

THE VALUE OF DESIGN RESEARCH

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STRATEGIC DESIGN FOR SUSTAINED BRAND VALUE: IMPLICATIONS FROM LUXURY PRODUCTS

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ABSTRACT

Purpose – This study investigates how brands can maintain sustainable value by evaluating the design management strategies of a number of sustainable and successful luxury brands and illustrates the practical implications of effective product design management methods.

Methodology – The research was conducted using a literature review, case studies, field research, interviews, and questionnaires. We conducted our study in three steps. First, we briefly describe the origins and characteristics of eight luxury brands and review two products from each to illustrate how the concepts (signs) are represented in design; second, we apply quantitative analyses; finally, we develop and administer a questionnaire to consumers to identify salient characteristics of iconic products and present product positioning maps using scatter diagrams. The results of the qualitative and quantitative analyses are compared.

Findings – 1) Products that create stable value for a brand could be considered iconic if they are consistent with their brand's origins or core values, and therefore, brands should continuously innovate these products. 2) Even if the product is physically well designed, it is not guaranteed to become an iconic product. Instead, if the brand has established a strong brand image based on invisible factors, a halo effect will be spread to other products.

Originality/value – Our study provides a definition of iconic products, as well as the process of creating, maintaining, and innovating these products. It has important implications for brands and manufacturers that seek long-term sustainable advantages over market competitors.

Keywords: Design management, brand value, iconic product, luxury, design strategy

1 INTRODUCTION

Faced with increased competition in saturated markets, brands find it difficult to attract and sell to consumers. Brands can no longer rely solely on the functional and aesthetic value of their products, particularly in the case of luxury goods. The luxury goods market offers an example of how brands can maintain sustainable value. While this is a challenge for any brand, strong brands that have maintained their competitiveness for a significant period of time are typically characterized by iconic products with unique features.

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Barthes (1967) argues that people wish to buy both the product and the signals the product gives to others. This rationale indicates that it is essential to manage the product design strategically, including aspects such as symbols, rather than focusing only on aesthetic design elements such as colour, shape, and materials. In this study, we evaluate the design management strategies of a number of sustainable and successful luxury brands. Corbellini and Saviolo (2012) maintain that iconic products are important because they can provide substantial profits to the companies that produce them, remain fashionable over time (thereby reducing the production risk for companies), develop customer loyalty, and communicate the brand's philosophy. This product category therefore provides the primary source of most businesses' sustainable financial success.

This study aims to illustrate the practical implications of effective product design management methods. To this end, we employed both qualitative and quantitative analyses using a questionnaire. First, we briefly describe the origins and characteristics of eight luxury brands and review two products from each to illustrate how the concepts (signs) are represented in design. Second, we apply quantitative analyses; develop and administer a questionnaire to consumers to identify salient characteristics of iconic products; and present product positioning maps using scatter diagrams. Third, we compare the results of the qualitative and quantitative analyses. Through these analyses, we identified the characteristics of luxury brands' iconic products that serve as exemplars of goods produced by sustainable, competitive companies. More importantly, we identified how consumers value and devalue brands and products as "iconic luxury products". The empirical results of the consumer questionnaire validate the meaning of an iconic product, what it represents, and how such a product is established in practice.

The results show that products that create stable value for a brand could be considered iconic if they are consistent with their brand's origins or core values. Additionally, even if the product is physically well designed, it is not guaranteed to become an iconic product. Instead, if the brand has established a strong brand image based on invisible factors, a halo effect will be spread to other products.

Altogether, our analyses demonstrate that managers can gain and sustain brand value by developing long-term core product design strategies. Companies face the perpetual risk of a diminished brand image or damaged reputation when product designers or company founders leave the firm. However, a clear long-term design strategy can facilitate the transformation of tangible assets into sustainable brand value. Furthermore, we show that iconic products with a strong brand identity and physical characteristics based on intangibles allow brands to continuously innovate these products. Our findings related to the definition of iconic products, as well as the process of creating, maintaining, and innovating these products have important implications for brands and manufacturers that seek long-term sustainable advantages over market competitors.

