THE SEVEN HABITS OF LUXURY BRANDS

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ABSTRACT

No matter what the origins are for the flourishing interest for luxury brands, the result is a growing pressure to quickly create more luxury brands, revive some old brands and maintain the luxury level of many existing brands. Consequently, this article presents the seven essential paradigms of luxury brand management, called the seven habits of luxury brands. The complexity of managing luxury brands comes from having to excel in these seven habits while understanding the subtlety and sophistication required to address them all at the same time and without compromise.

KEYWORDS: Luxury, Brand, Prestige, Management, Marketing, Authenticity, and Exclusivity.

INTRODUCTION

There is a growing interest for luxury brands due to multiple factors which include a global increase in the number of people seeking premium brands as well as new consumers of luxury coming from non-traditional luxury markets such as China and other Asian countries (Euromonitor, 2017). There are many visible markers for this interest such as the growing number of universities proposing programs with a concentration on luxury business. But also, the fast-increasing number of trade conferences on luxury, for examples, Salon Luxe Paris, FT Business of Luxury, International Luxury Conference, Mystique of Luxury Brand Conference, etc. There are also a vast number of social media appearing on this subject. Perhaps the worldwide trend towards individualism is also fostering more materialistic behaviors and egocentrism. Finally, another factor could be due to the traditional ownership of luxury brands is becoming less family owned and more a division of large corporate groups (e.g., acquisition of Grand Marnier-Lapostolle by Gruppo Campari in 2016 for $760 million).

There is no current consensus on the definition of what is luxury despite the vast body of research attempting to provide one. This situation is in large part because there is no universal luxury definition and that the definition is environmentally bound (Kapferer and Michaut, 2016). The consumption of luxury is necessary for everyone, but it is the representation and frequency that is different. Consumers are at one point, or another seeking luxury within the definition of the luxury of his/her environment and this consumption might fulfill needs such as esteem, self-achievement or a more basic psychological need such as pleasure.

This paper advances that luxury brands are conceptually different and propose seven 'habits' to brand management.

Habit One: Luxury Brands Are Conspicuous

The consumption of luxury brands is substantially influenced by status-seeking consumer behavior (Mason, 1992) as described with the concept of conspicuous consumption and through what is called The Veblenian Effect. Thorstein Veblen (1899) suggested that conspicuous consumption was used by people to signal wealth and, by inference, power, and status.

Conspicuous consumption constitutes the basis of luxury-seeking behavior, and it is primarily concerned with the ostentatious display of wealth. It refers to the consumers' desire to pay remarkably high prices for luxury brands to impress others. It is a form of consumption which is influenced by social rather than economic preferences. Showing wealth is a means of social distinction; the motivation is to gain social status and, consequently power. The display of discretionary amounts of money is a source of power. Purchasing power is highly regarded in most societies. Conspicuous consumption still plays a significant part in shaping preferences for many products which are purchased or consumed in public contexts. In comparison, luxury brands are more expensive than other brands offering the same utility.

Also, brand awareness has a tremendous role in consumer preference formation since the buyer wants to be noticed. For instance, a conspicuous consumer would rather buy a masstige brand, contraction of 'mass market' and 'prestige' (Allérès, 1991). A conspicuous consumer would purchase a famous branded watch such as TAG-Heuer rather than a more exclusive brand such as Breguet, even though the latter is less common and arguably more luxurious. Thus, the conspicuousness of the product is the result of the two variables, price and brand awareness. Following this example, a Rolex watch would qualify within both attributes of price and awareness, since it is brand recognized to be expensive and substantially known by most people (Interbrand, 2016).

Hence, conspicuousness is a delicate paradigm depending on the brand objectives and its positioning. In parallel, it is important to adequately set the prices not only high but within the perceived luxury prices expected by the targets. Although the construct of conspicuousness has dominated most of the past literature on luxury branding, it is important to recognize that pecuniary emulation is not the only utility offered by luxury brands, since a vast majority of these brands are also consumed in private.

