Emotional Branding of Luxury Goods

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Abstract: A brand is a unique idea or a concept that is associated with certain characteristics in the mind of the consumer. The decision to purchase a product is made by initially positioning the product and its name in the mind of the consumer. Modern man has become a "good" consumer of the mass-produced products with affordable prices, which sparked the need for products typical of the world of design: luxury products. Luxury is associated with splurging and wasteful lifestyle, which is why for a long time, it was limited to aristocracy and members of the upper class. Emotional branding uses emotional appeal and emotions that an advertisement triggers in a consumer. The consumer attaches deep emotions of love, nostalgia, empathy, pride, shame, anger etc. to the advertised product and makes the purchasing decision more easily, even if the price of the product is extremely high. This is why luxury products which represent status symbols, are associated with pride or glamour and will always be purchased even if the price exceeds the real value of the product.

Key words: Brand · Luxury · Fashion · Product · Consumers

INTRODUCTION

When we hear the word brand, we typically think about the name of a famous company, its logo, trademark or the products that the given company manufactures. However, it is not only products and companies that are hidden behind favorite brands, but human emotions too.

A brand is a holistic sum (synergy) of all the data about the products or groups of products and its aim is to enhance the credibility and reputation of an organization or individual [1]. A brand is a collection of visual, emotional, rational and cultural characteristics that a consumer associates with the organization and the product that the brand is tied to. It can be a name, brand name, logo or another symbol [2]. It differentiates one manufacturer from all the others in the market.

In this way, the result of the purchase is determined in advance. A brand essentially serves to pre-sell the product or service to a user [3]. The problem with older definitions of a brand lies in their focus on the physical element, i.e. the product which exists in its own right, while the brand exists as an abstract concept. The product is created first and the brand does more than simply clarify which company created the product and where [4]. Because of this, the concept of emotional branding has gained popularity in sales and a growing recognition by experts and theoreticians. For the same reason, psychological terminology is being used more than numbers in marketing and branding nowadays. The most commonly used words in the contemporary marketing literature are: positive reaction, emotion, feeling, rather than: product, price etc.

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Emotional branding provides the resources and methodology for a deep emotional connection between the consumers and the product. It is focused on the most attractive aspect of one's character; the desire to exceed the pure satisfaction of material needs and feel overcome by emotions. The emotional presupposes the effect of the brand on the level of senses and emotions [3].

More than ever, the fashion industry is focused on a modern human being and its clothing needs, which evolved into the need to send a message of personality through clothing and dressing style [5].

Opposed to the large distribution of serial manufacture and affordable pricing is an entirely different system of brands and products, very typical of the world of design - luxury. Traditionally, luxury is defined as a lifestyle closely connected to wastefulness and arrogance, which is why it was limited to aristocracy and well-off members of society for a long time. In the twentieth century, luxury became relative and plural, available to many and in accordance with individual aspirations. In the new millennium, however, luxury has become more of an emotional than economic category.

In order for a brand to be considered a luxury label, its products need to satisfy certain criteria related to material value (quality, price etc.) and non-material value (heritage, clear difference from others), as well as the distance to the customer (exclusivity, scarcity). Luxury items have a tendency to be focused on quality. However, a high-quality product, e.g. a computer, is not necessarily a luxury item. A product made by a luxury brand does not necessarily need to be of high quality. Apart from that, luxury items are not the same as luxury brands - certain luxury items, such as caviar or truffles, have nothing to do with a brand. Not all luxury brands are the same. The luxury identity is defined by the notion of the brand and a cultural anchor, which points out the authenticity and legitimacy of the brand, ostentatiousness and status that is assigned to it, as well as the resistance to the passage of time vs. its acceptance on the market.

The history of luxury can be divided into three periods, each with a different style. In the 18th century and especially so during the 19th century, there was a type of luxury in Europe that was dominated by the beauty of objects and the reputation of the company that made the luxury products. This was classic luxury which had to be visible, glamourous and flaunting. In the 20th century, starting from the 1920s, the concept of luxury in which the creator was respected for its capacity for innovation first appeared in Europe and the United States, where the fact that something was novel automatically meant valuable. In the 1960s in the USA, there was the concept of luxury in which the important thing was not the product itself, but the global universe of luxury created in the media. Today, these three types of luxury coexist and feed on each other. Nowadays, the acceptance of fashion created by the upper class is extremely important in the fashion industry, as the general population identifies with them and accepts their dressing style. It is known that fashion shows are visited by famous actors, singers, athletes, politicians, businessmen, royalty i.e. the high society [5].

Luxury Market: A few introductory points before we begin the analysis of luxury and designer companies. First, it needs to be argued that fashion, luxury and designer industries today span several classes of goods and that the differences among them are not always clear. In fact, in the sector of fashion and luxury goods, numerous companies have adopted growth strategies based on diversification of retail of not just clothing items, but also fashion accessories, perfumes, cosmetics etc. Many fashion labels have also stepped into the design industry, e.g. Armani with the *Armani/Casa* bathroom collection, providing fabrics and items for interior design or Versace with their Versace Home collection. On the other hand, certain designer firms have produced fashion items.

