

# Why Hermès is the Top Luxury Brand

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## Abstract:

Nowadays, Hermes has gained a high reputation in the world. This article examines why Hermes can become successful. Hermes' history, marketing strategies, and the relationship between the products and art are analyzed in this article. It proves that a luxury brand must have appropriate marketing strategies and create durable products with some cultural and artistic features.

**keywords:** luxury, art, culture, marketing strategies

## 1. Introduction

Nowadays, people contact with many luxury brands in their life. When the economy develops between the 20th and 21<sup>st</sup> centuries, many people can afford luxury products. Many luxury brands are rising at this time. Most people acknowledge that Hermès is one of the top luxury brands. Therefore, it is interesting to explore the reason behind this phenomenon. The reason for Hermès' success is directly reflected in some special strategies in the luxury market. This article uses a case study approach to provide an in-depth analysis of Hermes. It attempts to explore why Hermes has achieved success from different perspectives and to gain a deeper understanding of the way luxury brands develop. In addition to this, the study of Hermes also provides an initial insight into the luxury market. Every luxury brand should have its way of development, which is unique and attractive to its customers.

## 2. analyze

### 2.1 The persistence of fine craftsmanship and the development of history have established Hermès

In the early 19th century, horse-drawn carriages were the main means of travel. So the founder of Hermès, Thierry Hermès, seized this opportunity and opened a harness workshop in Paris. What made his workshop special was the attention to detail. Hermès, in contrast to other producers, prioritized the quality of his products over maximizing profit. "It seems that Thierry foresaw the glory of Hermès 100 years later and confidently set out to create value for society by creating functional, elegant objects through a mastery of craftsmanship and understanding of customers' lifestyles" (Dong, C,

Sales and marketing management edition, 2021-2, p83-84). Hermès' high-quality products stood out against competitors and earned him a strong reputation at the time.

Later in the 19th century, with the advent of the industrial revolution, Hermès fell on hard times. People gradually stopped using horse-drawn carriages, and society's demand for quality declined. Despite the hardships and pressures, Hermès chose to maintain its high-quality craftsmanship. Meanwhile, it also found new ways to meet the growing needs of the industrial revolution. Hermès bags, gloves, and other products originated from this resourcefulness, and the products set the stage for further developments.

The turn of the 20th century marked the globalization of the economy, so accordingly, Hermès began to gradually expand its overseas markets while remaining steadfast in its commitment to quality craftsmanship. The sustained tradition of excellence in quality and craftsmanship laid the foundation for Hermès to be widely accepted today as a fabulous luxury brand worldwide.

### 2.2 A design philosophy linked to culture and art has catalyzed Hermès' success

Hermès' success in different regions is undoubtedly due to its integration with local culture. The seamless assimilation and elements of culture can be found in countless Hermès products. For the locals, the cultural elements pique their interest and exponentiate their purchasing chances. They will be more willing to buy products like bags and scarves that are specific to their heritage and fit their aesthetic tastes. Therefore, Hermès puts great thought into the design of its products. "They employ leading local artists for display design, working with local indigenous culture and artists" (Zhang 2013, Journal of Silk: Interpretation of Unique Marketing

Methods of Hermès from its yearly theme, p43-44). Furthermore, Hermès always hunts for a suitable day to hold an exhibition on a special local holiday. Strategic planning attracts attention and is crucial to increased sales. Additionally, the concept of the yearly theme, proposed by Hermès, adds to the uniqueness and success of Hermès. Each year, Hermès publishes a theme to convey the brand's spirit for that particular year. During that period, all products fit the theme, from the bag's design to the pattern of the scarf and clothes to the style of the furniture and even to the scent of the perfume. In recent years, Hermès' yearly theme has encompassed four aspects: humanities, nature, culture, and art. When a product is given a different meaning, it is no longer just an object. It becomes a work of art and a symbol. People sometimes buy the products for their cultural and artistic value. The yearly theme also serves the purpose of heightening public attention. When the values conveyed by the theme are deeply rooted in people's hearts, the emotional appeal dramatically improves the outlook on Hermès. People will not just use the products from Hermès to satisfy their vanities but also appreciate the products as art. As for the designers, the yearly theme adds freshness and inspiration to their work. "Under the guidance of the annual theme, the designer draws creative inspiration from it according to his understanding of the annual theme" (2013, p45). A brand cannot develop without high-quality products. With the designers having more fun as they work, the quality of the products improves as well, often incorporating their interpretations and humanism, tying back to the commitment to quality and appeal that Hermès started with. As the yearly themes and cultural and artistic touches garner more attention in the public eye, Hermès elevates its status as the leading luxury brand globally, barring none.