2 LITERATURE REVIEW

Several studies have identified the importance of establishing the strong brand identity to provide sustainability to luxury brands, the source of which is "coherence". Kapferer and Bastien (2009) pointed out that a brand can only be established through coherence, and codifying the brand identity enables

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longevity. Corbellini and Saviolo (2012) defined a luxury brand as a “coherent system of excellence” (p.26). The authors also state that in traditional luxury, “products lasted over time (they did not go out of fashion), and needed time to earn a solid reputation and build relationships with their customers” (pp. 28-29). These studies indicate that brands should create and maintain their value in a certain way, and communicate it to customers effectively. Hoffmann and Coste-Manière (2012) emphasize the importance of consistency and coherency for products and brands, mentioning that iconic products with recognizable style are central to the luxury product offering.

Iconic products are highly valued as the essential source of brand identity. Kapferer and Bastien (2009) stated that luxury brands have one or two iconic products that symbolize and prefigure its values and emphasize the venerability of icons. Icons are not necessarily the brand’s best-selling product, but it remains a definite value, such as Chanel No.5 (perfume) for Chanel. Corbellini and Saviolo (2012) note that iconic products are characterized by high profitability and recognition as compare to high fashion or trendy items that lose value quickly (p. 193). Giron (2010) also emphasized the financial merit of iconic products, stating, “An iconic product means you can charge higher prices, since the value of the product rises if, by rising above the seasonal factor, it doesn’t out of date” (p.48). Pinkhasov and Nair (2014) exemplified the Gucci loafer, the Eames armchair, the Apple computer, and Dieter Rams’ toaster designed for Braun, not only as design objects, but also as luxury objects in the quality of conception, design, materials, and execution. The authors argued that the combination of these aspects makes these objectives iconic. According to Patrizio di Marco, the president and CEO of Gucci, an iconic product is not created. He emphasized “Rather a beautiful product is created and over time, as customer appreciation for that product grows, that item grows to iconic status and thus, an icon is born. An icon is a timeless product that stays relevant no matter what the fashion trends” (Nagasawa et al. 2014, p.348).

The importance of design in general is emphasized. Esslinger (2009) mentioned, “At the most successful companies know, design isn’t just about making something look good” (p.128). Greene (2010) pointed out the definition change of effective design in the twenty-first century and explained “Design today is about creating experiences that consumers crave” (p.104). Not to mention, aesthetic design elements are considered as essential in luxury objects. Chevalier and Gutsatz (2012) showed that the value of a luxury object lies in its quality and better looking (pp.330-331).

Previous studies have defined and demonstrated the value of iconic products. However, there are few specific value and feature analyses of luxury brand icons and iconic products. This analysis helps practitioners such as designers, brand managers, and manufacturers adapt their businesses to a wide variety of industries. Therefore, our study determines the features and characteristics of a design management strategy that sustains brand value over time.

3 METHODOLOGY

The research was conducted using a literature review, case studies, field research, interviews, and questionnaires. We conducted our study in three steps.

First, we conducted qualitative research through a literature review and field research. We selected 16 products from 8 of the top luxury brands based on the

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ranking determined by the research and consulting company Millward Brown, and researched the brand origins and product characteristics to illustrate how the concepts (signs) are represented in design. The 16 products were selected based on information from major fashion magazines and personal interviews at shops in Milan, New York, Paris, and Tokyo.

	BRAND	BRAND ORIGIN/ ORIGINAL CORE PRODUCTS	FOUNDING YEAR	CORE PRODUCT	PRODUCT CATEGORY	PRODUCT LAUNCH DATE
1	Louis Vuitton	Traveller's bag	1854	Keepall	Bag	1930s
				Speedy	Bag	1930s
2	Hermès	Harness and bridle	1937	Birkin	Bag	1984
				Scarf	Small product	1937
3	Chanel	Women's wear	1910	Chain shoulder bag	Bag	1955
				Suit	Cloth	1928
4	Gucci	Fine leather goods	1921	Bamboo bag	Bag	1947
				Horsebit loafer	Shoes	1953
5	Fendi	Fur and leather	1925	Fur coat	Outerwear	1925
				Baguette	Bag	1997
6	Armani	Men's wear	1975	Unconstructed jacket	Clothing	1980s
				Dress for the red carpet	Clothing	1980s
7	Prada	Leather goods	1913	Nylon tote bag	Bag	1980s
				Nylon bag pack	Bag	1980s
8	Burberry	Fabric	1856	Trench coat	Outerwear	1915
				Scarf	Small product	1967

