

Introduction: Luxury Brand Management Insights and Opportunities

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The luxury industry is large, complex and very competitive and one that has flourished significantly in the past couple of decades (Okonkwo, 2009a; Ko et al., 2016). Luxury was once known as a quiet industry that was driven by product excellence and managed by families. Its value

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proposition was made up of a mix of high-quality products, brand heritage, unique knowledge, exclusivity, personalisation of services, and bespoke communications fused with long-term relationships with selected clientele and categorised by high prices and prestigious physical stores (Kapferer, 2014). Most of the above is still relevant and true for the luxury industry, but nowadays much of the industry is driven by large conglomerates. The economic concentration is increasing with the top ten of the largest companies accounting for more than 50 percent of all revenues in the luxury industry (Deloitte, 2016). From a research perspective manuscripts on luxury brand management have proven to be historically popular amongst the readership of the *Journal of Brand Management* (Powell, 2014), and the areas continuing importance further reinforced in recent years (Brexendorf et al., 2014; Kapferer, 2014).

We start our introduction by taking the corporate brand management perspective and provide insights into the largest luxury corporates. We then present an overview of some of the very latest research coming to the fore in luxury brand management and conclude by providing an orientation for the remainder of this book and chapters.

The Luxury Industry

First we will give an overview of what is considered as the luxury industry. We follow the corporate brand perspective by analysing the largest brand conglomerates within the luxury industry. Different rankings are used by selecting the top ten corporates. Sometimes 'luxury' corporates are mixed with fashion companies. Ralph Lauren Corporation, for example, is often included in the luxury industry rankings. We excluded corporates focussing on fashion only and are following the more exclusive definition provided by Kapferer (2014, p. 717) who discusses luxury as 'a concept, an industry and a very specific strategy'. The manuscripts in this advanced collection book each conform to this view on the luxury industry and their brands (see also Chapter 'The End of Luxury as We Knew It' in this book).

While analysing the corporate brands of the most prominent in the luxury industry we present a description of the corporate self, the mission and vision statement, if existing, and the corporate brand values (see [Table 1](#)). Summarising some of the lessons learned from our analysis, the major corporates of the luxury brand industry identify themselves as ‘leaders’ and acting ‘globally’. The aspiration of ‘innovation’ (Rolex) and ‘craftsmanship’ (Hèrmes) are still there but not in the centre core of all top ten luxury corporates.

Missions and visions reflect as generally acting within the spirit of entrepreneurs (LVMH) or in the footprint of the founder (Estée Lauder). More importantly, reflecting the relationship to the customer, all top ten luxury corporates are emphasising a specific relationship to their clients, which provides the purchase of a luxury product. As LVMH points out the ambition to refine *art de vivre*, as centre to the mission of luxury.

The corporate brand values are composed of ‘craftsmanship’, ‘innovative aspiration’, and ‘entrepreneurial spirit and creativity’ as typical for the luxury industry. Additionally, we also find more corporate-oriented values like ‘learning culture’, ‘responsibility’ or ‘quest for excellence’, ‘trustworthiness’, ‘long-term success’, and ‘authenticity’. Most of the top luxury conglomerates are operating several luxury brands or a luxury brand portfolio, acting independently from each other. Please find the most popular luxury brands delineated in [Table 1](#).

The overview provided in [Table 1](#) serves as an industry snapshot in 2016. Comparing this list of brands with previous year’s, readers might perceive that there has not been much change occurring in the luxury industry. Nonetheless, luxury brands are facing challenges on the product brand level.

