

Research on the Localization Strategy of Luxury Brands in the Chinese Market: Taking LOEWE's Chinese Monochromatic Glaze Series as an Example

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Abstract: In the context of globalized business, the Chinese luxury market has risen rapidly, posing new challenges to the localization of luxury brands. This study selects the collections launched by LOEWE in spring and summer 2023, which incorporates the elements of Chinese Ming Dynasty monochrome glazed porcelain, as a case. It uses questionnaire surveys and field theory analysis to explore the localization strategies of luxury brands in the Chinese market. The research findings show that LOEWE has effectively enhanced its brand awareness and market competitiveness by deeply integrating Chinese cultural elements, and has stimulated consumers' purchase intention. However, the cultural integration strategy also has the risk of causing misunderstandings or controversies. The research conclusion points out that luxury brands need to balance cultural respect and innovation during the localization process to achieve sustainable development. Through the analysis of the specific case, this study provides a new perspective and strategic guidance for the localization of luxury brands in emerging markets.

1 INTRODUCTION

In the context of global business, China has become a major consumer of luxury goods. Its consumers, especially millennials and Generation Z, have relatively high requirements for the integration of brand culture. According to China Luxury Goods Report released by the China Luxury Goods Association, in 2014, Chinese consumers' global consumption of high-end consumer goods reached 955 billion yuan, accounting for approximately 21.9% of the total global high-end consumer goods market. This demonstrates the huge potential of the Chinese market and also highlights the urgency of the localization strategies of luxury brands (Yan, 2016).

LOEWE incorporated the elements of Chinese Ming Dynasty monochrome glazed porcelain into its spring and summer 2023 collection, balancing tradition and modernity, culture and aesthetics, making it a typical case. It also exposes the difficulties faced by luxury brands entering China, that is, how to effectively integrate culture and brand, avoid the accumulation of elements, and achieve innovative development.

At present, the academic community has conducted more research on the localization of general

consumer goods brands, while relatively less research has been done on luxury brands. Given the unique cultural and high-end attributes of luxury brands, the localization strategies are more complex. Existing research mainly uses case analysis and questionnaire surveys to explore the localization strategies of luxury brands in China. However, there are problems such as insufficient research depth and lack of product innovation analysis, making it difficult to comprehensively reflect the diversity and complexity of the localization strategies of luxury brands. Through the case analysis method, obtaining information by the questionnaire survey method, and based on field theory, the content covers aspects such as cultural integration, market positioning, and product innovation.

This study aims to fill the academic gap, improve the brand localization theory, provide comprehensive guidance for luxury brands' brand building and market expansion in emerging markets, help them accurately position the Chinese market, achieve successful localization transformation, promote the sustainable development of the industry, and provide new ideas and strategic references for luxury brands' competition in the Chinese and global markets.

2 LITERATURE REVIEW

Previous studies have mostly focused on the field of general consumer goods brands in terms of brand localization strategies. For example, in An Analysis of the Brand Localization Strategy of The Coca-Cola Company by Chen Ling, taking The Coca-Cola Company as an example, she explored the ways of brand localization for consumer goods and analyzed the reasons for its success, providing a useful framework for understanding the basic localization paths of brands (Chen, 2010). However, research on the localization strategies in the unique field of luxury brands is relatively scarce.

Most of the existing research on the localization of luxury brands adopts the case analysis method and the market research method. Taking the research by scholars such as Duan Lei, Wang Sining, and Kou Guanghan in Localized Communication of International Brands - Taking the Marketing of Valentino's Pink PP Series as an Example as an example, they conducted in-depth exploration of the specific case of the Valentino brand entering emerging markets and sorted out the actual measures taken by the brand in aspects such as brand positioning and marketing strategies. To a certain extent, this has revealed the initial response methods of luxury brands in the new market environment (Duan et al., 2023). However, these studies merely stay at the description of phenomena and the presentation of superficial strategies. They fail to further dig into the cultural roots on which these strategies are based. Regarding the key issue of how brands can innovatively integrate deeply with local culture while inheriting their own core values so as to achieve the sustainable growth of brand value, there is a lack of in-depth theoretical explanations and empirical analyses. As a result, both the depth and breadth of the research have obvious limitations and cannot provide comprehensive, precise and forward-looking guidance for the localization practice of luxury brands.

Field Theory provides a new direction for the research on the localization of luxury brands. This theory was put forward by the French sociologist Pierre Bourdieu. It emphasizes that there are various fields in social space, and each field has its own specific rules and power structures. In the research on the localization of luxury brands, Field Theory can help to understand how brands position themselves in specific market fields and adopt corresponding strategies to gain or maintain a competitive advantage (Husu, 2022). In the research on luxury brands, it is less applied, but of great value. This research will

introduce Field Theory, analyze elements such as consumer culture and competitors in the Chinese luxury goods market, explore the positioning and strategy evolution of brands like LOEWE in the Chinese market, make up for the deficiencies of existing research in the in-depth analysis of luxury brands and theoretical application, expand research perspectives and methodological approaches, and deepen the understanding of the localization strategies of luxury brands.