Table 1 – Brand selection and origin

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Second, we conducted quantitative analyses based on a questionnaire designed to assess consumer perceptions of an iconic product. Principal component analysis and SPSS were used to analyse the results.

The questionnaire was administered to graduate and university students at SDA Bocconi School of Management in March 2014. There were 69 participants in total, including 41 university students (20 to 24 years old) and 28 graduate students (22 to 30 years old). Of these, 60% were female and 40% were male; 70% had a European nationality. The majority of participants expressed approval of luxury brands (90%), and 95% of participants claimed to be well-informed about luxury brands. These participants were selected because they represent a group of potential customers of luxury brands, as Kapferer and Bastien (2009) indicated that highly educated people are more likely to buy luxury goods.

Table 2 describes the questionnaire, composed of 19 questions using a rating scale method for the analysis. The survey participants were given the following instructions: "Look at the product. If you understand the question concerning the product, please choose an answer according to the ranking '5' for strongly agree to '1' for strongly disagree".

	THIS PRODUCT IS ICONIC BECAUSE OF ITS	STRONGLY AGREE	AGREE	AGREE NOR DISAGREE	DISAGREE	STRONGLY DISAGREE
1	Colour	5	4	3	2	1
2	Shape	5	4	3	2	1
3	Material	5	4	3	2	1
4	Brand logo	5	4	3	2	1
5	Brand name	5	4	3	2	1
6	Parts	5	4	3	2	1
7	Pattern/Print	5	4	3	2	1
8	History	5	4	3	2	1
9	Legend/Story	5	4	3	2	1
10	Personnel	5	4	3	2	1
11	Place of origin	5	4	3	2	1
12	Feeling of luxury	5	4	3	2	1
13	Nobility	5	4	3	2	1
14	Tradition	5	4	3	2	1
15	Culture	5	4	3	2	1
16	Trendiness	5	4	3	2	1
17	Creativity	5	4	3	2	1

18	Exclusiveness	5	4	3	2	1
19	Overall design	5	4	3	2	1

Table 2 Questionnaire and ranking

Third, we compared the results of the qualitative and quantitative analyses to identify the characteristics of luxury brands' iconic products. Moreover, we identified how consumers value and devalue those brands and products as "iconic luxury products".

4 RESULTS AND IMPLICATIONS

4.1 QUALITATIVE ANALYSIS

We describe the brand origins and product characteristics to demonstrate how the concepts (signs) are represented in the design.

4.1.1 *Louis Vuitton*

Louis Vuitton Malletier founded the label in Paris in 1854, first manufacturing and selling trunks targeting the wealthy. In 1858, Vuitton introduced flat-bottom trunks with Trianon canvas, making them lightweight, airtight, and stackable. Before the introduction of Vuitton's trunks, rounded-top trunks were common, though these cannot be stacked.

The iconic "Keepall" bag was named after its capacity to "keep all". Its essential elements making it an iconic product are the shape and toron handles covered in high-quality natural cowhide leather.

"Speedy" was launched as a smaller version of the Keepall, which explains the close resemblance between the two. The most significant feature of this bag is its size, as it was designed to be a functional bag that can be used all day. Its name conveys the product's adaptability to the fast modern way of living.

The brand name appears in discreet places on both products, though the brand is recognizable because of the bags' basic universal appearance and durability. Therefore, both products strongly adhere to the brand origins and characteristics.