Consumer Luxury Brand Perceptions

There is a limited understanding of consumer perceptions toward luxury brands. Gaining a better understanding of the consumer behaviour towards luxury brands is of tremendous importance for building, managing and sustaining luxury brands. Several major trends have changed

Table 1 Analysis of prominent corporate brands in the luxury industry

Rank	Company	USDm*	Description	Mission	Vision	Corporate brand values	Major luxury brands	Source
1	LVMH Moët-Hennessy-Louis Vuitton SA	23,297	The world leader in luxury, LVMH has deployed a business model marked by dynamic growth since its creation in 1987. The LVMH group comprises 70 exceptional Houses that create high-quality products. It is the only group present in all five major sectors of the luxury market.	LVMH brings together truly exceptional Houses. Each of them creates products that embody unique savoir-faire, a carefully preserved heritage and a dynamic engagement with modernity. These creations make our Houses ambassadors of a distinctively refined art de vivre.	'Our business model is anchored in a long term vision that builds on the heritage of our Houses and stimulates creativity and excellence. This model drives the success of our Group and ensures its promising future': – Bernard Arnault, Chairman and CEO of LVMH	The three fundamental values are shared by every member of LVMH. The three imperatives 'be innovative, deliver excellence and cultivate an entrepreneurial spirit' inspire excellence and constitute the pillars of our performance and long-term success.	Moët & Chandon, Dom Pérignon, Louis Vuitton, Christian Dior, Acqua di Parma, Benefit Cosmetics, TAG Heuer, Hublot, La Grande Epicerie de Paris	(LVMH, 2016a, b)

<p>2</p> <p>Compagnie Financiere Richemont SA</p>	<p>13,217</p>	<p>Richemont owns several of the world's leading companies in the field of luxury goods, with particular strengths in jewellery, luxury watches and premium accessories.</p>	<p>Not available</p>	<p>As a responsible luxury goods company, our vision is to create long-term value for our business and wider society, while preserving our heritage in quality, craftsmanship, and innovation.</p>	<p>The five group values are entrepreneurship, creativity and innovation, customer focused, learning culture, and craftsmanship.</p>	<p>Cartier, Van Cleef & Arpels, Piaget, Vacheron Constantin, Jaeger-LeCoultre, IWC Schaffhausen, Panerai, Montblanc</p>	<p>(Richemont, 2016a, b, c)</p>
<p>3</p> <p>The Estée Lauder Companies Inc.</p>	<p>10,780</p>	<p>We are the global leader in prestige beauty – delighting consumers with transformative products and experiences, inspiring them to express their individual beauty. We are the only company focused solely on prestige make-up, skin care, fragrance, and hair care with a diverse portfolio of 25+ brands sold in 150 countries.</p>	<p>Bringing the best to everyone we touch and being the best in everything we do.</p>	<p>Infused throughout our organisation is a passion for creativity and innovation – a desire to push the boundaries and invent the unexpected – as we continue the bold work of our founder Estée Lauder.</p>	<p>We are a values-driven organisation. Our actions are rooted in the Lauder family values of respect for the individual, uncompromising ethics and integrity, generosity of spirit, and fearless persistence.</p>	<p>Estée Lauder, M.A.C., Aramis, Clinique, Aveda, Tom Ford Beauty, Bobbi Brown</p>	<p>(Estée Lauder, 2016a, b, c)</p>

(continued)

Table 1 (continued)

Rank	Company	USDm*	Description	Mission	Vision	Corporate brand values	Major luxury brands	Source
4	Luxottica Group SpA	10,172	Luxottica is a global leader in the design, manufacture and distribution of fashion, luxury and sports eyewear with high technical and stylistic quality.	Luxottica's mission is to protect the eyes and enhance the look of women and men in the world, creating the best possible eyewear to satisfy its clients and interpret consumer tastes and aspirations.	Luxottica's long-term strategy is to continue to expand in the eyewear and eye care sectors by growing its various businesses, whether organically or through acquisitions.	The company will continue to focus on the following strategic pillars: vertical integration, design and technological innovation, brand portfolio management, market expansion, financial discipline and the development of talented and committed employees.	Ray-Ban, Oakley, Vogue Eyewear, Persol, Oliver Peoples and Alain Mikli, Giorgio Armani, Burberry, Bulgari, Chanel, Dolce&Gabbana, Michael Kors, Prada, Ralph Lauren, Tiffany & Co., Versace, Valentino **	(Luxottica, 2016)

