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**“STUDY OF THE FASHION INDUSTRY
THROUGH THE VALUE CHAIN OF ITS
ACTORS”**

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I) INTRODUCTION

A. Background and rationale for the study

The fashion industry is a significant one in the world of luxury. Famous fashion houses and luxury companies are renowned for their originality, creativity, and capacity to produce high-end goods that appeal to discerning customers.

However, due to the quick shifts in customer tastes and preferences, technological advancements, and the creation of new trends, the luxury fashion sector constantly faces obstacles. They must comprehend the many connections in the value chain and where they are in respect to their rivals if they are to stay competitive.

In order to compare and contrast the key participants in the luxury fashion market, this study will look at the value chain in that sector. Analysis of how luxury brands develop, deliver, and capture value in this particular setting may be done through better understanding the various phases of the value chain.

The study will also look at new trends in the haute couture market and evaluate how brands are responding to these trends. The objective is to offer businesses in the sector useful information that will enable them to modify their operations and strategies to meet shifting consumer expectations and keep up with the competition.

In conclusion, the high fashion business will benefit greatly from this study since it will provide light on how various actors manage their value chains, how they are unique from one another, and how they adjust to changing trends. The findings can serve as a foundation for making strategic decisions and creating new prospects in the industry.

B. Study objectives

The main objective of this study was to analyze the value chain of participants in the luxury fashion industry and identify the similarities and differences between them. To achieve this general goal, the following specific objectives will be implemented:

- Study the different value chains of selected players in the luxury fashion industry: In this step, we will look at a cross-section of world famous luxury brands. We will conduct an in-depth analysis of their respective value chains, identifying the different stages involved in the creation, production, marketing and distribution of their products. This analysis will allow us to understand the key processes and specific activities that contribute to value creation within each brand.
- Compare each stage in the value chain of all selected competitors: Once the value chains of different luxury brands have been studied, we will conduct a detailed step-by-step comparison of these value chains. We will identify similarities and differences in the processes, strategies, and resources used by each actor. This comparative analysis will allow us to highlight best practices and key success factors in the luxury fashion industry.
- Analyze the different trends observed and establish relationships between them: The luxury fashion industry is ever-changing and new trends emerge frequently. In this part of the study, we will look at current and emerging trends that are impacting the value chain of industry players. We will analyze how these trends affect different stages of the value chain and how luxury brands respond to them. The goal is to understand how players in the field are adapting to changes and exploiting the opportunities presented by these trends.
- Assess the association of luxury fashion companies with different observed trends: By assessing how luxury brands align with identified trends, we'll be able to determine if they're proactive in their approach, predictability, and adjustment of their value chain.

or not. This assessment will also identify areas where certain brands may fall behind or lag behind market developments, providing pathways to potential improvement and opportunities to differentiate themselves. differentiated in competition.

In achieving these objectives, this study aims to provide in-depth information on value chains in the luxury fashion industry, identifying best practices, key differences and alignment with emerging trends. These findings can be used by industry players to improve their strategies, optimize their operations and seize new opportunities in the luxury sector.

C. Methodology used

The methodology chosen for this study is an inductive, qualitative research approach. This approach will enable an in-depth exploration of value chains in the luxury fashion industry, focusing on a sample of different companies.

- Sample selection:

The sample selected for this study will include various players in the luxury fashion industry. It will include big, well-known luxury brands like Louis Vuitton and Gucci, as well as lesser-known names. This choice is intended to achieve a global view of the industry and make the results more reliable. By including a variety of actors, the nuances and differences of the value chain can be captured, while highlighting the best practices of major brands.

- Data collection :

Data collection is based on secondary sources only. Despite our efforts to obtain information from primary sources, such as interviews with key representatives of selected luxury brands, accessing this data is particularly difficult. Indeed, these brands, which include supply chain directors, creative and design directors as well as marketers, are not allowed to share

information about their practices. However, numerous secondary sources were used to compensate for the lack of access to primary sources. These secondary sources include financial reports, research articles, case studies, and public company documents. These resources provide insights into the different stages of the value chain, the strategies adopted, and trends observed in the luxury brand sector.

- Data analysis :

Data analysis will be qualitative. The information gathered will be analyzed using content analysis techniques to identify recurring themes, similarities and differences in the value chains of different luxury brands. A comparative approach will be adopted to highlight best practices, trends and opportunities in the industry.

- Study limitations:

It should be noted that this study has certain limitations. First, the selected sample will not be able to include all the premium brands in the industry, but it will provide a meaningful and diverse representation of the industry. In addition, data collection will be based on publicly available information, which may involve a degree of subjectivity.