3 BACKGROUND

3.1 The LOEWE Brand

3.1.1 The Background of the LOEWE Brand

LOEWE, a Spanish luxury brand under the LVMH Group, is renowned for its unique designs and high-quality products. In recent years, under the leadership of Creative Director Jonathan Anderson, LOEWE has been constantly exploring and experimenting with new design concepts and craftsmanship techniques, combining tradition with modernity to create a series of products that are highly favored by consumers (Kim, 2019). Its brand design style is renowned for its extreme attention to detail, superb craftsmanship and unique designs, occupying a unique and important position in the global luxury goods market (LOEWE, 2017).

3.1.2 The Background of the LOEWE Case

In the spring and summer of 2023, LOEWE ceremoniously launched a new collection and officially declared its cooperation with Deng Xiping, a ceramic art master in Jingdezhen, China and a representative inheritor of national intangible cultural heritage. This cooperation focused deeply on the "monochrome glazed ceramics" of the Ming and Qing Dynasties. Taking this as the core source of inspiration, a series of products including bags, clothing accessories and so on were meticulously designed. The series ingeniously extracted the rich and diverse colors from the monochrome glazes and skillfully integrated them with modern design elements. It was especially perfectly presented on classic handbag styles such as Puzzle, Hammock and Flamenco, interpreting the ultimate elegance contained in the monochrome glazes from a modern perspective in a brand-new way. In addition, to further enhance the sense of detail of the products,

ceramic rabbit pendants in the same color series as the bags were especially launched in the series, integrating unique cultural charm and cute elements into the overall design.

Once this series of products was launched, it received praise and favorable comments from numerous consumers. Chinese consumers generally believe that this series not only vividly showcases the charming appeal of Chinese traditional culture, but also fully reflects LOEWE's respect and understanding for Chinese culture. Its product designs are exquisitely beautiful, and the details are handled with meticulous care. It has successfully achieved a perfect combination of aesthetics and practicality, thus winning the sincere favor of a vast number of consumers.

3.2 Chinese Monochrome Glaze

Chinese monochrome glaze is also known as "single-color glaze", "pure-color glaze" or "single-pass glaze". It means that after metal compounds are added to the glaze layer of utensils as colorants, only a single color presented. Its uniqueness lies in the fact that due to the different chemical components contained within the porcelain glaze, various single colors will appear after the porcelain is fired, such as the fresh and elegant celadon glaze, the gorgeous and eye-catching red glaze and so on. Although monochrome glazed porcelain is relatively simple in terms of color presentation, it has, on a profound level, become a classic interpretation of the supreme aesthetic realm that "the ultimate beauty lies in nature". With its simple and pure color expressions, it contains profound cultural connotations and artistic values. Adhering to the high-level artistic realm of utmost purity, simplicity and beauty, it occupies an important position in the ceramic field. Just as the saying goes, "The ultimate beauty lies in nature" (Jiang & Jiang, 2024).

4 RESEARCH METHODOLOGY

4.1 Data Collection

This study adopted the questionnaire survey method to collect data. The design of the questionnaire covered single-choice questions and multiple-choice questions. Its purpose is to collect in-depth and systematically the comprehensive awareness level of consumers regarding the LOEWE brand and its highly distinctive Chinese monochrome glaze series, including their understanding of aspects such as brand

recognition, cultural connotations, and product features; their attitudinal inclinations towards the brand and its series of products, like the degree of fondness, preference factors, brand loyalty, etc.; as well as the characteristics of their actual purchasing behaviors, such as key information like purchase frequency, purchase channels, and factors influencing purchase decisions.

In the questionnaire distribution process, this study mainly relied on online channels. With the extensive dissemination characteristics possessed by various current online platforms, it is possible to break through the limitations of region and time and quickly reach a large number of potential respondents. Meanwhile, the convenience of operating online platforms enables the distribution and collection processes of questionnaires to be highly efficient and smooth, which greatly improves the research efficiency. In this way, the author endeavors to cover diverse sample groups with different age groups, geographical distributions, occupational categories and consumption habits, and obtain rich data information from multiple dimensions, so as to ensure the richness and representativeness of the collected data and lay a solid foundation for the subsequent precise and in-depth research and analysis.

4.2 Sample Description

Finally, a total of 327 valid questionnaires were collected through the questionnaire survey, covering consumers of different ages, genders and income levels. In terms of the age distribution, the samples were mainly concentrated in the age range from 18 to 46 years old. Most consumers in this age group already have independent consumption abilities. Their consumption concepts are relatively mature and are in a state of dynamic change. Their awareness of fashion brands and consumption behaviors show diversified characteristics, which can provide more targeted and valuable data information for this research.

