

Maison Margiela and its business model

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Abstract

This article mainly talks about the famous brand Maison Margiela's Business model; in the past, Maison Margiela wanted to be "mysterious," so the brand went from almost no marketing method and no profits to over one hundred million sales. Maison Margiela made some correct decisions, like choosing the right leader to lead the whole team and expanding the customer group... those made Maison Margiela's business model change and make it more successful.

Keywords: luxury, sales, business model

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"This is a real change in fashion, and I think Margiela is our last revolution in fashion. It's like a social movement that reflects what's happening in the street and women's thoughts; we don't want to be objects. It's about a real person, clothes with a deeper meaning." - Carla Sozzani, founder of 10 Corso Como.

In 1989, Maison Margiela released the first big show in Paris, and this show made designer Martin Margiela become one of the most important figures in contemporary fashion. Although it has very strong creativity and a special style, Maison Margiela chose to do nothing in business, so Maison Margiela has had almost no work in the past few years. In 2002, Maison Margiela was acquired by an Italian company, OTB; after Maison Margiela was acquired 18 years ago, the sales started growing, but Maison Margiela had no profit in the past 17 years.

What made Maison Margiela's sales change so fast, and what made Maison Margiela so successful these days, especially among young people? The first reason might be that OTB chose the correct leader for the brand. 2008 fall, after releasing Maison Margiela's 20th-anniversary show, Martin Margiela left the brand without telling anyone; from 2008 to 2014, Maison Margiela kept using past elements to continue the brand's life, but as we all see, only a few people were buying the products. So, OTB chose another designer, John Galiano, to take over this brand in 2014; after he became the chief designer, Maison Margiela's sales increased to 100,000,000 dollars in 2015 spring. How did he make the brand's sales grow at that pace? As we know, he kept using Martin Margiela's design idea- Deconstructionism. Martin Margiela once said: "Deconstruction is a means, a tool, a form of presentation that can help clothes achieve

different playful effects. It's also a philosophy of illusion that proves the connection between the present and the past, making fashion meaningful." Under his leadership, Maison Margiela still uses its past production mode, which has become the longest-running product line in Maison Margiela's history- Replica. For this product line, the most popular series is MM6; for this series, designers use practical fabric, needle, and thread, and that's more young generation's wearing styles, which made more young people choose to buy Maison Margiela. At the same time, John also created some new products based on their previous elements, and in that action, he used different needlework. Most excitingly, John started using another color instead of only white(in the past, the brand only used white), and in 2017, Maison Margiela started its men's collection, which also made the brand's audience bigger.

Second, Maison Margiela had started to expand the market. Maison Margiela made a smart decision to make more customers. Maison Margiela changed the counter-marketing strategy to enter China's market. Before 2019, there were no stores in China; Chinese customers could only buy the products through shopping shops. In 2019, Maison Margiela entered the Chinese online shopping app- Tianmao. So, Maison Margiela started selling products online, which was the first time Chinese customers could buy products directly online. In the next two years, Maison Margiela began to open bricks and mortar stores in China, from 0 to 20. Also, Maison Margiela opened stores like Maison Margiela café in China to attract more customers. Maison Margiela's past sales tools were remarketing, so many people think that this way is not Maison Margiela. But as we all know, if a brand does nothing, then this brand can never be brand like Chanel; all brands need marketing, whether you're a famous brand or just a normal brand, without marketing, although you have wonderful design or

amazing your products are. These are not the only things Maison Margiela did in China; they started pop-up shops a few times. They opened fragrance pop-up shops and art shows... many cross-border shows in China. For example, in 2020, Maison Margiela cooperated with Little B and opened a pop-up Margiela fragrance store in Shanghai, China. It was the first high-fragrance pop-up store. The store used “ Lazy Weekend” as the design concept; the designers put the bed into Little B’s store and chose white as the main color. In the store, customers could try fragrances they like in person and customize their own fragrances. The shop assistants helped the customers use the vintage typewriter to write their names on the iconic fabric. And customers can even print one of their photos and then stick it on the fragrance bag. This pop-up store was a big success for the brand and made more people know Maison Margiela. From 2019 to 2021, Maison Margiela’s sales growth was over 107%. As the brand walked into the high development road, the Chinese market became an important role in the brand’s development.