Using this inductive and qualitative approach, this study delves into the value chain of the luxury fashion industry, based on a representative sample of companies. This approach will allow us to understand best practices, emerging trends and gain key insights for companies in the industry.

II) THE BASIC VALUE CHAIN IN THE LUXURY GOODS INDUSTRY

A. Definition of the core value chain

The value chain is made up of several key stages, each of which makes a specific contribution to value creation. Here is a description of the main stages in the value chain.

Design: The design phase is at the heart of the value chain. It includes activities related to the research, development, and design of a product or service. At this stage, ideas are transformed into concrete concepts, taking into account customer expectations and seeking to create a unique value proposition. This phase often involves multidisciplinary teams, such as designers, engineers, and marketers, working together to create innovative and engaging products or services.

Sourcing: This step includes the purchase of raw materials, components, and resources needed to manufacture the final product. This includes identifying suppliers, negotiating contracts, managing inventory, and ensuring the quality of materials. Effective supply chain management has a direct impact on the quality and profitability of the final product.

Operations : Manufacturing refers to the activities involved in converting raw materials and components into finished products. This can involve manufacturing processes, assembly, assembly operations, quality control, etc. Optimizing productivity, efficiency and production quality is the key to creating competitive, high-quality products.

Distribution: This stage encompasses activities linked to the marketing and delivery of the product to end customers. It includes the management of distribution channels, logistics, warehousing, order management, transportation and product delivery. The aim is to ensure efficient, rapid and reliable distribution, meeting customers' needs and guaranteeing their satisfaction.

Marketing and sales: This step includes activities related to promotion, communication, sales and customer relations. This includes defining marketing strategies, creating advertising campaigns, managing sales funnels, pricing, direct or indirect sales, as well as customer service and customer retention. The goal is to create demand for a product or service, generate sales, and build lasting relationships with customers.

After-sales service: This step involves activities related to customer support and post-purchase support. This may include maintenance, repair, technical support, warranties, returns and exchanges. Quality after-sales service boosts customer satisfaction, builds customer loyalty, and generates positive referrals.

The concept of "value chain" was introduced by Porter (1985) to describe all activities involved in the production of a product or service, from design to final disposal after use, through various stages. different stages of production and distribution to consumers. . As the product moves from one actor to another in the chain, it is said to gain value. Thus, the value chain can be used as a tool to segment a business into core activities, helping to identify sources of competitive advantage. Porter has built its value chain on value-creating activities of two types: primary activities and supporting (or secondary) activities.

Primary activities are those directly involved in the creation and distribution of the company's products or services. They include :

- Internal logistics:

This includes the upstream logistics operations required for production, including supplier selection, ordering, receiving, storage, and input processing.

- Manufacture:

These are the activities involved in converting inputs into finished products or services. This includes tasks such as manufacturing, assembly, and quality control.

- Outside logistics:

This involves the distribution and delivery of goods or services to customers. Typical operations include warehousing, shipping, and order fulfillment.

- Marketing and Sales:

These activities are aimed at promoting company incentives and encouraging purchases. These include tasks such as advertising, market research, and customer service.

- After-sale service:

This step involves activities related to customer support and post-purchase support. This may include maintenance, repair, technical support, warranties, returns and exchanges. Quality after-sales service boosts customer satisfaction, builds customer loyalty, and generates positive referrals.

Support activities are those that enable primary activities to run smoothly. They include :

- Corporate infrastructure:

This includes general management and other support functions, such as accounting, IT and legal.

- Technological development:

This includes information systems, research and development (R&D), and knowledge management.

- Human resources management:

This includes all activities related to human resource management, including recruitment, compensation, motivation, training and career management.

These activities are interconnected and their collective effect contributes to the creation of value for the customer. The effectiveness and efficiency of these activities can be assessed using Key Performance Indicators (KPIs). The ultimate goal is to determine where and how the business can create new competitive advantages or strengthen existing ones.

Competitive advantage is an attribute that allows a company to outperform its competitors. This advantage can be achieved through various means, such as offering superior products or services, obtaining lower production costs, creating a strong brand, technological innovation, customer service excellence, among others.

In other words, a competitive advantage gives a business an "advantage" over its competitors, allowing it to attract more customers, achieve higher sales, and gain a larger market share. . This advantage can be permanent (hard to be copied by competitors) or temporary (easy to copy).

The goal of any business strategy is to create and sustain one or more competitive advantages that help the business generate long-term profits.

Each step in this value chain is critical to creating customer value and competitive advantage. By understanding and optimizing each step, a company can identify the source of its differentiation and competitiveness that will allow it to stand out in the market.