5	The Swatch Group Ltd.	9,223	Swatch Group is an international group active in the design, manufacture, and sale of finished watches, jewellery, watch movements and components.	The Swatch Group has a very special emotional culture. We produce beauty, sensuality, emotionality in watches – and we also produce high-tech on your wrists. Both, emotionality or poetry and high-tech are part of what we feel towards our customers. We love them genuinely. We want them to be happy – we want YOU to be happy.	You will discover a fascinating world of diversity, beauty and quality with our brands and a high level of craftsmanship and industrial know-how with our production companies.	Breguet, Blancpain, Omega, Longines, Rado, Tissot, Balmain	(Swatch Group, 2016a, b, c)
6	Kering SA	8,984	Kering is a world leader in luxury apparel and accessories with sport and lifestyle activities. We develop a well-balanced ensemble of 20 brands.	Our mission is to enable our customers to express their personality and to fulfil their dreams, while making a positive contribution to people and the planet. Imagination – the ability to conceive something that does not yet exist – is what drives us at Kering. It fuels the creativity of our brands and makes us more resourceful as a business.	Diversity – of gender, nationality, age, background, talent and aspiration – is part of the Kering experience. Across our brands, we invest in the preservation of traditional craftsmanship through training and technical programmes.	Gucci, Bottega Veneta, Alexander McQueen, Pomellato, Boucheron, Saint Laurent	(Kering, 2016a, b)

(continued)

Table 1 (continued)

Rank	Company	USDm*	Description	Mission	Vision	Corporate brand values	Major luxury brands	Source
7	Chow Tai Fook Jewellery Group Limited	8,285	Chow Tai Fook Jewellery Group Limited is a world-class leading jeweller. The acquisition of Hearts On Fire in 2014 has further underpinned the Group's stature as a diamond expert in the industry.	Sincerity – Eternity – the brand's philosophy and value originates from over 80 years' heritage. We combine sophisticated design and exquisite craftsmanship to create precious jewellery pieces that last from generation to generation.	Our ambition is to win over another one billion consumers around the world by creating the cosmetic products that meet the infinite diversity of their beauty needs and desires.	At Chow Tai Fook our core values are "sincerity – eternity". Our products symbolise trustworthiness, authenticity, and quality.	Chow Tai Fook, Hearts on Fire	(Chow Tai Fook, 2016)
8	L'Oréal Luxe	8,239 ^e	L'Oréal Luxe opens a unique world of beauty. Its international brands incarnate all the facets of elegance and refinement in three major specialisations: skin care, make-up, and perfume.	L'Oréal Group has set itself the mission of offering all women and men worldwide the best of cosmetics innovation in terms of quality, efficiency, and safety. By meeting the infinite diversity of beauty needs and desires all over the world.	Our ambition for the coming years is to win over another one billion consumers around the world by creating the cosmetic products that meet the infinite diversity of their beauty needs and desires.	Our values are embedded in L'Oréal's genetic code. The Group's six founding values are passion, innovation, entrepreneurial spirit, openness, mindedness, quest for excellence, and responsibility.	Lancôme, Biotherm, Helena Rubinstein, Urban Decay, Paloma Picasso, Giorgio Armani	(L'Oréal, 2016a, b, c, d)

9	Rolex SA	5,581 ^e	<p>Pioneer of the wrist-watch since 1905, Rolex is at the origin of landmark innovations in watchmaking. For over a century, Rolex watches have accompanied explorers and achievers around the world, from the top of the highest mountains to the deepest reaches of the ocean.</p>	<p>Their mission is to make watches, and they do everything possible to make mechanical watches that are as good as possible (Adams, 2013).</p>	<p>To be the world-recognised leader and benchmark in service (Bilanz, 2004).</p>	<p>Rolex, Tudor (Deloitte, 2016, S.18)</p>	<p>(Rolex, 2016)</p>
10	Hermès International-SCA	5,475	<p>For over 175 years, Hermès has been creating, inventing, and innovating. Although it has achieved international stature, Hermès has never lost its human touch and continues its tradition of fine craftsmanship.</p>	<p>Serving Hermès' ambition for excellence and its human-centric project – both founded on a strong, shared values – while supporting the group's growth.</p>	<p>Sustainable development is a notion that echoes the house's founding values, in particular its long-term vision and the importance it attaches to its employees and to its culture of excellence and expertise, as well as its respect for nature, from which its materials are sourced.</p>	<p>Hermès, John Lobb, Puiforcat, Saint Louis</p>	<p>(Hermès, 2016)</p>