Habit Two: Luxury Brands Are Ambivalent

Luxury brand owners must manage the coexistence within a luxury brand of two contradictory effects, simultaneously drawing people in the same or opposite directions. On the one hand, the luxury brand can attract and on the other hand it can repel. The consumer desire to conform with prestigious reference groups affects luxury-seeking consumer behavior. The influences vary with the types of reference group, and the presence of the group during consumption (Kelman, 1961) within a spectrum of no effect (internalization) to total effect (compliance).

Referent power is very significant and even greater when the referent is also considered an expert (French and Raven, 1959). The use of celebrity endorsers is especially relevant for luxury consumers who aspire to be associated with prestigious individuals such as Keira Knightley

driving a Ducati motorcycle for Coco Chanel advertising. "*When we accept that another person ranks higher than we do, we automatically permit him to influence our behavior. We attend to him and defer to him. Since influence is the essential component of power, prestigious individuals are indeed powerful*" (Barkow 1975, p. 561).

Hence, the bandwagon behavior may be conceptualized as the antithesis of snob behavior. The bandwagon effect represents the desire of people to purchase luxury brands to conform to the consumption patterns of the group they wished to be associated with (Leibenstein, 1950)

"*… one aim of the rhetoric of luxury in advertising that is attempting to stimulate a bandwagon effect. Yet the transient quality of the status 'luxury' necessarily means that a particular 'luxury good' will move to the snob effect. This means that self-styled purveyors of luxury goods must always be on their guard to maintain the cachet of "exclusiveness"*". (Berry, 1994 p.27).

The snob effect differs thoroughly in that while it is a function of others' consumption, the snob will purchase a luxury brand because of its uniqueness and scarcity value (Mason, 1992). "*Even though snobs and followers buy luxury products for apparently opposite reasons, their basic motivation is really the same; whether through differentiation or group affiliation, they want to enhance their self-concept*" (Dubois and Duquesne 1993, p. 36). Any increasing consumption will automatically stimulate decreasing consumption by snobs; thus increasing exclusivity will foster snobs' appeal (i.e., concept of deviance). The scarcity of the product is one of the main values stimulating snobs' demand. Similarly both Veblenian and snob effects are associated with higher priced brands.

Snob behavior describes a consumer behavior which is influenced by external effects, and which influences informally other individual's behaviors. "*One way in which snobs gain their competency is by serving as an avenue for the entrance of new ideas into their social system*" (Rogers 1983, p. 282). According to Rogers (1983), snob consumers may have higher socioeconomic status and may serve as opinion leaders since they are generally the first to adopt a product (innovator). "*The most innovative member of a system is very often perceived as a deviant from the social system*" (Rogers 1983, p. 27). Typically, we expect that followers or bandwagon consumers seek an opinion leader of somewhat higher status than their own. For example, Rogers (1983), observed the influence of interpersonal communication in determining the adoption process: "*… an innovation is first adopted by an individual who is socially closest to the source of the new idea, and that it then spreads gradually from higher-status to lower-status individuals*" (Rogers 1983, p. 41). In summary, snob behaviors may occur during two circumstances: (1) "*when status sensitive consumers come to reject a particular product as and when it is seen to be consumed by the general mass of people*" (Mason 1981, p. 128), and (2) when a new luxury brand is launched and snob consumer adopts the product first to take advantage of the limited number of consumers at that moment.

Habit Three: Luxury Brands are Disruptive
Masstige luxury brands are more acceptable to a wider number of customers than the icon or confidential luxury brands whose target is sometimes reserved for a handful of customers (see, Figure 1). For example, an haute-couture brand might not be for everyone whereas a Prêt-à-Porter brand might be more universal. A masstige brand will be more susceptible to fashion than a high-level luxury brand which might be more classic, or a reference and less affected by trends and obsolescence. For instance, Chanel No.5 seems not affected by fashion, nor by the time whereas Paris Hilton perfume might be more subjected to a fad.