B. Characteristics of the value chain in the fashion and luxury goods industry

In the world of fashion and luxury, the value chain has characteristics that contribute to creating value for customers. These characteristics are essential for understanding industry operations and for analyzing similarities and differences among industry actors.

Above all, creativity and design are at the heart of the fashion and luxury value chain. Fashion and luxury brands are investing heavily in designing unique and different products that reflect their identity and market positioning. Creativity is expressed through the choice of materials, cuts, patterns, colors and details, all of which contribute to the perceived value of the product. Second, craftsmanship is an essential feature of the fashion and luxury industry. Luxury brands attach great importance to quality craftsmanship and attention to detail. Fashion and luxury products are often handcrafted by skilled artisans who master traditional techniques and use high-quality materials. Craftsmanship brings added value and exclusivity to the product. Hermès is an iconic example of a luxury brand that values craftsmanship.

Their Birkin and Kelly bags are handcrafted by highly skilled artisans who spend hours and hours creating each bag. This level of attention to detail and craftsmanship gives Hermès products unparalleled value and exclusivity.

Brand management is also an important part of the fashion and luxury value chain. Fashion and luxury brands attach great importance to building and maintaining their brand image. This involves defining a strong brand identity, consistently communicating brand values and positioning, and creating a differentiated customer experience across all touchpoints. The customer experience is also at the heart of the fashion and luxury industry value chain. Brands seek to provide a premium shopping experience, whether online or in-store. This includes personalized services, exclusive retail spaces, style advice, special events and attention to detail. The goal is to create an emotional bond with the customer, build loyalty, and generate positive recommendations. For example, Maison Dior offers an exceptional customer experience in its stores. Their exclusive retail space is designed to immerse customers in the brand's luxury universe. Sales Advisors are trained to provide personalized service, offer style advice and ensure that each client feels special and cared for, thereby building brand loyalty. .

Distribution in the worlds of fashion and luxury is often characterized by a selective and controlled approach. Fashion and luxury brands choose their distribution channels carefully, prioritizing reputable selling points and tightly controlling the display of their products. This selective distribution helps maintain an image of luxury, creates an aura of exclusivity, and ensures a consistent customer experience. High-end fashion brand Givenchy uses selective distribution to maintain its exclusive image. It limits the availability of its products by offering them only in carefully selected premium stores and on its own website. This selective distribution approach allows Givenchy to control the exposure of its products and maintain their exclusivity.

Finally, communication and marketing play an essential role in the value chain of the fashion and luxury goods industry. Fashion and luxury brands develop sophisticated communication strategies, using impactful advertising campaigns, celebrity partnerships, exclusive events, digital activations and presence strong presence on social media. This innovative communication strengthens the brand image, captures customer attention and creates long-term commitment. French fashion house Saint Laurent is known for its creative and

provocative media campaigns. They feature iconic artwork and designs that create a strong visual impact and engage consumers. This distinctive communication approach reinforces the rebellious and avant-garde image of the brand.

The importance of the value chain in the luxury world cannot be underestimated, as it is vital to remain competitive and meet discerning consumer expectations.

According to a study by Research and Markets, the global luxury market is expected to continue to grow, with an estimated revenue of \$370 billion by 2030, with compound annual growth of +5.4 %. This sustained growth underscores the importance of effective value chain management in the luxury sector to capture this value and maintain a competitive position.

The COVID-19 pandemic has had a major impact on fashion and luxury companies, challenging their traditional supply chains. However, the luxury brands have managed to maintain local production, demonstrating their commitment to excellence in workmanship and quality. This resilience in value chain management has allowed luxury brands to maintain exclusivity and protect their reputation for premium products.

In addition, luxury and luxury brands take environmental responsibility very seriously throughout their value chain. High-end consumers are increasingly considering sustainability an important purchasing criterion. Luxury brands have responded by adopting sustainable approaches, from ethically sourcing raw materials to reducing their environmental impact. These initiatives enable luxury brands to strengthen their reputation, build customer loyalty, and stand out in the marketplace.

Luxury corporations like Kering also recognize the importance of human rights and social responsibility in their value chains. They take steps to ensure fair working conditions in their factories and promote diversity and inclusion in their workforce. This awareness and commitment to social responsibility enables luxury brands to enhance their reputation and meet consumers' growing expectations of ethics and responsibility.

III) STUDY OF THE DIFFERENT VALUE CHAINS OF SELECTED BRANDS

A. Description of selected brands and their positioning in the luxury industry

The companies selected for this study are all key players in the luxury industry, each with a distinct position and global reputation in the fashion world. These brands have been chosen for their significant influence in the luxury sector, their rich history and their ability to shape fashion trends.