* Only luxury goods sales FY2014 (result can defer from total revenues of the companies); ** License portfolio

^eEstimation

Deloitte, 2016, S.18

the landscape for luxury brands. Recently emerging issues relate to luxury, uniqueness and rarity. As highlighted by Kapferer and Bastien (2009, p. 316) for luxury brands ‘being unique is what counts, not any comparison with a competitor’. Luxury brand managers also ‘want to know what are the levers of the desire today for their brands, beyond rarity, on which they need to capitalize. How to compensate the loss of rarity and the diluting effects of the higher penetration resulting from their growth made through sales of accessories and second lines, more accessible’ (Kapferer and Valette-Florence, 2016, p. 121).

Individual luxury perceptions. Cristini et al. (2017) have further discussed that the meaning of luxury is complex with more than one meaning depending on the context. Additionally, Kapferer and Laurent (2016) have identified a high diversity of luxury consumers and therefore ‘luxury is in the eye of the consumer’ (p. 339). Hence future research needs to investigate consumers’ own perceptions based on their own definition of luxury to help luxury managers better decide which segment to target.

Luxury vs. non-luxury brands. Despite its growing importance, little is known about how consumers perceive luxury brands versus non-luxury brands. What are the similarities and differences to non-luxury brands? Especially important is the distinction between luxury brands and premium brands and what influences their perception and motivates their consumption. More conceptual research is needed to delineate luxury from non-luxury and to differentiate different forms or levels of luxury. For example, De Barnier et al. (2012) distinguish between accessible, intermediate and inaccessible luxury.

Functional, symbolic, and experiential benefits. How do consumers of luxury brands evaluate the functional, symbolic, and experiential benefits of luxury brands? What are expected features? What is the interplay between utilitarian and hedonic aspects of the luxury brand? How does this interplay influence the attitude and the purchase intention towards the luxury brand? Early research results indicate that a small utilitarian feature to a luxury product can serve as a ‘functional alibi’ justifying the indulgent purchase and reducing guilt (Keinan et al., 2016).

Gender and age. Initial research on luxury brands indicates that gender plays an important role, for example that women have a more positive attitude toward and a higher purchase intention of luxury brands versus

non-luxury brands than men. Some research indicates that men may also be less responsive to the uniqueness, hedonic, and status value of luxury brands than women (Stokburger-Sauer and Teichmann, 2013). Another study on gender influence of luxury goods proposes that men use conspicuous luxury products to attract mates whereas women use such products to deter female rivals and to tacitly signal them that their partners are loyal to them (Wang and Griskevicius, 2014). Further research is needed to understand the relevance of gender differences for luxury brands. This understanding has large implications for the industry on how to develop and market their luxury brands and products based on gender.

Ingredient Branding

Additionally within marketing an ingredient branding strategy is often used when introducing new products to a market, via a host brand integrating with another brand to produce a new product (Desai and Keller, 2002). Recent research has started to consider how luxury brands might best integrate, perhaps out of necessity, with non-luxury brands. For example, TAG Heuer (luxury host brand) integrating with Intel and Google to produce a luxury smartwatch (Moon and Sprott, 2016). However, potential clashes also exist in terms of fit between the luxury brand and the technology orientated brands, which may be dissimilar in a number of dimensions from a consumer perspective (Moon and Sprott, 2016). With an increasing trend, or at least opportunities for the use of wearable technologies integrated into some luxury items, we foresee the need for further investigation into the use of ingredient brand strategies in the context of luxury branding, to help identify the potential positives and pitfalls.