4.1.2 *Hermès*

Hermès was established in 1837 in Paris as a harness workshop, quickly becoming a top brand because of its high-quality craftsmanship. In response to market changes, the company expanded its business to include products such as leather, scarves, ties, men's wear, women's fashion, perfume, watches, stationery, footwear, gloves, enamel, decorative arts, tableware, and jewellery. Hermès is best known for its iconic handmade luggage and handbags.

The "Birkin" bag was named after the popular actor and singer Jane Birkin, who also inspired the design. It is made of leather, and its shape and size are its unique characteristics. The bag has two handles and a lock and key, with the key enclosed in a leather lanyard, or *clochette*, to avoid damaging the surface of the bag. The brand name does not appear on the bag, though is recognizable through its shape and parts.

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The scarf, or *carré*, was introduced in 1937. The company's designers spend years creating new print patterns, using techniques such as individual screen-printing with vegetable dye and hand stitching. Scarves exactly represent brand colours and motifs.

Both iconic products have special features that allow the brand to expand into new product lines. The components of the Birkin bag, which come in different sizes and colours, are also used for other product lines such as belts, gloves, timepieces, and accessories, which are illustrated in its iconic scarves. Therefore, both products represent strong coherence with its brand origins and characteristics.

4.1.3 Chanel

In 1910, Gabrielle Chanel opened her first shop in Paris and introduced a brand of hats under the name CHANEL Modes. She created simple, elegant, and functional styles. Everything she suggested, for example, the little black dress, shoulder bag, two-tone slingback shoes, and tweed suit, was innovative and accepted in the world of fashion.

In the 1920s, Coco Chanel wanted a handbag that freed up her hands. Inspired by the straps found on soldiers' bags, she added thin straps and introduced the resulting design in 1929. The bag's features became icons of the Chanel brand and have been applied to several product lines such as small leather goods, clothes, eyewear, watches, accessories, and jewellery. In addition to a double-chain shoulder strap, the unique features of this bag include a quilted diamond or herringbone pattern made using a running stitch called the "Matrasse", giving the bag volume and a rectangular shape.

In the 1920s, Gabrielle Chanel was inspired by tweed, a traditionally masculine textile, and incorporated it into her iconic women's suits. Chanel clothes feature quilted fabric and leather trimmings; the quilted construction reinforces the fabric, design, and finish, producing a garment that maintains its form and function while being worn. A notable example using such techniques is the woollen Chanel suit—a knee-length skirt and a cardigan-style jacket trimmed and decorated with black embroidery. In addition to the exterior, other iconic parts include the bijoux button, gold-collared buttons with a variety of Chanel motifs such as Camellia and Chanel No. 5. People can recognize a Chanel suit from its design and materials, even in the absence of the double-C brand logo. Certain details of the a Chanel suit, such as the outer and lining fabrics, stitching, the hem with a blade, the cuffs and pockets, the jewel-like buttons on the jackets, and a gilt chain stitched around the inside hem, are instantly recognizable. Chanel's iconic elements have been applied to different categories of Chanel products, from cosmetics and eyewear to scarves, accessories, leather goods, and the furniture within boutiques (Nagasawa and Sugimoto, 2010).

Moreover, each part and style has a unique history that adds to the products' appeal. Since its introduction, the original design had several variations in colour leather/fabric combinations, metal and interwoven leather straps, and locks, which have been applied to bags with varying styles.

4.1.4 Gucci

Founded in Florence in 1921, Gucci originally started as a luxury leather bags importer from England, selling and fixing leather bags. It designs, manufactures, and distributes leather goods, shoes, ready-to-wear items, silks, timepieces, and

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fine jewellery. "The quintessential expression of Italian luxury with a product offering perfectly balanced between high craftsmanship and fashion forwardness" (Nagasawa et al. 2014, p.354). Gucci's produces its items in Italy, except for watches, which are made in Switzerland.

Introduced in 1947, Gucci's iconic bamboo-handled bag was the result of efforts to create a product that met the Gucci standards of desirable exclusivity in a time of wartime shortages. This bamboo handle became a masterpiece icon, and it has since been applied to a variety of products, from small leather goods to accessories. Along with other icons, such as the horse bit and the green/red web stripes, the bamboo is a Gucci icon that reflects the origins and philosophy of the brand.