Business Influence on OTB, Designer Brands, and other luxury brands

Maison Margiela, with its unique and avant-garde approach to fashion, has significantly influenced the OTB group, designer brands, and other luxury brands across the industry. Maison Margiela’s business influence can be attributed to several key factors.

Firstly, Maison Margiela’s innovative and disruptive designs constantly push the boundaries of traditional fashion. By challenging conventional norms and experimenting with unconventional styles, Maison Margiela has inspired and influenced a range of designer brands within the OTB group and beyond. This influence has permeated the industry, leading to a more daring and creative approach to fashion. Secondly, Maison Margiela’s commitment to craftsmanship and attention to detail has set a high standard for quality and excellence. With its meticulous tailoring techniques and unconventional materials, Maison Margiela has redefined luxury in the fashion world. This commitment to craftsmanship has influenced other luxury brands, encouraging them to prioritize quality in their production processes. Furthermore, Maison Margiela’s emphasis on anonymity and anonymity has challenged the traditional idea of a designer as a celebrity figure. With its focus on the collective creativity of the design team rather than individual personalities, Maison Margiela has paved the way for a more collaborative and inclusive approach in the industry. This influence has trickled down to

various designer brands, encouraging them to adopt a more team-centered approach to fashion. Lastly, Maison Margiela’s business influence extends beyond its brand, with collaborations and partnerships with other major luxury brands. These collaborations bring together different creative minds, fostering cross-pollination of ideas and pushing the boundaries of design. Maison Margiela’s collaborations have influenced the industry by encouraging more open and collaborative approaches between brands.

Overall, Maison Margiela’s business influence on OTB, designer brands, and other luxury brands is significant and far-reaching. Through its innovative designs, commitment to craftsmanship, emphasis on anonymity, and collaborative approach, Maison Margiela has set new standards in the fashion industry, inspiring and influencing other brands to push their creative boundaries and prioritize quality.

Maison Margiela’s marketing strategy

Maison Margiela’s marketing strategy sets it apart from other fashion brands. The brand’s deconstructionist approach to fashion challenges traditional notions of what constitutes high fashion. By blurring the lines between high fashion and streetwear, Maison Margiela has created a unique aesthetic that appeals to a wide range of consumers. Additionally, the brand’s collaborations with artists, musicians, and designers have helped to expand its reach and appeal. For example, the brand’s collaboration with rapper Travis Scott on a limited edition sneaker collection sold out within minutes of its release.

Maison Margiela’s unique brand identity is another key factor in its success. The brand’s founder and design team remain anonymous, adding a sense of mystery and intrigue. The focus on craftsmanship and attention to detail is evident in every clothing and accessory the brand produces. Maison Margiela’s emphasis on individuality and self-expression has also resonated with consumers. For example, the brand’s iconic Tabi boots, which feature a split-toe design, symbolize individuality and self-expression.

Maison Margiela’s commitment to sustainability is another business advantage that has contributed to its success. The brand has implemented several initiatives to reduce its environmental impact, such as using recycled and upcycled materials in its production processes. Maison Margiela also prioritizes reducing waste in its production processes. Additionally, the brand is committed to ethical and fair labor practices in its supply chain. Maison Margiela’s sustainability efforts have not only helped reduce the brand’s environmental impact but have also

resonated with consumers increasingly concerned about sustainability.

Maison Margiela's exclusive events and store experiences are also part of its strategy. The brand organizes exclusive events, exhibitions, and installations to engage with their audience directly. They aim to create immersive experiences that showcase their brand philosophy and craftsmanship, leaving a lasting impression on attendees. And those events achieve success.

Strategic Online Presence: Maison Margiela maintains a strong online presence through social media platforms and its official website. They leverage digital marketing techniques like influencer collaborations, engaging posts, and interactive content to connect with their target audience globally. They entered the Chinese market by using the Chinese app Tianmao first.

Maison Margiela's success can be attributed to several business advantages. Maison Margiela has distinguished itself as a leader in the fashion industry. As the fashion industry continues to evolve, Maison Margiela's innovative approach to business will undoubtedly continue to set it apart from its competitors.

Conclusion

I like Maison Margiela; I like its iconic brand identity,, signature element, and smart business model that transformed the brand from "death" to "life."

The OTP chose the correct leader, and several reform plans made the brand become an important role in leading another designer brand.

As the sales grew, Maison Margiela's road became smooth, and Maison Margiela might become an iconic brand.

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