Luxury Brand Experience and Journey

Luxury brands need to provide and sustain unique, exclusive and differentiating brand experiences. Delivering strong and positive experiences is more than ever of tremendous importance for luxury

brand's success (Atwal and Williams, 2009; see Chapter 'The End of Luxury as We Knew It?' of this book). Luxury brand marketers must try to carefully control all aspects of the marketing program to ensure the aspiration, quality, and the consumption experience is positive with the brand (Keller, 2009). Customers interact with luxury brands through a myriad of touch points where each of them can shape the brand experience. Several authors argue that luxury brands should include a hedonistic and personal component (Atwal and Williams, 2009; Kapferer and Bastien, 2009). Designing, managing, and monitoring the total customer experience with the luxury brand and enabling customers to optimise and customise the experience is an important task for luxury brand marketers. Concurrently, it has become increasingly complex for brands to create, manage, and attempt to control the experience and journey of each customer, and different touch points can be identified and differentiated between brand owned, partner owned, customer owned and social external touch points (Lemon and Verhoef, 2016). Store environment for example is a specific touch point that could be categorised as brand owned (own stores) or partner owned (retailer). Each touch point could have further distinct sub-dimensions – like design, social, and ambient factors for store environment (Baker et al., 2002). Most existing research focuses on parts or specific touch points of the customer journey in isolation, providing granular insights into these touch points. Nevertheless, for luxury brand marketers a holistic view of touch points is of particularly importance (Baxendale et al., 2015). Granular as well as holistic journey studies would help to gain deeper understanding of the luxury brand experience and journey. One interesting and important granular key touch point for many luxury brands and interesting research area is the sales and the service encounter. Salesperson and service provider can play a crucial role for the customer's experience with and evaluation of the luxury brand. The employees of the brand epitomise, represent, and define the brand to the customer and by this they transform and implement a company's brand strategy (Brexendorf et al., 2010). Here many important research questions can be posed including: Which skills and capabilities do luxury brand salespeople need to represent the

luxury brand consistently? Researchers have paid little attention to this important topic of luxury brand management to date.

Luxury Brand Co-creation in a Digitally Connected World

It has been observed that in the past luxury brands appeared to have been reticent, for various reasons, to engage with and integrate internet and digital technologies (Okonkwo, 2009b). Indeed some continue to argue that ‘luxury lags other consumer sectors when it comes to understanding and applying digital technologies . . . the speed of technology development is endangering their current business models’ (Boston Consulting Group, 2016).

We believe that today the question is not if luxury brands should be present online and use online media, the question is more about how to most effectively incorporate and use digital media. According to a study by the Boston Consulting Group (2016) digital offers an opportunity for a transformative difference in how to reach and retain luxury customers, with six out of ten luxury purchases being influenced by digital channels. The use of online channels allows sales growth, differentiation and worldwide presence. Hence luxury brands require a presence in the physical but also digital world. An omnichannel presence is inevitable for most luxury brands. However, luxury brand marketers should look for new ways on how to assert exclusivity and uniqueness of their brand in the digital world. Possible ways are exclusive collections, exclusive platforms, and exclusive services. Although online media allow people to decrease distances, it also allows to increase the distance between consumers.

For example, in recent years the implications of social media and the facilitation of interaction for brand building, plus the support of online brand communities, have come to the fore. One early line of inquiry has been how social media may facilitate the sharing of brand stories between customers and/or help develop relationship quality, along with the challenges and opportunities these bring (Gallaughier and Ransbotham, 2010; Hajli et al., 2017; Tsai and Men, 2013). Accordingly we observe that one tension of particular interest moving forward will be the continuing challenges faced by luxury brands to further embrace and facilitate consumer empowerment due

to the co-creation nature of social media, while also needing to maintain (and not dilute) their exclusive brand identity and image (Hughes et al., 2016). For example, the influence of YouTube vloggers on consumer luxury brand perceptions and intentions has started to be investigated (Lee and Watkins, 2016), with implications relating to whom to choose as a vlogger in their capacity as a luxury brand ambassador. Also the use of narrative-transportation storylines and/or storytelling may offer potential utility in such contexts (Hughes et al., 2016; Kim et al., 2016).