Secondly, the ample offer and the competitive situation in which companies offer goods in quantitative and qualitative over-abundance when compared to the needs of the consumers has become a structural factor of development in the market of fashion, luxury and designer products. These products have a high symbolic value and communicate a particular lifestyle in which their non-material characteristics are the main differentiator between them and competitor products. In fact, fashion, luxury and designer firms do not distribute clothing items, lamps, tables or chairs; they sell fashion and design, which are non-material factors. Some of these factors are also aesthetics, brand, cultural and symbolic values and the locations where the product is presented and sold.

In recent years, in the fashion and luxury industry, there have been numerous mergers and acquisitions. This led to the creation of diversified companies which control a large spectrum of brands. Nonetheless, there are several differences, especially when it comes to the character of their products, the adopted policies of distribution and their retail values. To begin with, luxury items have a very high essential and symbolic value (connected to the quality and exquisiteness of the material and craftsmanship) and consequently a premium price.

There are three groups of luxury products that can be identified - unaffordable items (extremely high price and offering high social prestige to those who own them), medium luxury goods (which speak to the individuals striving towards a higher social status) and affordable luxury goods (which speak to a wider population and have a reasonable price). The fashion industry is traditionally divided into haute couture and serial/mass production. For instance, Gucci and Hermes are two very important companies on the global fashion and luxury market [6].

The market for luxury goods consists of seven factors: perfumes and cosmetics, fashion, alcoholic beverages, jewelry and watches, leather goods and shoes, fashion accessories, restauration. The global market continues to grow due to the emerging new markets such as those in China, India and Russia. It is estimated the the luxury industry has a global turnover larger than 15 billion dollars. When it comes to products, the growth in accessories, shoes, leather goods and jewelry now exceeds the growth of fashion and perfumes. Because of the approach to the licensing system of the 1950s, which was implemented in fashion by Christian Dior, the strategy of luxury brands started to change, switching from selling numerous products to few buyers to selling a few products to numerous buyers. In this way, luxury has changed from being an elitist form of spending to a more "democratic" one. In the 1990s, the luxury market hit a small recession and the industry started to reorganize itself into large groups that accepted the idea of internationalization as one if their main strategies.

Emotional branding of luxury items is a way of imagining a direct dialogue with the consumers. Today, consumers expect their luxury brands to know them and show a solid understanding of their needs and cultural orientation. The biggest fallacy about the strategy of branding luxurious products is the opinion that branding has to do with the market share rather than the share in the mind and emotions. The concepts of increasing importance based on the quality of life - relaxed shopping, time management, overcoming stress, connection and intense pleasure - will have an enormous effect on the overall attraction and acceptance a consumer feels towards new products and fresh marketing ideas.

Consequently, retailers today have a new challenge - to adapt every aspect of their business so that they can serve an individual completely. For instance, many shopping malls are faced with having a large number of very similar brands whose high prices are competitive. For this reason, they start to change their physiognomy in order to become an entertainment center or a local cultural center. The competitor scenario in the world of design means a large number of medium-sized companies whose brands are well known globally, but whose sales are often considerably lower than those of large fashion and luxurious companies like the ones mentioned before. Designer products generally belong to the category of durable goods, with medium to high prices and medium level of perceived risk and, as such, belong to the category of rarely purchased items. Secondly, the purchase of designer products is in many ways similar to the purchase of art, in that it requires a specific cultural training and a more pronounced interest of the buyer than when purchasing fashion items of luxury goods, where the name of the brand is the most important differentiator.

The Pillars of Emotional Branding: The concept on which emotional branding is founded on, according to Marc Gobé, rests on four main pillars. The foundational pillars are: proximity, sensory experiences, imagination and vision [7]. Proximity denotes the establishing of a contact with the consumers, a contact that will be as close and personal as possible. It denotes a statement of respect to consumer specificities, what they are and provides a sensory experience that consumers crave. To present a consumer with a sensory experience connected with a particular brand is the key to the continual proximity that will develop into preference and brand loyalty. Tastes which spark longing, sounds, hypnotizing colors, tactile shapes and alluring smells. Imagination has always been desirable when creating a brand, but today, it has become a necessity.

An imaginative approach to product, package, retail, advertising and website design creates new possibilities for the brand to exceed consumers' expectations and win their hearts in a new way. Design allows the brand to send an important message necessary to establish a permanent connection between the manufacturer and the end user. Vision is the most important factor of long-term success of a brand. In order to attain and maintain success on the market, brands need to be positioned in a way that allows rethinking - a goal which is impossible to reach without a clear and strong vision.

The process of designing fashion products involves two key processes - the first one being product adjustment, the other one being creation. The most common is the combination of these two [5]. The rapid growth of ethnic markets, generational changes, the rising impact of women in contemporary society - these are all factors contributing to the consumer structure of today. A brand is most strongly expressed through design, which allows it to send a strong message necessary to establish a permanent relationship between the manufacturer or the seller and the consumer. Volkswagen Beetle, Rolex watches, Issey Miyake models and Sephora shops illustrate the way design works, regardless of whether it is about the product or point of sale. On a daily basis, these companies prove that design stimulates not only emotions and the sensory experience, but also sales. Design is highly publicized today because of the recognition given to designers, which made them stars who enjoy unprecedented reputation, not only in the world of business, but also on the public scene [7]. Designers overcome the world of technics and technology and succeed in using the market possibilities by telling stories about the products that possess a higher emotional potential, which is what gives them additional value on the market.