In the early 1970s, the Swiss watch industry was not prepared for the quartz revolution and many brands disappeared because they could not adapt. Piaget maintained its designs and its positioning as jewelry rather than a timepiece and was able to maintain enough customers, and consequently, weather the storm for a while. Then, with time Piaget adopted some technological changes incrementally and it was able to survive the industry shift (Vigneron, 2014).

FIGURE 1: LUXURY BRAND QUADRANT

Consequently, it is expected to see more disruption from higher level luxury brands that are less affected by external changes. "*Il faut bousculer les traditions pour innover si non c'est nul!*" Karl Lagerfeld (France 2 TV, 2014). Translated [One needs to disrupt traditions when innovating otherwise it is not good!]

Anticipating changes and seeking new opportunities is essential for luxury brands. In February 2017, LVMH quietly launched Luxury Ventures, the first luxury incubator in the luxury industry, a practice more often associated with tech companies. LVMH Luxury Ventures will invest

between 2 million and 5 million euros in small and promising luxury companies. LVMH Luxury Ventures will take minority ownership in these companies at first, and then, test the waters.

Certain luxury brands have only a few hundred potential customers, and the products or services may only be made once ordered by the clients, as it is for Bugatti Automobiles S.A.S. for instance. In this situation, the brand must "*develop direct one-on-one relationships with clients: luxury means treating all clients as VIPs*" (Kapferer, 2012, p. 456). Sometimes these customers serve as inspirations for the development of products, such as Grace Kelly for the Hermes Kelly bag. The use of celebrities to endorse luxury brands have mixed pros and cons. Ideally, a luxury brand should be seen as the brand every celebrity wants rather than be associated with a specific celebrity. Hublot Watch Company brilliantly managed this concept with its 'Who is Wearing What' campaign. To rejuvenate the brand they offered the watch to various celebrities hoping they would wear them. Then, they hired photographers to catch these celebrities wearing the watch, and use these photos to legitimize the luxury appeal and trendiness of the brand.

Habit Four: Luxury Brands Have Beauty Within
Luxury-seekers are considered hedonic consumers when they are looking for personal rewards and fulfillment acquired through the purchase and consumption of products valued for their emotional arousal and intrinsically pleasing properties. By hedonic behavior, we refer to behavior motivated by personal achievement, to the extent that the luxury brands are sensory gratifying, and stimulate sensory pleasure (Hirschman and Holbrook, 1982).

The hedonist consumer could also be defined as an inner-directed consumer (Riesman, Denney and Glazer, 1950), and the emotional value from experiencing excellence and perfection may represent the main motivation. This is a subjective component of luxury brands which is not socially bounded and therefore personally influenced. Therefore, one can see that the pleasure consumers might get from the consumption of luxury brands might be seen as low construals (Liberman, Trope, and Wakslak, 2007), sort of an outcome of Maslow's motivation of self-actualization.

It is expected that luxury brands offer superior product qualities and performance compared to non-luxury brands. Perfectionist consumers may await more value from a luxury brand because they may assume that it will have a greater brand quality and reassurance (Vigneron and Johnson, 1999). The literature on luxury consumption emphasizes the importance of leadership in quality to ensure the perception of luxury (e.g., Roux, 1995).

A commitment to quality is necessary to develop a luxury brand. "*High prices may even make certain products or services more desirable*" (Groth and McDaniel, 1993, p. 10) because consumers perceive higher prices as an indication of greater quality (Rao and Monroe, 1989). Accordingly, people who are influenced by the quality dimension of luxury may perceive that luxury brands have superior characteristics than non-luxury brands, something called a 'beauty within'. These characteristics may include but are not restricted to, technology, engineering, design, sophistication, and craftsmanship. For instance, speed and acceleration for a luxury car or precision for a luxury watch are elements reflecting the perceptions of quality.

As long as the target has an appreciation for the finer things in life, luxury brands will continue to appeal to them. Enhanced beauty and aesthetic appeal positively influence consumption of luxury brands, but too much beauty aimed at the wrong target might be counter-effective (Wu, Samper, Morales, and Fitzsimons, 2017).