Hence it is clear to us that additional research is needed on applying digital technologies in the luxury sector, and on understanding their use and impact, and to also focus on social media across multiple platforms as a socio-commercial activity within the luxury sector (Godey et al., 2016; Hughes et al., 2016).

Luxury and Sustainability

In both, practice and theory of luxury brand management, there is a vivid debate about the relationship between luxury and sustainability. Can luxury be sustainable and can sustainability be luxurious? Many luxury brand consumers expect sustainability and environmental responsibility to be an integral part of luxury brands – especially within production processes and use of materials or ingredients. However, luxury is often more associated with unsustainability than with sustainability. Many consumers often see both concepts as contradictorily especially with regard to the social and economic facet of sustainability. Early research shows that this contradiction is lower for customers who define luxury as very high quality and much higher for those who define luxury as expensive or rare (Kapferer and Michaut-Denizeau, 2014). Chapter ‘Luxury Consumption in the Trade-Off Between Genuine and Counterfeit Goods: What Are the Consumers’ Underlying Motives and Value-Based Drivers?’ in this book gives deeper insights into the results of this study. Several other studies demonstrate that consumers are less likely to take ethical criteria into account when they bought luxury products than when they bought FMCG products or commoditised products (Davies et al., 2012; Achabou and Dekhili, 2013).

One study also reveals an incompatibility between recycling and luxury products (Achabou and Dekhili, 2013). Although early empirical results have gained new insights into this important relationship, much more research is needed to understand the detailed interplay between these two important concepts. Another important area for further research is luxury brand counterfeits.

Luxury Brand Counterfeits

A growing number of organisations are counterfeiting luxury goods, which fuel or satisfy an ever increasing parallel market (Nia and Zaichkowsky, 2000; Romani et al., 2012; Valette-Florence, 2012; Kapferer and Michaut, 2014; Randhawa et al., 2015; Wilson and Sullivan, 2016; Wilson et al., 2016). As noted by Wilson and Sullivan (2016) brand owners operating internationally or globally face various difficulties in measuring product counterfeiting, due to multiple legal systems, customs agencies and practices, alongside complicated and frequently changing supply chains. The use of the Internet and/or digital channels by counterfeiters to promote or even distribute counterfeit products across various platforms adds to this complexity. Nonetheless, the research by Wilson and Sullivan (2016) and Wilson et al. (2016) indicates that many organisations attempt to monitor and address counterfeiting, using whatever resources and mechanisms that may be available to them, although some have more experience/resources, and are more proactive (than reactive) than others.

Therefore, we are in agreement that more research is needed to better understand and address this ever-changing landscape, particularly within the luxury brand domain.

Outline of Chapters

In the remainder of this introduction we provide a brief outline of the different chapters. All chapters address a variety of topics within luxury brand management and are multifaceted in terms of methodologies

involved, the type of contributions they make, and the authors' affiliations, which are international in scope.

In Chapter 'The End of Luxury as We Knew It?' Jean-Noël Kapferer provides a thought-provoking and challenging insight of industry challenges, which represent the current issues of the luxury brand industry. He contests historically developed common sense of research and rules of the industry. This chapter opens new avenues of research needed on luxury brand management and encourages the eagerness of the reader to delve deeper into the emergence of knowledge on luxury brand management as also represented in this book via the following chapters.

In Chapter 'Luxury Brand Marketing – The Experience Is Everything?' Glyn Atwal and Alistair Williams discuss the relevance of experiential marketing in luxury branding, while explaining that experiences are central to luxury consumption activity. In so doing they highlight that in experiential marketing it is customer experiences and lifestyles which provide sensory, emotional, cognitive, and relational values to the consumer. Hence it is likely that innovative experience design will become an increasingly important component of luxury marketing.