4.3 Data Analysis

4.3.1 Descriptive Statistical Analysis

Descriptive statistical analysis aims to systematically sort out, summarize and organize the large amount of data collected through the questionnaire survey. By calculating key statistical indicators such as frequencies and percentages, the feedback information from consumers on the LOEWE brand

and its monochrome glaze series can be presented quantitatively, thus clearly outlining the basic outlines and overall trends of consumers in terms of awareness levels, attitudinal inclinations and purchasing behaviors, and providing a data overview for the subsequent in-depth analysis. The gender ratio of the samples is 51.07% for males and 48.93% for females. The balanced gender ratio can ensure that the research results will not be biased due to gender imbalance, thus reflecting the attitudes and behavior patterns of both male and female consumers towards the LOEWE brand and its product series in a more comprehensive and objective manner. In addition, the monthly income range of the sample group is from below 5,000 yuan to over 50,000 yuan. The extensive coverage of income levels enables the research to deeply explore the impact of consumers with different economic strengths on the consumption behaviors and market positioning of the LOEWE brand and its monochrome glaze series, providing a powerful basis for the brand to formulate marketing strategies in markets at different consumption levels.

4.3.2 The Application of Field Theory

The introduction of Field theory provides a unique sociological perspective for analyzing the development trend of the LOEWE brand in the Chinese market. By deeply understanding the unique rule systems, power structures and interactive relationships among various participating entities in the Chinese luxury goods market, a series of strategies adopted by the LOEWE brand in the process of localization and its evolutionary logic can be interpreted. This theory helps to reveal how corporate decisions influence a brand's market position in a complex market environment, as well as the corresponding changes in consumers' awareness, attitudes and purchasing behaviors towards the brand, thereby providing in-depth and forward-looking theoretical support and practical guidance for the brand's strategic planning and sustainable development (Husu, 2022).

5 RESEARCH FINDINGS AND DISCUSSION

5.1 Precise Analysis of Market Positioning

As a well-known luxury brand in Spain, LOEWE has accumulated considerable brand reputation and

market share in its domestic and European markets, possessing certain economic capital and cultural capital. According to Field theory, in the large field of the global luxury goods market, compared with top brands such as GUCCI, HERMES and CHANEL, LOEWE still has a gap in terms of brand awareness and market influence. These top brands, by virtue of their long historical inheritance, powerful brand image building and extensive global marketing networks, occupy the core positions in the global luxury goods field and possess abundant economic capital, profound cultural capital and extensive social capital. These brands have established unique brand identities worldwide. For example, CHANEL represents French romance, outstanding quality and classic design. Its brand image has been deeply rooted in people's hearts, and consumers are willing to pay a premium for its products, which reflects their powerful brand influence (Wei, 2015).

Judging from the data of the questionnaire survey, respondents who were "very familiar" with the LOEWE brand accounted for 37.61%, and those who were "slightly familiar" accounted for 43.12%, indicating that there is still room for improvement in the brand awareness of LOEWE in the Chinese market. When it first entered the Chinese market, LOEWE was in the middle to rear position of the second echelon among high-end luxury brands. However, through localized strategic measures such as the launch of the Chinese monochrome glaze series, its market position has gradually changed. This series of products has triggered a buying boom. For example, in terms of purchase frequency, respondents who had "never purchased" products of the LOEWE brand before accounted for 44.04%. However, after the launch of the monochrome glaze series, those who "significantly increased their purchases" accounted for 27.83%, and those who "somewhat increased their purchases" accounted for 39.45%. The sales volume has increased significantly, thus increasing the accumulation of economic capital.

In terms of cultural capital, it has been deeply integrated with traditional Chinese cultural elements. As can be seen from consumers' answers to the question "In which aspects does the LOEWE monochrome glaze series best interpret Chinese culture", 55.96% chose "color matching" and 71.25% chose "material selection", etc. This shows that consumers recognize its integration of Chinese culture, enabling it to gain more cultural recognition in the context of Chinese culture and enriching the brand's cultural capital. This is in line with the trend of some successful luxury brands focusing on cultural integration in the Chinese market. For example, some

of the brands mentioned in the text enhance their competitiveness by adapting to the cultural dynamics of the Chinese market.

5.2 The Path to Rebuild the Brand Image

The in-depth integration of LOEWE with Chinese monochrome glaze culture has successfully achieved the remodeling of the brand image in the Chinese market. By deeply integrating the local culture in multiple dimensions such as design concept and marketing activities, the brand can effectively help the enterprise successfully establish a unique corporate image in the local area and then obtain more significant market competitive advantages (Liu, 2018).