Habit Five: Luxury Brands Need Slow Marketing
Slow marketing is part of the 'slow movement' which advocates a cultural shift toward slowing down life's pace (Honoré, 2004). A movement that goes against fashion, fast-food, digital marketing, short product life cycle, mass-production, mainly trying to do more in less time. The slow-marketing movement promotes concepts such as small business, fair trade, building relationships, ethics, or quality over quantity. Slow marketing encourages building more human and individualized relationships with customers instead of encouraging short-term transactional results (Magee, 2016).

One can often see luxury brands offering limited editions where the number of products being offered is not mentioned or if mentioned it is not small but smaller in comparison with what the brand usually does. The bandwagon consumers of luxury might be positively influenced by limited editions which are not so limited merely on the fact that they are popular. Snob and expert luxury brand consumers can easily decipher through these not so limited editions and avoid the trap.

Many luxury brands are handmade and cannot be produced by machines. Consequently, they take more time to be crafted. Changing the manufacturing processes to produce more and faster might significantly compromise the brand quality and exclusivity. For instance, a cognac maker needs mother nature to slowly age the spirit in oak casks to naturally mature and enhance it. If the master cellar tries to speed things up, the cognac is likely to be less refined and become a mass produced standard brandy rather than an exclusive cognac.

Further, it takes a long time for a brand to build its reputation, and it takes even longer to build a reputation of luxury. The time needed to make a luxury reputation is very dependent on the target's culture, the industry the brand is in, and the influence of fashion over this industry. For instance, it might take less time for a luxury watchmaker to be perceived luxurious than it would take for a cognac brand which would need first to age stocks for a long time before being able to sell any products.

Segmentation, Targeting and Positioning (STP) is a fundamental three-step approach commonly referred as STP strategy. The argument behind this sequence is that one needs first to understand its customers and then make the products for them. The STP strategy is more effective for masstige brands, i.e., the lower level luxury brands. Icon of luxury brands (see, Figure 1) has more of an artistic, rather creative personality which often comes from the designer or founder whose style is the 'griffe' for the brand as exemplified by designers such as Guillaume Henry (Carven & Nina Ricci) or Olivier Rousteing (Balmain). In this situation, the strategy might be reversed into a PST where the brand and product's positioning would be the start of the process. A PST strategy would also take more time as the positioning of the brand would need time to get established. A luxury

brand which would offer a wide product line aimed at covering a large variety of targets could hint that the brand is overly marketing oriented rather than focused on the craft and 'artistic' creative element so ingrained in luxury brands.

Habit Six: Luxury Brands are Not for Everyone
The luxury industry has seen many changes over the last century, including a significant evolution of the target consumers. Originally, the country's best tradespeople were serving the aristocracies of the world. See, for instance, The Royal Warrant Holders Association (www.royalwarrant.org) which history can be traced back to England's medieval times.

More recently, through the industrial revolution, the targets of luxury brands expanded with the inclusion of the 'bourgeoisie', a new capitalistic class in search of materialistic consumption. This era was still very elitist, and luxury brands were meant only for a selected few, i.e., the 'very wealthy'. Many luxury brands started the concept of democratization of luxury. Examples include, starting to offer sub-labeled luxury brands, e.g., Cartier expanded to add Must de Cartier, or licensed luxury brands (e.g., Pierre Cardin). These changes and practices made luxury brands more available, and more affordable, so more people could be targeted. Looking into the future, masstige is becoming a tremendous prospect for many luxury brands addressing the opportunity to serve the fast growing middle class in Asia (Shukla, Singh, and Banerjee, 2015). Eventually, with time, this masstige brand orientation risks diluting the equity of those luxury brands, as evidenced by some consumers associating Louis-Vuitton as a brand for secretaries in China (Main, 2017). Some of the main masstige brand strategies include brand extension (existing brand with new product category), market development (existing brand with new market) or delocalized production, i.e., having someone else in another country where labor is cheaper to make the products.