Another iconic product from the Gucci brand is the horse bit loafer. The horse bit played a crucial role in establishing the Gucci loafer as a design classic. The snaffle was introduced as a decoration on the soft, comfortable brown or black leather Gucci men's moccasins in 1953. The horse bit was initially used on heavy tan leather saddle-stitched handbags. As it grew in popularity, a number of Hollywood actors, including Clark Gable, John Wayne, and Fred Astaire, wore the horse bit loafer and its association with celebrities has added brand value.

Both iconic products can be recognized from their unique shape and parts. The bamboo and horse bit give a stronger impression of Gucci to people than its brand logo or name. Their 2006 annual report states that they are maintaining the momentum achieved in leather goods and shoes based on Gucci's historical core business.

4.1.5 *Fendi*

Originally, Fendi operated as a fur and leather shop in Rome. Fendi employs highly skilled fur artisans whose extremely precise stitches, weaves, and pleats are the significant features of Fendi fur products. In 1965, Karl Lagerfeld innovated fur to make it a fashionable, soft, light item of clothing. Although fur was its core business area, Fendi branched out into fine leather goods and textiles.

In an effort to enter another market for survival, Fendi developed the iconic "Baguette" handbag in 1997. "Ornamented with a bold interlocking logo, two silver buckles, and an abbreviated strap, it was released in a glamorous array of colours and luxe materials" (Johnson, 2002, p.33). The bag is currently available in more than 1000 different materials and colours, and benefits from celebrity endorsements. Thomas (2007) identifies the Baguette's contribution to Fendi's change from a dowdy old fur company to a leading luxury fashion brand. This iconic Fendi bag became so popular that rival brands such as Gucci, Prada, Bulgari, and LVMH tried to buy the company. While the bag has a fashionable and creative image, it does not necessarily symbolize high-quality craftsmanship. As for the Fendi fur coat, it would be difficult for a regular consumer to recognize it as a Fendi product if the design or material were to change.

4.1.6 *Armani*

Giorgio Armani started the company in 1975 in Italy as a men's brand, characterized by fashion, comfort, and subtle colours such as black, soft grey, and beige. The most iconic product from this line is the unconstructed jacket. He

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also launched a women's collection the following year and attained a positive brand reputation.

According to Tungate (2008), "Armani's clothes alone were impressive enough – although the casual deconstructed look of his suits is familiar today, it was revolutionary at the time" (p.121). Breward (2003) explains, "Armani famously eviscerated the structured business suit, sloping the shoulders, freeing the stiffened lining in the jacket's interior, lowering the buttons and lapels and adopting fabrics which were lighter in weight, colour, and texture". Armani applied basically the same design principles to women's wear. Armani suits and dresses were favoured by famous actors, models, and celebrities, which added to the brand.

After establishing brand value and recognition with these iconic products, Armani broadened the product categories to include leather goods, eyewear, watches, perfumes, cosmetics, and hotels and restaurants. Furthermore, he introduced several classes, such as Emporio Armani, Armani Jeans, and Armani Exchange.

4.1.7 Prada

Prada began as a family business selling leather crafts in 1913 in Milan, Italy. In 1987, Miuccia Prada, the founder's granddaughter, introduced the brand's iconic product, the famous black nylon bag with the signature triangle logo. She called the nylon material used for tote bags and backpacks "Pocone". This material is light and convenient for women's everyday use. Prada nylon bags did not sell well at launch. Miuccia Prada added the tiny triangle label that her grandfather used on trunks, and attracted journalists' attention by sending backpacks to key editors (Thomas, 2007). The Prada nylon bags grew in popularity, contributed to the expansion of the product line, and helped the company become a global brand.