Louis Vuitton: Founded in 1854, Louis Vuitton is a world-renowned French luxury house known for its expertise in high-quality leather goods. The brand is especially known for its iconic handbags and luxury luggage. Louis Vuitton is distinguished by its distinctive monogram and timeless design, expressing prestige, elegance and sophistication. The brand regularly ranks among the most popular brands in the luxury sector and is part of the LVMH group. Louis Vuitton was chosen for its iconic status and long history in the luxury industry.

Chanel: Chanel, founded in 1910 by Coco Chanel, is an iconic French luxury and fashion brand. The brand is synonymous with timeless style, classic elegance and legendary designs. Chanel was chosen for its sophistication, craftsmanship and timeless image, as well as its lasting impact on the fashion industry.

Gucci: Gucci, founded in 1921, is a world-renowned Italian luxury brand under the Kering group. The brand is known for its bold style, vibrant aesthetic, and distinctive prints. Gucci offers a wide range of luxury products, from bags and shoes to clothing and accessories. Gucci was chosen for its innovative and avant-garde approach to fashion, as well as its significant influence on contemporary trends.

Burberry: Founded in 1856 by Thomas Burberry, Burberry is an iconic British luxury brand, renowned for its innovation and craftsmanship. The brand is famous for its distinctive plaid pattern and iconic jacket. Burberry offers a wide range of luxury products, including clothing,

accessories, bags, and fragrances. The maison was selected for this study not only due to its rich heritage, commitment to quality and innovation, and significant influence in the fashion industry but also for its ability to reinvent its strategy in the face of adversity. Burberry, following a downturn, has brilliantly adjusted its strategy to maintain and strengthen its presence in the luxury world. Its journey demonstrates resilience and innovation, qualities needed in the ever-changing landscape of luxury fashion.

These companies, each in their own way, have managed to position themselves firmly in the luxury industry thanks to their heritage, outstanding workmanship, creativity and ability to meet consumer expectations. In this study, these luxury brands will be examined in more detail, while analyzing their strategy, performance and market influence. The selection of these specific brands allows for a diverse and complete analysis of the luxury sector. They represent different aspects of the industry, from established brands with a long history and influence, like Louis Vuitton and Chanel, to more innovative brands like Gucci. Additionally, all of these brands have a global reach, allowing for a broader understanding of the trends and dynamics of the global luxury market. Ultimately, these brands were chosen for their relevance and impact in the luxury goods industry, making their strategies and performance particularly interesting to study.

B. Step-by-step analysis of each brand's value chain

In what follows, a value chain analysis of each maison will be carried out to determine the characteristics of each value chain, and at what stage of the chain the company creates value for consumers and for the house itself.

Louis Vuitton

Louis Vuitton, an iconic luxury brand, has a well-defined value chain that contributes to its dominant position in the luxury industry.

- Primary activities :

Inbound logistics: Louis Vuitton is famous for its careful selection of high-quality materials. Materials, including leather, zippers and clasps, are carefully selected from external suppliers to ensure the quality of the final product meets the high expectations of our customers. In addition, Louis Vuitton ensures a rigorous selection of high-quality materials through long-term cooperation with partners and the local community of farmers and trappers. The brand is committed to maintaining high ethical standards throughout its supply chain and works closely with suppliers to ensure that social and environmental best practices are integrated throughout the supply chain. response.

Operations: Louis Vuitton creates its bags in its own factories. In 2011, it had 17 factories and is planning to expand. The company recently reorganized its team of around 10 people, resulting in greater efficiency and space savings. This reorganization allows the company to speed up bag assembly and ship collections to its stores more frequently. Factory employees, including artisans, designers and artists, are passionate about their work and recognize the importance of value creation throughout the entire production chain. Louis Vuitton also focuses on reducing operating costs, thereby contributing to the company's profitability.

Outbound logistics : Louis Vuitton's distribution strategy is very selective, with products available only at the brand's exclusive stores, flagship stores and certain authorized retailers. This limited availability further reinforces the brand's exclusivity and ensures a consistent, high-quality shopping experience for customers. In addition, to maintain the exclusivity of the brand, excess inventory is destroyed rather than sold. In addition, Louis Vuitton uses FedEx services to ship its products, ensuring fast and efficient delivery to its stores and customers. By outsourcing part of its logistics to FedEx, Louis Vuitton is able to focus on its core business of providing high-quality handcrafted luxury leather goods. This strategy contributes to the company's bottom line. In addition, Louis Vuitton has expanded its online presence, offering customers the convenience of e-commerce while maintaining the luxury experience associated with the brand.