In contrast, there is a new trend which consists of building authenticity around the brand's core competencies. For instance, Pernod Ricard is embarking on a new strategy to broaden the appeal of its luxury spirits (Mortimer, 2017). They have created a separate portfolio called "Le Cercle" which aims at 'consumers of luxury' instead of 'luxury consumers'.

"Le Cercle" fosters a consumer approach based on experiential activities that feature educational themes to build 'aspirational and desirable' brands. "*The idea is to play on people's passions points, such as art and fashion, to create more memorable experiences, while including education ... All of this is about building an experiential relationship with the brand which should endure longer rather than be based on trendiness and the flavor of the month transaction*" Mortimer (2017).

When broadening the appeal one has to be careful about what to say in its storytelling. Luxury brands should not believe in the universality of their brand's message in a diverse global market. Messages are often over focusing on the myth, mystic, legend, etc. of the brands, i.e., the subjective attributes that is non-product centered. Although everyone recognizes the importance and necessity of storytelling in today's digital world of marketing for luxury brands, it is equally pertinent to realize that over-emphasizing subjective matters in the message against objective matters can be detrimental to the affluent and seasoned buyers of luxury brands. The traditional or experienced consumers of luxury might be more influenced by the objective attributes of luxury

brands. Attributes such as the brand's core competencies or attributes related to functionalities and hedonist characteristics. Therefore a luxury brand that would overly concentrate its message on subjective attributes such as lifestyle positioning, i.e., the brand personification, extended-self, and self-expression, would risk diluting its appeal to core luxury customers and instead increase its attraction to 'identity seeking consumers'.

However, all of this may vary significantly depending on how much is the brand susceptible to fashion, that is more fashion-driven luxury brands might be more positively influenced by lifestyle storytelling (Pham, Valette-Florence, and Vigneron, 2017).

Luxury branding has historically been based on the brand's origin, but there is now a risk that luxury's rapid global expansion is diminishing the impact of provenance. Luxury brands have national roots and characteristics which are part of the imagery and know-how of the brand. In principle, luxury brands should be looking inwards to expand outwards. Hence, one can talk about German versus British luxury as the country-of-origin effects. This cultural heritage can even be regional with connections to the local "terroir" of knowledge: for instance, Paris for haute-couture, Geneva for watchmaking or Murano for glass making. However, luxury brands need to reach out to targets outside their local marketplaces as 'luxury entrepreneurship' requires a global vision to get the very few customers that may be the core target and far away. For instance, Causse glove factory, founded in 1892, is a maker o'f luxury gloves for four generations in the small village of Millau, France. The majority of their gloves are sold in five cities in Japan. Now, the middle-east is becoming the 'new patrons' for luxury brands in search of global targets for their very niche products (Chalhoub, 2016). However, in these new markets with time one might expect some ambiguity with for instance guilt concerns due to religious discomfort, where consumers might believe it is wrong to consume imported luxuries.

Habit Seven: Luxury Brands Are Authentic
'Can one create a luxury brand?' is rather complicated to answer because it is easier to produce a brand that makes luxury products than it is to create a luxury brand. A luxury brand is more than a superior product that is expensive and not available everywhere, i.e., the definition of a premium brand. It takes more than just meeting the five criteria from the Brand Luxury Index (Vigneron and Johnson, 2004) to maintain a level of perceived luxury. Luxury brands have to be genuinely meaning to be a luxury. To some extent, the revealing question is: 'what *would the brand be if luxury did not exist*'? If the answer is: "the brand would not exist", means it is more likely to be a luxury brand. This authenticity is paramount to deliver 'luxury' and is a necessary feature to reach the highest level of perceived brand luxury.

In looking at this authenticity, there are three points to discuss: (a) the objective value of authenticity, which is concerned with the protection of intellectual properties. For instance, see Managing Intellectual Property at the Luxury Brand & Retail Forum (yellowbp.com) or more commercial application such as MuranoGlass.com, whose purpose is to protect genuine Murano. (b) The subjective value of authenticity of a luxury brand that is the brand identity and its legitimacy. And (c) concerns that the luxury brand shows transparency and ethical processes.