4.1.8 Burberry

Established in 1956 in England, Burberry became a part of British culture, and famous for its coats worn by British soldiers in the trenches of World War II. The company later became an official supplier to the royal family. The Burberry trench coat is iconic because of its shape, material (durable and waterproof Gabardine developed by the brand's founder, Thomas Burberry), and the unique Burberry check, which was originally used for the coat's lining. In 1924, the company began featuring it as the brand's iconic pattern in diverse product categories such as leather goods, scarves, ties, shoes, clothes, and umbrellas. The Burberry check scarf became one of the brand's most iconic products.

According to CEO Angela Ahrendts (2013), many Burberry products were not consistent with the brand's origin and luxury vision by 2006, and the brand began to lose its value. Ahrendts then focused on the brand's heritage, the trench coat, introducing more than 300 different colours, materials, and designs. Consequently, the company's revenue grew rapidly compared to the 2% growth before fiscal year 2006. By 2011, the brand ranked in the top 10 for luxury products according to the Brand Z luxury goods ranking conducted by Millward Brown.

4.2 QUANTITATIVE ANALYSIS

4.2.1 Principal component analysis

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Table 3 shows the analysis of the questionnaire results using principal component analysis and SPSS.

INTANGIBLE FACTORS					
Factor 1		Name	Factor 2		Name
Exclusivity	.792	Exclusiveness	History	.802	History/Legend
Creativity	.714		Legend/Story	.794	
Trendiness	.709		Personnel	.665	
Overall design	.706				
Nobility	.668				
VISIBLE FACTORS					
Factor 3		Name	Factor 4		Name
Brand name	.844	Name/Logo			Form
Brand logo	.839		Parts	.726	
			Material	.696	
			Shape	.667	
Rotated Component Matrix (< 0.65)					

Table 3: Principal component analysis results

The results show that consumers consider an item iconic primarily based on intangible rather than visible (physical) design. Overall design is considered important, though physical design aspects such as colour, material, and shape are perceived as less important. Regardless of the argument that consumers expect luxury products to “have a reasonably high quality, and bear a very strong and attractive brand name” (Chevalier and Gutsatz, 2012, p.303), brand name is considered less important.

4.2.2 Product Positioning

We present the relationship between factors and product positioning using scatter diagrams, and according to whether brands are perceived as “iconic” luxury brands.

From the figures, it is clear that Hermès, Chanel, and Burberry are highly valued as iconic brands mainly based on intangible aspects (Factors 1 and 2). On the other hand, Gucci and Prada are evaluated based on visible (aesthetic) aspects.

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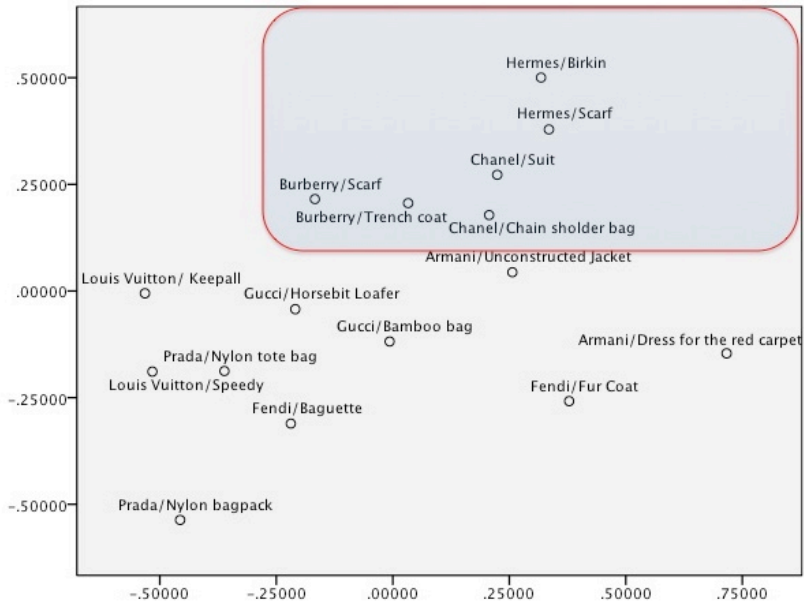