Marketing and sales: To maintain its luxurious and exclusive brand image, Louis Vuitton employs various advertising strategies. The brand's advertising campaigns often feature

celebrities and models, reinforcing its connection to the worlds of fashion, art and culture. The brand's products featured in these campaigns are desirable and ambitious, resonating with the target market.

In addition to its advertising campaigns, Louis Vuitton is actively involved in public relations and event sponsorship, often partnering with prestigious events and organizations that respect the brand's image. These partnerships improve the brand's visibility and strengthen the brand's association with luxury and exclusivity.

Louis Vuitton has invested heavily in its online presence as part of its digital marketing strategy, offering customers a seamless online shopping experience that reflects the brand's in-store luxury. Digital channels are also used by brands to tell stories, showcase products, and engage with consumers.

Finally, Louis Vuitton has worked with many designers and artists, such as Takashi Murakami and Virgil Abloh, to expand the brand to new audiences and solidify its reputation as a fashion innovator. . The brand has demonstrated a willingness to push boundaries and take risks through these collaborations, helping to bridge the gap between luxury and streetwear.

Louis Vuitton's goal is to modify its image slightly to improve profitability, while remaining a luxury and exclusive brand. Despite strong sales growth, the brand has had to adapt to market trends, especially in China, where demand fell in 2013 due to the rejection of branded luxury products. To remain competitive, Louis Vuitton must continue to adapt to market trends and consumer preferences.

After sales services: An essential aspect of Louis Vuitton's strategy is exceptional after-sales service. The service is an extension of the luxury the brand embodies, reinforcing Louis Vuitton's commitment to total customer satisfaction, even after purchase.

Louis Vuitton's dedicated after-sales service team is trained to provide comprehensive support, responding to any customer concerns or requirements. Services such as repairing or replacing damaged products, or adjusting products to perfectly fit the customer's needs are provided. Every interaction is done in a way that reflects the quality and exclusivity of the brand, providing customers with an exceptional service experience. A special feature of Louis Vuitton's after-sales service is its policy against defective or damaged products. Instead of simply repairing products, Louis Vuitton often tries to replace them with new products, demonstrating a commitment to maintaining customer satisfaction and product integrity.

In addition, Louis Vuitton offers after-sales customization services, allowing customers to add monograms or specific details to their previously purchased products. This service gives customers the opportunity to personalize their products further, thereby strengthening their relationship with the brand. Online, Louis Vuitton also offers excellent after-sales service, with a customer support team ready to answer questions and resolve any issues. Customers can easily return or exchange products purchased online, and the site offers a variety of resources to help customers get the most out of their products.

- Support activities :

Corporate infrastructure : The management of Louis Vuitton, under the leadership of Bernard Arnault, is characterized by a management style based on radical and limitless innovation. LVMH, the parent company of Louis Vuitton, is an organic company with a decentralized organization that emphasizes efficiency, productivity, creativity, and dynamics.

Human resources management: Effective human resource management also contributes to the company's success in the market. Louis Vuitton's production process is labor-intensive, with a team of 20 to 30 workers producing around 120 bags per day. Each team works on a product, and team members are encouraged not only to suggest improvements in production, but also to be informed about product details, such as retail price and how the product will be sold. . Thierry Nogues, team leader at one of Louis Vuitton's factories, explains: "Our goal is to make people as flexible and independent as possible. Recruiting talent is LVMH's main management mission and the most important factor in its success. In companies like this, where creativity is key, having the right and most promising talent is clearly essential. Louis Vuitton is committed to supporting global activities and demonstrating social responsibility. The brand actively participates in charitable initiatives and partners with organizations that align with its values and vision.

The LVMH Group is also committed to social responsibility. It has established programs to support local communities and improve employee working conditions. For example, LVMH has established a training program for its employees so that they can improve their skills and increase their employability. In addition, LVMH has launched an initiative to support local

communities in the areas of health, education and welfare. In addition, it is committed to respecting human rights and labor standards, promoting gender equality and inclusion, and supporting local communities.

Technological development: Louis Vuitton has invested in technological development to ensure the quality of its products. The brand has its own laboratory where products undergo rigorous testing. In addition, Louis Vuitton has developed a computer program to help leather cutters identify defects in the leather they receive, greatly increasing production efficiency.

Chanel

- Primary activities:

Inbound logistics : Chanel attaches great importance to the selection of materials used to create its products. The brand uses a wide variety of high-quality materials, including leather, fabric, and other specific elements. When it comes to sourcing ingredients, Chanel is particularly careful and rigorous. Chanel, in its constant quest for excellence and quality, took the important step of acquiring the first tanneries, Bodin Joyeux, in 2013. This strategic acquisition helped Chanel ensure a supply of high-quality leather, an essential ingredient for many of the brand's products. Leather. some products. By owning its own tannery, Chanel not only strengthens the supply chain, but also takes control of the production of raw materials. This means that Chanel can ensure that every step of the tanning process is carried out to a high standard and with respect for the environment.