The Ten Commandments of Emotional Branding: The power of emotional branding stems from partnership and communication. Sparking a real emotion is the biggest investment in a brand. It is a promise which one gives to consumers, giving them the permission to enjoy the world of the given brand.

In order to solidify relationships and improve closeness and by doing so, accept the consumer as a partner, it is necessary to take decisive steps. Certain companies establish an emotional relationship with consumers by boosting imagination and the hope

of new worlds: Sony by innovation, Gucci by sensual elegance, Vogue by glamour etc. It's not difficult to accept the fact that such strategies work because people have an emotional reaction to what they experience and naturally project their emotional values on items around them. If all these strategies are working and they seem to be, then triggering the right emotion can be considered the most valuable investment in a brand.

Branding bridges the gap between the giver and the taker; between authority and freedom. Its essence lies in trust and dialogue. The source of power of emotional branding lies exactly there - in trust and dialogue.

We are citing Gobe's ten commandments of emotional branding, which point to the key differences between the traditional concept of brand awareness and the emotional dimension a brand needs to exhibit in order to become a favorite [7].

- From consumers to people - Consumers buy, whereas people live. A consumer is often approached as an enemy, as someone who needs to be attacked, whose defences should be broken, or against whom a strategy needs to be devised in order to conquer. A more efficient approach is based on the rules of the game in which everyone is a winner - a partnership approach built on relationships and mutual respect.

- From product to experience - Products satisfy needs, whereas experiences fulfill desires. A shopping experience should provide something special or be an event that will be memorable and create an emotional connection on a level that far exceeds a need. An adventurous spirit, curiosity, the desire to experience the unexperienced are concepts that are starting to have an advantage over familiarity.

- From honesty to trust - Honesty is expected, whereas trust is attractive and personal. It has to be deserved. In order for a brand to fit a customer, it is necessary for the customer to feel trust. The decision of certain companies to accept returns without asking any questions is considered a big step towards that goal.

- From quality to preference - It is becoming increasingly obvious that sales are not created (at least not exclusively) by quality, but rather by

preference. What brings success is the priority that is given to a certain brand. The consumer's list of priorities regarding a brand is what will decide on the success or failure of that brand.

- From omnipresence to aspiration - Being famous does not equal being loved. This statement is difficult to disprove. In order for a company and its brand to be desirable, it is necessary for them to be able to send a certain message that will speak to the buyer's desires.

- From identity to physiognomy - It is necessary to acknowledge the distinction between identity and physiognomy. While identity signifies recognition, physiognomy is an expression that has a much wider scope and encompasses character and charisma. Physiognomy goes hand in hand with exclusivity, a special characteristics that causes admiration and the desire to own this brand and not another.

- From function to emotion - While the function of a product relates only to practical, external properties, its sensuality relates to experience that one gets while using the product. It is the sensory experience that has the market value.

- From omnipresence to presence - Omnipresence is visible, whereas emotional presence is felt. Most strategies directed towards the (omni) presence of a brand are based on the concept of quantity, not quality. The concept of quality demands focusing on innovative ways in which a real, long-term relationship can be created.

- From communication to dialogue - It's clear that consumers are not satisfied with receiving information only; they want to exchange opinions. Digital communications, public relations, the presence of brands and promotions can do a lot more in terms of speaking to the customer than simply advertising the product.

- From service to connection - Service sells, whereas connection signifies recognition. Connection means that the representatives of the brand are trying to understand who their buyers are and that they appreciate them.

CONCLUSION

It is becoming evident that good branding is essential for success on the market, regardless of product quality. A brand, especially a luxury one, has to contain emotional values. It has to possess a physiognomy whose presentation will win people and trigger an emotional response, which is especially difficult when with buyers of luxury goods.

In the 20th century, the advance of the media and globalization have expanded the notion of luxury, which is why it is no longer associated with the wealthiest, upper classes and aristocracy. Today, luxury brands have become available to general population. However, one needs to bear in mind the fact that brands have lifecycles. Brands that are considered luxurious today do not have to be luxurious tomorrow. The future of a brand is defined by its relevance in a particular age, as well as by how much it preserves the values that initially made it luxurious. Moreover, brands are chosen on a daily basis based on their emotional relevance to consumers and their choice of quality. Overpresence tends to be the top enemy of luxury branding. Consumers will soon be tired and will start looking for something new, more scarce and less available.

Finally, the point of a brand lies in the truthfulness and significance it carries. Brands can establish an honest and close emotional relationship with consumers. A good example is Hermes, where there are waiting lists for their products. Hermes is a successful brand because both the company and the products are refined and unique, thanks to a wholesome vision and exquisite handicraft. They are also successfully emotionally branded.

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