### **2.3 Unique marketing methods lead Hermès to success**

Unlike other luxury brands, Hermès does not spend much on online campaigns. They tend to invite many of their top clients to high-end parties or events since those clients usually spend more than millions or even tens of millions at Hermès. When these potential customers are invited to such first-rate evenings, they develop a special sense of satisfaction associated with Hermès. They feel valued by the brand, and the brand almost "imprints" special treatment on them. They buy Hermès products in exchange, and Hermès makes no mistake not to urge them on with more special treatment. Under this model, Hermès has developed many loyal consumers, often the world's wealthiest. As stated succinctly, "Hermès has focused its marketing effectively around the top tier, cultivating VIP

loyalty" (Zhu & Yang, 2015).

Moreover, Hermès' use of hunger marketing, a technique focused on human emotions, has largely increased the desire of top consumers to buy its products. For one, Hermès's bags are characteristically very difficult to buy. One method they utilize is not keeping any products in the warehouse. Instead, a few tantalizing samples are showcased in the window, and if a customer desires one, it must be custom-made. The shop assistant will take down the needs and preferences of the purchaser before making them. So in combination with the exquisite craftsmanship of Hermès, there is usually a long wait for a bag to be available, which adds to the mystique and intrigue of Hermès products. For many people, owning a Hermès bag is something to brag about, a symbol of status and success. In other words, "the purpose of such scarcity is not only to arouse envy and make people very eager to own, but also satisfy the vanity of the owner to be envied and to show off his status" (Zhu & Yang, 2015).

Hermès also makes sure to enact other barriers to purchasing and owning their products. While other luxury brands often sell customers a bag if they have the funds, Hermès sometimes denies their customers even if they have adequate monetary compensation. For instance, consumers are required to spend a certain amount of money at Hermès before their shop assistant purchases a bag for them. The other products serve as "credits" that accumulate to reach a high threshold to even acquire the privilege to buy a Hermès bag, so this tactic ensures only the very rich have the exclusivity of access to their bags. Consequently, by the laws of economics, a Hermès bag is inherently more valuable than bags from luxury brands due to its high barrier to entry and essentially limited supply. The unnatural obstacles to purchase and decreases in supply are key to Hermès' ability to target the richest customers. Their secret is even if they lose some middle-class consumers, with this kind of marketing strategy, the rich and loyal consumers will be able to sustain Hermès and then some.

## **2. Conclusion**

Hermès did a lot to make them become one of the best luxury brands in the world. They promise high-quality products to their customers, even in their hard times. They do not follow other brands. They stick to what they are looking for. Besides, they must be committed to integrating cultural and artistic elements into their brand philosophy, which can cater to different preferences in the world. Moreover, developing a wise marketing strategy is the most important factor in their success. This strategy helps them earn money and increases the

brand value. Each of the points plays an important role in Hermès' success. "A successful luxury brand must have its own unique management and marketing strategy, not to mention the cultural connotations of a company."(Zhu & Yang, 2015) In the future, the unique and successful brand development strategy of Hermès could help it become even more successful. Based on this, perhaps it could be more innovative in terms of its brand concept. The success of a luxury brand lies in having a unique brand concept, but it is not enough just to have a concept; it is also important to keep it alive!

### Reference

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