In addition, this acquisition has allowed Chanel to ensure that the raw materials are produced responsibly. As a luxury brand committed to sustainability, Chanel recognizes the importance of responsible manufacturing. By owning its own tannery, Chanel is able to ensure that its tanning operations adhere to the highest ethical and environmental standards.

Operations: Meticulous manufacturing process, attention to detail. Chanel's artisans combine precise craftsmanship with the use of modern machinery to ensure a perfect fit and impeccable finish on each piece. This rigorous approach ensures that each Chanel piece is not

only aesthetically pleasing, but durable and of unsurpassed quality. For high-end jewelry and ready-to-wear lines, the brand chooses to manufacture its products in Italy, Spain and Paris, following the usual practice of high-end designers. However, for high jewelry and haute couture collections, Chanel considered the option of making exclusively in Paris. This decision was driven by the specific requirements of these products and the brand's commitment to maintaining a level of reputation in terms of craftsmanship.

Outbound logistics : Chanel's outsourced logistics are managed to ensure efficient distribution and high quality of its products. The brand has its own e-store through its website, providing customers with the ability to purchase products online. However, Chanel prefers to sell its products through specialized physical stores, located in the world's largest cities and most luxurious residential areas. In France, for example, Chanel stores are located in the 8th arrondissement of Paris.

For some products, such as eyeglasses, perfumes and cosmetics, Chanel distributes through a network of partners. This distribution strategy allows Chanel to maintain its premium brand image while ensuring the wide availability of its products. In addition, Chanel also has sales points at airports, allowing visitors and tourists to take advantage of duty-free shopping. For certain products, such as glasses, perfumes or cosmetics, Chanel distributes its products through a network of partners, such as Sephora. This distribution strategy allows Chanel to maintain its premium brand image while ensuring the wide availability of its products.

Marketing and Sales: Chanel chooses Hollywood stars or models to advertise their products, shaping the brand's influence through their influence. The brand also organizes fashion weeks to showcase Chanel's simple, aristocratic style and invite high-end customers to view and order clothes. Chanel also organizes traveling art exhibitions to promote the brand worldwide. Chanel products are designed to meet the needs of consumers, suitable for aristocratic and simple style. Branding aims to create an image of exclusivity and prestige. The main consumer group of the brand is the middle and upper class with strong consumption ability. For the upper class, Chanel offers private or limited custom editions. Chanel has a clear and precise plan for each product object. Chanel prices are very diverse, with products ranging from a few thousand to several hundred thousand. Chanel rarely offers discounts and does not support installments. The price of the brand is always very mysterious, the price is usually between 10,000 and 100,000, which reinforces the feeling of exclusivity of the brand. The brand focuses on creating luxurious experiences and strong brand images.

After sales services: Chanel's reputation for excellence goes beyond its products; it extends to after-sales service, reflecting the brand's dedication and commitment to customers after they make a purchase. Chanel's after-sales service is meticulous and thoughtful, aimed at ensuring continued customer satisfaction and solving any problems that may arise after the purchase of the product. For each repair or maintenance request, Chanel deploys a team of skilled craftsmen trained to maintain the integrity and quality of the brand's products.

In addition to repair and maintenance services, Chanel also offers tailor-made after-sales services. This allows customers to add a personal touch to their product, whether it's a handbag, a pair of shoes or a piece of jewelry. This service enriches the customer experience by giving them the opportunity to make their products unique, thus strengthening their attachment to the brand. In the digital world, Chanel offers exceptional after-sales service online. A dedicated customer service team is available to answer any questions or concerns, ensuring that customers can easily navigate the site and resolve any issues quickly. Whether it's returns, exchanges or simply product information, Chanel's online customer service is designed to meet every customer need.

- Support activities :

Corporate infrastructure: Chanel, under the leadership of Alain Wertheimer and Gérard Wertheimer, is a company characterized by a management style based on continuous innovation and excellence. Chanel has maintained its prestige and reputation over the years thanks to an organizational structure that emphasizes efficiency, productivity, creativity and dynamic motivation.

Human resources management: Chanel attaches great importance to the effective management of its human resources. The brand is renowned for its craftsmanship, with highly skilled craftsmen working meticulously on each product. Each piece is the result of intensive work, sometimes requiring more than 1,000 hours of work on certain pieces, such as wedding dresses. Chanel strives to make its employees as flexible and independent as possible, which contributes to the outstanding quality of its products.