In Chapter 'The Luxury Brand Strategy Challenge' Uché Okonkwo outlines the increased interest in luxury brand management through to 2009, due to a number of reasons which have also driven a shift from the 'top-down' relationship that has existed for centuries with luxury brands to a bottom-up affiliation. Factors discussed as driving the shift include: globalisation, wealth-creation opportunities, new luxury markets (China, Russia, India, the Middle East, Brazil, and Mexico), new market segments, digital communications, international travel, and culture convergence.

In Chapter 'The Specificity of Luxury Management – Turning Marketing Upside Down' Jean-Noël Kapferer and Vincent Bastien consider some of the counter-intuitive rules for successfully marketing luxury goods and services, which from a marketing perspective may also appear somewhat provocative. Taking a historical, sociological, and anthropological perspective they further consider the functions of luxury, and how to implement them.

In Chapter ‘Luxury Consumption in the Trade-Off Between Genuine and Counterfeit Goods: What Are the Consumers’ Underlying Motives and Value-Based Drivers’ Klaus-Peter Wiedmann, Nadine Hennigs, and Christiane Klarmann take a holistic view of the phenomenon of counterfeit consumption, undertaking a review of the research on counterfeiting in the luxury domain, leading to a model to help reduce some of the complexity faced.

In Chapter ‘Is Luxury Compatible with Sustainability? Luxury Consumers’ Viewpoint’ Jean-Noël Kapferer and Anne Michaut-Denizeau investigate the level of sensitivity of luxury buyers to the cause of sustainable development and test whether luxury consumers perceive a contradiction between their luxury consumption and sustainability. They also discuss specific drivers of any perceived contradiction.

In Chapter ‘Probing Brand Luxury: A Multiple Lens Approach’ Karen Miller and Michael Mills probes brand luxury through seven lenses in order to provide greater clarity and to delineate brand luxury from other similar terms and concepts. They argue that many of the terms used in the luxury domain are not part of the construct of brand luxury and hence should not be confused with the construct of brand luxury.

In Chapter ‘Managing the Growth Tradeoff: Challenges and Opportunities in Luxury Branding’ Kevin Lane Keller outline ten characteristics that help to define luxury branding and identifies and discusses some of the challenges and opportunities in managing their growth trade-offs, in order to attract new customers without alienating existing customers.

In Chapter ‘Measuring Perceptions of Brand Luxury’ Franck Vigneron and Lester Johnson consider high-luxury brands from those that are low on luxury, via the development of a theoretical framework of the brand-luxury construct that leads to a specification of the dimensions of luxury as applied to brands, via the Brand Luxury Index scale.

In Chapter ‘Managing Luxury Brands’ Jean-Noël Kapferer concludes with his pioneering piece on luxury branding within the *Journal of Brand Management* from 1996, discussing how luxury brands differ from the ‘up-market’ brand or the ordinary brand, and whether the differences are simply those of degree or if they are inherent in the luxury brand’s

nature. In so doing he insightfully highlights that despite pressure for change and discontinuity exerted via numerous parties involved in a brand's international diffusion, the identity concept remains crucial to luxury brand management – and brands should never compromise on the brand's set of values or its deeply rooted identity traits.

Conclusion

This introduction has provided an up-to-date snapshot of the luxury industry and discussed various avenues of topical luxury brand management research including issues relating to: luxury, uniqueness and rarity; consumer luxury brand perceptions; ingredient branding; luxury brand experience and journey; luxury brand co-creation in a digitally connected world; luxury and sustainability; and luxury brand counterfeits.

While the topics and research avenues as presented are not exhaustive, they do indicate that these are challenging and exciting times for the luxury industry with much still to learn about and to contribute to luxury brand management. We therefore encourage further innovative and rigorous research in the various pillars of luxury brand management. The discussion above and the chapters that follow will help by providing advanced insights, perspectives, and inspiration for luxury brand students, academics, and practitioners alike within one collection. It is our hope that you enjoy reading this compendium as much as we have enjoyed compiling it, written by renowned researchers and colleagues in the field.

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