands advertise and attracting their customers, and occupies an important position in the development. Only with a perfect marketing strategy, one luxury brand can become successful and stand out in the luxury market. Gucci and Louis Vuitton are the examples. Though people all over the world may often heard about these two luxury brands, Gucci and Louis Vuitton still have some difference in their marketing strategies to attract customers.

Gucci has been a pioneer in embracing digital platforms, using Instagram and other social media to engage younger audiences. The approaches of Gucci are often dynamic, constantly adapting to modern trends, following the changing directions of the luxury market. Its innovative marketing campaigns often feature provocative themes and high-profile collaborations, reinforcing its avant-garde image. Early in 2019, Gucci published the Gucci Arcade in its official application, and bring six games that related to its retro style online. To meet younger customers' interests, Gucci also collaborate with Tennis Clash to show its design.

In contrast, Louis Vuitton relies more on traditional marketing, leveraging celebrity endorsements and high-profile fashion shows. It is more willingly to continue its historical trends and rarely follow the crowd. It attaches its importance to the quality of its products, maintains a mystique around its products, emphasizes timeless quality and heritage, and often creates a sense of waiting lists and exclusive access, thus enhancing its desirability. The tremendous influence of celebrity drives people, mainly fans to buy its products, for example, Lisa, the team member of Blackpink, has a wide range of fans all around the world, which provide Louis Vuitton with potential customers and more attentions. Also, the exclusive access limits the customers' consumption, but further inspire the dissatisfaction and the firm purchase intention.

Difference in design and the social factors behind:

For luxury brands, attracting the public to purchase their products is undoubtedly the most important thing for the development of the enterprise, so designs that conform to the public's aesthetic are quite important. And because the consumer choices of the general public largely depend on their social class, which in turn determines their education level, background, and habits, the design of luxury brands tends to be more in line with their preferences. Both Gucci and Louis Vuitton are all striving to achieve this.

Gucci has a wide range of products, from ready-to-wear clothing, leather goods, and accessories to home decor. It's design philosophy and inspiration mainly adhere to

the principles of “simplicity, luxury, and comfort”, while constantly exploring innovation and introducing more youthful and fashionable elements. In recent years, Gucci’s designers constantly explore and innovate, introducing new elements and inspirations on the basis of classic elements, creating unique design styles. For example, after taking over as Creative Director of the brand in 2015, Alessandro Michele led the brand to complete an important design transformation, pushing Gucci’s design style towards a more glamorous and luxurious direction, and introducing more elements and colors. These changes have continuously expanded the brand’s influence among young people. It can be said that it perfectly combines trendy style with practicality, showcasing unique designs while also meeting the practical needs of everyday dressing. In addition, consumers are gradually developing into a younger generation, and the younger generation has their own ideas and personalities in the current developing environment. Products with unique styles and everyday wear are more likely to attract their attention.

Comparatively speaking, Louis Vuitton is famous for its leather products, especially its handbags and travel gear. Louis Vuitton’s design philosophy emphasizes details and quality, which runs through the brand’s product design and development. As for inspiration, LV’s design was influenced by the popular Eastern art of the 19th century and the Nabis school of painting. The classic Monogram pattern of LV is deeply influenced by these art schools, where the design essence of the four-petal flower shape and positive and negative diamonds combines the decorative and practical effects of Eastern art and the Nabis school. Also, as one of the traditional luxury brands, Louis Vuitton adheres to its historically unique designs, and most leather bags, clothing, and accessories are designed with dark tones and minimalism, promoting a retro and classical style, giving people a deep and serious feeling. Its value and unique logo have attracted many consumers to purchase. Considering the current luxury goods market, Louis Vuitton is undoubtedly a leader among luxury brands, with increasing appeal. But from a long-term development perspective, innovation may be a better choice because times are still constantly changing, and following trends or many changes may be a good way to maintain sustained and stable development.

Value in use and brand’s culture:

As a luxury brand, in addition to marketing strategies and design, the brand should also pay attention to its value in use and brand culture. The use value is the foundation for whether a brand can enjoy a good reputation and develop in the long run, while brand culture is the cultural identity rooted in this foundation and an important feature that reflects the uniqueness of the brand. For Gucci and Louis

Vuitton, this is also something they should value and enhance for their long-term development.

Gucci is located in the upper middle of the luxury goods market, with relatively low average product prices. For the current consumer market dominated by the middle class, it is cheaper and more cost-effective compared to brands in the same category or similar styles. Meanwhile, from the perspective of ready to wear clothing and leather bags, Gucci’s clothes are easy to wear and durable, while bags, such as the Ophidia and Gucci Jackie series, not only have good looks, but also are enough to hold daily necessities for going out. In terms of brand culture, Gucci is famous of the double-G sign, and the long-lasting history. Gucci’s personalized design is easy to attract the attention of young people, and personalization will become synonymous with its culture, easily understood and accepted in all social and cultural contexts. At the same time, Gucci treats consumers equally, which can attract a large wave of goodwill and support in today’s society that advocates fairness and equality.

On the other hand, though the Louis Vuitton is slightly expensive, it is internationally considered to have excellent quality. Still discussing the two commonly used daily products of ready to wear and leather bags, the quality is beyond doubt, but what about their practicality? The practicality of ready to wear clothing goes without saying, as long as it is easy to wear and durable, it is enough, and Louis Vuitton’s bags have more practicality than Gucci, and there are also many practical styles. Take Louis Vuitton’s classic Neverfull series as an example, it can hold enough items to meet the demand for more items in some situations. The brand culture of Louis Vuitton goes without saying, as LV’s classic floral logo and its adherence to tradition support Louis Vuitton’s high position among luxury brands. However, its dual standards for domestic and foreign customers, neglect of consumer demands, and the impact caused by Dior, a brand under its parent company, insulting China have all questioned its brand culture and to some extent affected its development.

Conclusion:

Gucci and Louis Vuitton are typical representatives of luxury brands. These two brands, as leading enterprises in the luxury goods market, still lead the development of luxury goods with their unique posture. However, in today’s luxury goods market, Gucci is a more sustainable and established company compared to Louis Vuitton. Louis Vuitton tends to strengthen its tradition and continue its historical uniqueness, while Gucci thrives on innovation and following fashion trends. Although Gucci and Louis Vuitton’s sales have shown a downward trend in recent

years, and Gucci's sales are lower than Louis Vuitton's. However, looking at the current luxury brand market, the main consumer group is shifting towards the middle class and young people. Luxury brands like Gucci, which have low prices, follow trends, and are closely aligned with the information age, have just caught the ride of the brand direction change. In terms of marketing strategies and product design, they cater to the tastes of new consumers and are more likely to continue to grow and strengthen themselves in the future. Therefore, more luxury brands can learn from Gucci's approach, actively integrate the industry with modern society, and strive for a sustainable future.

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