Chanel also implements an ambitious personnel policy, focusing on developing the talent of its employees. The brand recognizes that imagination and creativity are essential to its success, and therefore strives to create a work environment that fosters personal and professional growth. This policy is based on diversity and internal mobility, allowing employees to develop their skills and express their creativity.

Chanel also values internal mobility, giving its employees the opportunity to grow within the team. Many House Presidents have been promoted within the Group and many employees have the opportunity to move from one House to another. This approach helps to reinforce a strong subculture that overlaps with the culture of individual houses.

Technological development: Chanel invests in technological development to ensure the quality of its products. The brand is known for its innovative use of materials and manufacturing techniques. For example, Chanel uses traditional materials such as tweed and leather, but also uses more innovative materials such as PVC, Lurex, flexible lace and neoprene.

Gucci

- Primary activities :

Inbound logistics: Gucci works closely with a selected network of trusted suppliers, ensuring the best social and environmental practices are incorporated throughout the supply chain. Gucci's supply chain employs thousands of people involved in the production of its collections. Although they are not directly employed by Gucci, they are an integral part of its culture. Many companies have supplied Gucci for two or three generations. Gucci's manufacturing supply chain includes both internal facilities directly owned and operated by Gucci and external facilities operated by trusted suppliers. 95% of Gucci's manufacturers are based in Italy. Gucci has taken a sustainable sourcing approach by committing to the use of environmentally responsible materials. The brand works with carefully selected suppliers,

advocating long-term partnerships to ensure responsible practices throughout the supply chain. Gucci ensures that its suppliers meet the highest social and environmental standards. Gucci measures the total environmental footprint of its suppliers and publishes the results transparently every year through its digital Environmental Profit and Loss (EP&L) account. EP&L maps and analyzes impacts related to its own operations and its entire supply chain. Gucci suppliers also comply with the Gucci List of Restricted Substances, which addresses potentially hazardous substances used in manufacturing and released into the environment.

Operations: Gucci has adopted a management approach of "freedom within the framework", leaving the designers to decide on the design for themselves. All Gucci leather goods, footwear and ready-to-wear are still produced in its workshops in Florence, Italy. Gucci has a robust monitoring system in place, and suppliers and contractors are subject to regular inspection by Kering experts and third-party teams. If compliance violations are identified, corrective action plans will be developed following the audits. In addition, suppliers are required to act in accordance with the modern slavery claim and their manufacturing practices are also audited against the SA8000 management certification system.

Outbound logistics: One of the keys to Gucci's global success is its outbound logistics strategy. This strategy has allowed the brand to establish a presence in emerging markets, while tightly controlling its brand image. Gucci has taken an aggressive approach to setting up stores in emerging markets like China and India. These countries are seeing a rapidly growing middle class and growing demand for luxury goods, making them ideal targets for Gucci. Opening stores in these regions allows the brand to take advantage of these fast-growing markets, while strengthening its global presence. In addition to expanding into emerging markets, Gucci has terminated all licensing agreements with YSL. This decision allows the brand to actively develop its own stores and tightly control its brand image. By maintaining full control over the presentation and sale of its products, Gucci is able to ensure that the customer experience remains consistent with the high-end luxury image they want to convey.

For the actual delivery of its products, Gucci uses a network of trusted carriers to ensure fast and efficient delivery to its stores and customers. The brand is committed to ensuring that each product arrives at its destination in perfect condition, which reflects the quality of the product. In addition to its physical stores, Gucci has also developed a significant online

presence. The brand uses e-commerce platforms to sell its products, providing a luxurious shopping experience to customers whether they are at home or on the go. Online distribution allows Gucci to reach a wider audience and serve customers more efficiently.

Marketing and Sales: Gucci has adopted an innovative and comprehensive strategy. The brand strives to speak the language of the younger generation and create products that meet their values. Gucci is investing more and more in social networks to increase brand awareness, especially among Millennials. The team has increased its investment in digital media, which has increased the number of subscribers.

Gucci is always one step ahead of its competitors in terms of style and capitalizes on current trends. Brands use different channels, including social media, to promote products and interact with customers. Gucci has managed to maintain double-digit growth since Alessandro Michele and Marco Bizzarri took over the business in 2015. Despite the Covid-19 crisis causing sales to drop by more than 22%, Gucci continues to conquer consumers thanks to its innovative and comprehensive strategy.

After sales services: Gucci's after-sales service is a fundamental part of the brand's commitment to customers, ensuring that their experience with the brand doesn't stop after a purchase. Gucci offers superior after-sales service, with a network of dedicated professionals ready to help customers when they need it. Whether for repair, maintenance or product information, Gucci's after-sales service is accessible and authoritative.