Building authenticity is a slow marketing process which goes against the timing of many corporate-owned luxury brands that are influenced by short-term results. The more a luxury brand is 'spontaneously authentic', the less the brand will have to invest in activities to build its perceived authenticity to compensate for its lack of authenticity. Some visible examples of luxury authenticity may include:

- No discounts and no sales promotions.
- People are paying the stated price, with no price negotiation.
- No factory outlets and no volume discounts.
- No use of psychological pricing: $39,999.99 becomes $40,000.
- PST versus STP, as described earlier.

An authentic brand is not a luxury brand either, and perceived authenticity is more important than authenticity itself, as this concept is customer driven, as illustrated by the following example. Most people would classify the sparkling wine named 'champagne' as a luxury product. However, not every brand of champagne is a luxury brand.

Many of the champagne brands are owned by luxury conglomerates that make significant efforts to be perceived as scarce when in reality their brands are mass-produced. One would imagine that a family-owned champagne brand hand making bottles in limited quantities from its estate would be more luxurious than an alcohol corporation mass producing and mass-marketing something essentially made by somebody else who keeps anonymous. But for the most case, it is not!

In February 2017, I interviewed the store manager of Gelson's, an upscale grocery store nearby Beverly Hills in California, about the main criteria used by his customers to select a brand of champagne. He said: "*it's easy, in 99% of the cases there are only two reasons - the most famous and the most expensive brand period!*".

The icons of luxury are often the brands that serve as the reference in the category, and they are generally part of a large conglomerate such as Hennessy, Moet, Louis Vuitton, Rolex, Chanel, Cartier, Prada, Gucci or Bentley. These brands are both authentic and popular, but they need plenty of resources, and use more traditional marketing to grow and maintain a mass-notoriety. Therefore, the main difference between an icon of luxury and masstige brands is the perceived authenticity. Confidential luxury brands are more family-owned and more based on simple entrepreneurial luxury marketing principles, further perhaps more naturally inclined to business ethics. I believe people's growing interest for authentic luxury will stimulate the growth of artisans of luxury and the marketing of these luxury craftsman (Segran, 2017).

Krug has been called the most transparent of champagne houses after they pioneered the ID concept where each bottle Krug's Grande Cuvée had a printed code that, when entered on Krug's website, reveals the wine's detailed composition. "*Luxury has changed. Today's consumers want authenticity, roots, truth and transparency. We live in a different world, an era of information ... where modern consumers won't pay for a luxury product that they don't understand*" says Olivier Krug (Lawrence, 2017).

The more successful and popular luxury brands are the more likely brands to be copied. In some instances, it is possible that counterfeits do not devalue the ownership of luxury brands (see, for instance, Arghavan and Zaichkowsky, 2000). Imitations are more likely to benefit mass-marketed luxury brands because it fosters popularity and makes them instantly recognizable within many social classes as a status symbol, and consequently, it increases the desirability, plus it adds luxury stereotyping (Le Roux, Bobrie, and Thebault, 2011). For instance, the majority of prostitutes in Bangkok own a Louis Vuitton bag (see for reference, Glawogger, 2013).

Unequivocally, most of these bags are fakes, but yet the brand continues to be seen as one of the most desirable brands of luxury bag worldwide. How is this possible? It is only made possible through continuous and substantial communication campaigns to help consumers think that counterfeits are inferior products and consider that ownership of original luxury products is more prestigious compared to counterfeit luxury goods. Therefore, these sorts of counter-persuasive campaigns can only be afforded by large conglomerates. Smaller luxury brands are more likely to be negatively affected by counterfeits and imitations as they cannot pay for the many campaigns required to counterbalance the 'free publicity' and negative images from over-exposure of fake luxury brands in the marketplace.