LOEWE has cooperated with master potters in Jingdezhen, China. Taking the monochrome glazed ceramics from the Ming and Qing dynasties as inspiration, it has subtly integrated the colors of traditional monochrome glazes with modern design elements into classic handbags and pendants, achieving a perfect combination of traditional and modern design. This innovative design makes the products unique and uncovers and showcases their profound cultural connotations.

The data from the questionnaire survey shows that LOEWE's this strategy has had a positive impact on the remodeling of the brand image. In the responses of consumers to the question "How has your perception of the LOEWE brand changed since it launched the monochrome glaze series", 81.04% of the respondents thought that "the brand image has become more upscale", 32.72% of the respondents indicated that "the design is more creative", and 42.51% of the respondents felt that "it is more in line with my aesthetic". This indicates that consumers' perception of the LOEWE brand image has changed significantly. The brand has successfully integrated the cultural elements of Chinese monochrome glaze, enhancing its own image charm.

In terms of the brand's cultural connotations, the integration reflects LOEWE's respect and understanding of Chinese culture and enriches the brand's cultural capital. Closely combining with traditional Chinese culture, it injects new vitality into the brand, endows it with stronger cultural affinity and uniqueness in the Chinese market, conforms to the localization management concept of international brands of multinational enterprises, helps it establish a good corporate image and gain a competitive advantage.

The remodeling of the brand image has enabled LOEWE to stand out in the Chinese market and attract more consumers' attention and purchases. In the questionnaire, 40.98% of the respondents thought that this strategy "could attract more Chinese consumers", and 42.2% of the respondents felt that "it mainly attracted international consumers interested in Chinese culture". This proves that the remodeling of the brand image has enhanced the market competitiveness, successfully expanded the target customer group through the cultural integration strategy, and enhanced the market attractiveness.

5.3 The Double-Edged Sword Effect of Cultural Integration

From a positive perspective, the integration of the LOEWE brand with Chinese monochrome glaze culture has significantly enhanced LOEWE's cultural capital and market competitiveness in the Chinese market. By combining with the monochrome glaze culture of the Ming and Qing Dynasties in China, the brand can create unique product series, meet consumers' demands for products integrating different cultures, thus standing out in the market and winning consumers' favor and recognition. In the questionnaire, in response to the question "Do you think that LOEWE's integration of Chinese cultural elements into product design is an effective marketing strategy", 40.98% of consumers chose "Yes, it can attract more Chinese consumers", and 42.2% chose "Yes, it mainly attracts international consumers who are interested in Chinese culture". This shows that cultural integration has attracted consumers to some extent and enhanced the brand's competitiveness. This is consistent with the strategy of many international luxury brands to attract consumers by integrating Chinese elements after entering the Chinese market, reflecting the positive significance of cultural integration in the process of brand internationalization.

However, there are also certain risks along this path. If there are improper operations during the process of cultural integration, it may lead to cultural misunderstandings or disputes. During LOEWE's interpretation and application of the monochrome glaze culture, if it fails to accurately grasp the cultural essence or incorporates elements that go against cultural traditions in its designs, it may arouse dissatisfaction among cultural protectors or consumers and have a negative impact on the brand's reputation. This point is particularly important in the process of brand localization. When choosing local cultural symbols, every effort should be made to

avoid using symbolic symbols and spaces that may cause controversy. Moreover, when conducting cultural mixing, the compatibility between the brand culture and the selected cultural symbols should be fully considered to ensure that consumers can perceive the consistency between the two cultures in the products of the same brand. When the cultural symbols in culturally mixed products maintain their original meanings and characteristics, consumers will have a deeper understanding of the messages and implications conveyed by the brand, and thus will be more willing to purchase the products (Kou & Zhang, 2024).

Despite the risks, the results of the questionnaire survey show that most of the respondents recognize that LOEWE's integration strategy has a positive effect and can attract more Chinese consumers. This indicates that LOEWE has achieved certain results on the road of cultural integration and localization. However, it still needs to respond cautiously to potential risks in order to achieve sustainable development.

6 CONCLUSION

Through the case analysis of LOEWE's Chinese monochrome glaze series, combined with questionnaire survey and Field Theory, this research explores the effectiveness of the localization strategies of luxury brands in the Chinese market. The research results show that LOEWE has effectively enhanced the brand's awareness and competitiveness in the Chinese market through in-depth integration with Chinese traditional culture, and at the same time stimulated consumers' purchase intention. The further research conclusion is that luxury brands need to balance respect for local culture and brand innovation during the localization process so as to achieve a win-win situation for both cultural integration and brand development. This research provides valuable references for future research on the localization direction of luxury brands, and mainly influences the in-depth understanding of how luxury brands conduct cultural integration and innovation strategies in the Chinese market. The future research should focus more on how luxury brands can continue to innovate while maintaining cultural sensitivity, as well as how to evaluate and optimize the long-term effects and sustainability of localization strategies.

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