Figure 1 – x: Factor 1 (exclusivity), y: Factor 2 (history/legend)

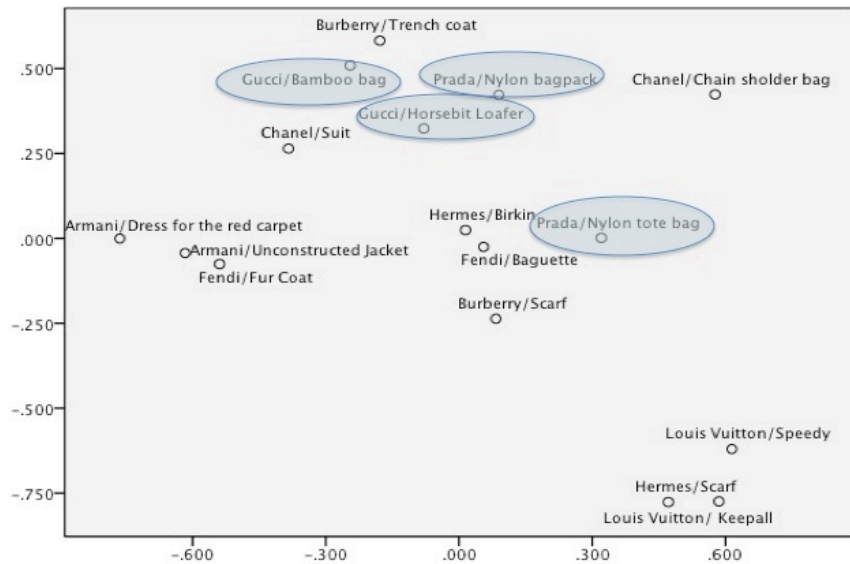


Figure 2 – x: Factor 3 (name/logo), y: Factor 4 (form)

Figures 1 and 2 indicate that Louis Vuitton products are evaluated relatively low for both intangible and visual aspects.

5 DISCUSSION AND CONCLUSIONS

This study analysed product design for sustained brand value. The results present three significant findings.

1. Core features of iconic products

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— Iconic products adhere to the brand's core values and origins.

As mentioned in the qualitative analysis, Hermès, Chanel, and Burberry products show strong links to their brand core and origins. The importance of maintaining this coherence was shown both qualitatively and quantitatively.

— Iconic products have long histories, “legends”, and stories behind them.

As seen in the case of Louis Vuitton, a brand with a long history is not necessarily valued. The brand’s age, “legends”, and stories are not sufficient conditions to create an iconic product.

— Iconic products can create a “halo effect” for relatively lower-priced products.

If the brand has established a strong brand image based on intangible factors, a halo effect will spread to other products. According to Holt (2004), “when a brand delivers a powerful myth that consumers find useful in cementing their identities, this identity value casts a halo on other aspects of the brand” (p. 10).

For instance, a Hermès scarf is far less expensive than a Birkin bag, though the Hermès scarf appears on the upper right corner of Figure 1. This implies that, regardless of price, the Hermès scarf is considered exclusive and has almost the

supports the validity of this claim. The Hermès scarf appears in the lower right corner of Figure 3, implying that consumers do not perceive its value as an iconic product in design element such as parts, material, or shape. Rather, value is perceived through the brand logo and name. Scarves are widely available and are therefore less exclusive. However, the intangible factors likely contribute to its perception as exclusive and iconic. The Hermès example explains the significance of intangible factors in the creation of iconic luxury brand products. A similar relationship is seen between the Burberry trench coat and scarf.