Further, within this authenticity, the 'about us', the 'history' and 'stories' of the brand play a major role. The tradition and heritage add significant value to the luxury brand, and it is the basis and roots of this story that dictates the particular nature of the brand to be perceived as luxurious. "*One of the classic strategies of luxury marketing is to repurpose one's heritage in order to tell an attractive story to the potential consumers*" (Tungate, 2009, p. 176). Hence, the perspective and particular attributes used in the brand's story are critical to set up the luxury brand's brand legitimacy (Briot and De Lassus, 2013).

Consequently, it is not sufficient for a brand to be expensive, rare and of high quality to be rated as a high luxury brand. It is critical that the five dimensions of the Brand Luxury Index be all measured up in terms of authenticity.

Conclusion
The world is changing faster and faster "*from changing perceptions of what luxury means, to communicating with a new generation of consumer, the industry is changing at unprecedented speed with concept such as 'fast luxury*' (Gagan, 2017). One important question everyone is asking is how to communicate and in particular how to communicate with millennials about luxury brands (de Araujo Gil, Chung, and Johnson, 2016).
Today, luxury brands have increased social media campaigns to encourage a dialogue so as to engage with the customers. Whilst this is increasingly necessary, it is critical to think it through so that luxury brands are not left open to unwanted side effects. For instance, celebrity Jane Birkin recently asked Hermès to remove her name from handbags after allegation that Hermès used skins from farms slaughtering with cruelty young crocodiles said People for the Ethical Treatment of Animals (PETA). In contrast, Gucci started a cruelty-free-faux-fur campaign in October 2017 so to pre-empt future backlashes (Ekall, 2017).

There is a global growing concern for the environment and fair trading which is influencing luxury brands to adopt more sustainable initiatives, a sort of 'positive luxury movement' for sustainable luxury, see positiveluxury.com. Positive luxury in contrast to negative luxury is an important new characteristic which one can expect will be very prominent within the masstige group of brands which are susceptible to social trends, and also for the 'snob consumers' in search of differentiating brand features.

Luxury brands are increasingly emphasizing this 'eco-luxury'. For instance, in reaction to the Blood Diamonds' Movie with Leonardo DiCaprio from 2006, the diamond trade industry created in 2013 an international diamond certification system named the Kimberley Process Certification Scheme (kimberleyprocess.com). Hence, could one expect family owned luxury brands to be more ethical than corporate-led luxury brands?

Most of what we know about luxury brand management originates from work developed for mass-produced brands, hence the question of the growing use of 'big data' in luxury. Luxury brands are conceptually different and require a specific approach to brand management which encompasses the seven brand habits and the interactions between all of these dimensions (see, Figure 2).

Understanding the level of perceived luxury being pursued helps in defining the type of luxury management the brand needs. Such as balancing tradition and digital technology is very important depending on the level of luxury being targeted. Consequently, the proportion of digital technology should be higher for masstige brands than ultra-luxury brands. The problem of having one luxury management fits all luxury brands could run the risk of franchising luxury.

There is a growing body of literature on luxury counterfeiting, but there is a need for more attention on the 'faking of luxury', that is brands that are pretending to be luxury, sort of a generalized "Deluxe Marketing". Brands that borrow some of the perceptual elements of a luxury brand to make the consumer believe the brand is luxurious
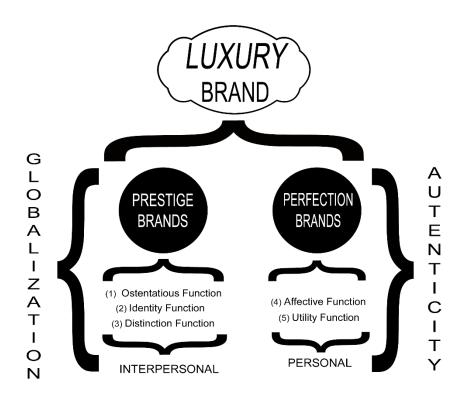
FIGURE 2: LUXURY BRAND MATRIX

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