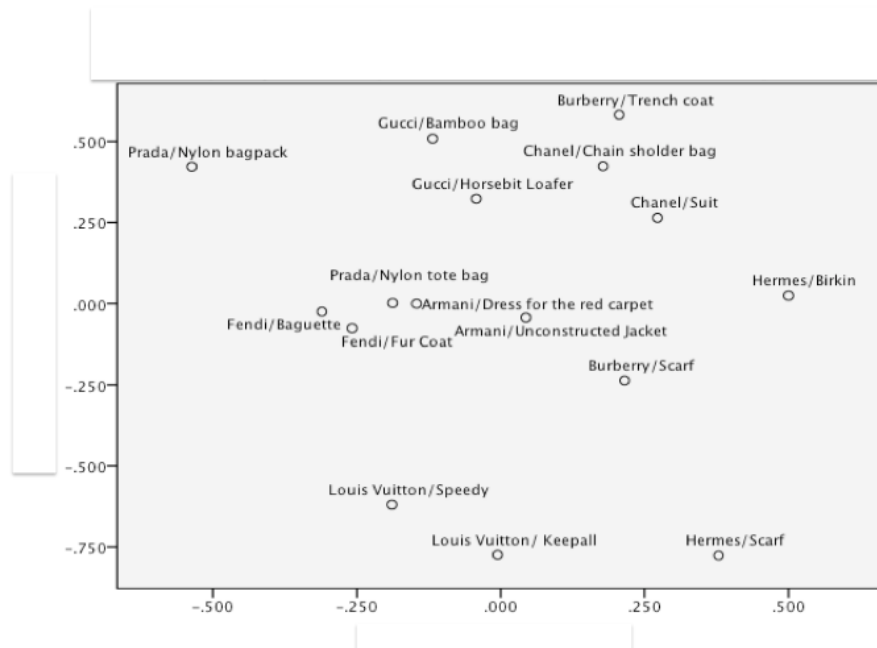


Figure 3 – x: Factor 2 (history/legend), y: Factor 4 (form)

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2. A physically well-designed product is not guaranteed iconic status.

Even if the product is physically well-designed, it is not guaranteed to become an iconic product. Gucci products (Figure 1) and the Fendi Baguette are cases illustrating this point. The Baguette has a fashionable and creative image, but does not symbolize high-quality craftsmanship. Figures 1 and 2 reveal that the halo effect seen across Hermès, Burberry, and Chanel products is not observed for the Fendi Baguette handbag, which may show a lack of brand coherency, as its higher-quality items are fur and leather goods.

2006	2007	2008	2009
Louis Vuitton	Louis Vuitton	Louis Vuitton	Louis Vuitton
Chanel	Chanel	Hermès	Hermès
Hermès	Hermès	Gucci	Gucci
Gucci	Gucci	Chanel	Chanel
Fendi	Fendi	Armani	Fendi
Armani	Armani	Fendi	Prada
2010	2011	2012	2013
Louis Vuitton	Louis Vuitton	Louis Vuitton	Louis Vuitton
Hermès	Hermès	Hermès	Hermès
Gucci	Gucci	Gucci	Gucci
Chanel	Chanel	Chanel	Prada
Fendi	Fendi	Prada	Chanel
-	Burberry	Burberry	Burberry
-	-	-	Fendi

Table 4 Brand Z luxury goods ranking (2006 to 2013)

Our results suggest that brands can gain and sustain brand value by re-evaluating their core products and focusing on promoting their heritage. Luxury brands must strategically manage the value they offer and how that value is communicated (Pinkhasov and Nair, 2014). Brands risk losing their image, reputation, and value after their designers or founders leave, though the brand's iconic products can sustain brand value by effectively applying the intangible and visual aspects of their design. Our analysis suggests that the designer or founder who creates a popular brand must consider brand icons as sources of sustainable value. Moreover, we recommend that companies consider consciously creating and utilizing iconic products, such as those described in this study, because they could greatly contribute to brand value retention over time.

STRATEGIC DESIGN FOR SUSTAINED BRAND VALUE: IMPLICATIONS FROM LUXURY PRODUCTS

Kana Sugimoto, Shin'ya Nagasawa

5.1 LIMITATIONS

While this study's findings are significant, it is subject to a number of limitations. This study analysed only 16 products from 8 luxury brands, therefore, the number of products is limited. Further studies analysing a greater number of products and a wider variety of brands may strengthen the validity of our findings. Moreover, the questionnaire participants were limited in both number and nationality, and broader in-depth interviews should be conducted to validate the findings.

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