The brand offers repair services for its products, whether it is a simple repair or a more complex replacement. These services are performed by highly skilled craftsmen who understand the outstanding quality of Gucci products. In addition, Gucci offers an after-sales customization service, where customers can modify and personalize their products to their specific preferences. This adds a personal touch to the customer's experience with Gucci, strengthening their relationship with the brand. Online, Gucci also offers excellent after-sales service, with a dedicated customer service team ready to answer questions and resolve issues. This allows customers to have a smooth and hassle-free online shopping experience, thereby building loyalty to their brand.

- Support activities :

Corporate infrastructure : Gucci, under the leadership of Robert Polet, is characterized by a management style based on radical and limitless innovation. Gucci is an organic company with a decentralized organizational structure that emphasizes efficiency, productivity, creativity and dynamic motivation. Gucci redesigned its management structure through a series of appointments. Gucci's new CEO, Marco Bizzarri, has perfected his team by trying to make the company more agile, with more direct relationships between different managers.

Human resources management: Effective human resource management also contributes to the company's success in the market. Gucci's production process is labor-intensive, with a team of workers producing a wide range of products. Each team works on a product, and team members are encouraged not only to suggest improvements in production, but also to be briefed on the details of the product. Gucci also participated in the study "Supporting Women in the Luxury Supply Chain: Focus on Italy", promoted by Kering, aimed at understanding the status of women working in the Italian luxury supply chain and identifying opportunities to support gender equality.

Technological development: Gucci has invested in developing technology to ensure the quality of its products. The brand has its own laboratory where products undergo rigorous testing. Gucci uses data to better understand its customers and their expectations, in order to provide them with personalized services, including in-store service. The team developed an app that lets merchants know the availability of items and view previous purchases by customers, which has increased average spend by 15 to 20 percent at stores with high availability. that item.

Gucci uses artificial intelligence to improve operational efficiency. The team has formed a team of 80 data experts. Tests have shown that with this technology, the accuracy of sales forecasts can be improved by 20%, which has an impact on production, inventory and supply chain, which in turn affects profits.

Burberry

- Primary activities :

Inbound logistics: For Burberry, upstream logistics plays an essential role in the production of its luxury products. The company has an unwavering commitment to quality and integrity, which is reflected in the way it manages and selects raw materials. Burberry sources high-quality raw materials for the production of its products, from the fabrics used for iconic garments to the materials of fashion accessories. The company is committed to using only the highest quality materials, ensuring that every product it manufactures is not only aesthetically pleasing, but also durable and of outstanding quality.

To maintain these high standards, Burberry works closely with its suppliers. The company has strict supplier selection policies, ensuring that each partner meets high standards for quality and brand integrity. These policies relate not only to the quality of raw materials, but also to the production methods used, respect for human rights and working conditions. In addition to these rigorous standards, Burberry is committed to integrating environmental and social best practices throughout its supply chain. The company works closely with its suppliers to encourage the use of sustainable production methods, such as the use of recycled materials, and adheres to strict waste and emissions policies. Burberry also strives to promote fair working conditions and respect for human rights throughout its supply chain.

Operations: Burberry has an efficient and well-organized production chain. The brand strives to ensure high-quality production, with an emphasis on craftsmanship and design. Burberry has also taken measures to minimize the environmental impact of its operations. The house, which maintains a sustainable quality even with the introduction of new products, is increasingly popular as a symbol of durability and elegance.

In March 2023, Burberry reached an agreement to acquire a business from its longtime Italian supplier, Pattern SpA. This acquisition allows Burberry to invest in its supply chain operations. Burberry has worked with Pattern for nearly two decades to produce luxury ready-to-wear, including comforters and life jackets, at Pattern's product development site in Turin, Italy. With this investment, Burberry secures production capacity, develops technical capabilities in outerwear and further integrates sustainability into its value chain. Indeed, all

of the electricity that Pattern uses at their locations comes from renewable sources, and the company is on track to achieve carbon neutrality at its Turin site this year.

Outbound logistics: Burberry has implemented an efficient and globalized external logistics strategy that includes a combination of physical stores, an e-commerce platform and partnerships with other retailers. The brand's primary goal is to ensure an exceptional shopping experience for its customers, whether they choose to shop online or in-store.

Burberry's continued global growth is largely supported by licensing and distribution agreements with various companies. In particular, its licensing agreements in Japan have allowed it to leverage the local and technical expertise of its licensing partners. This not only enhances the brand's global standing but also fills a potential gap in the London-based workforce. In addition, Burberry has adopted a wholesale distribution model, in which it relies on intermediaries to facilitate the mass production of its products. In this model, wholesalers buy Burberry products and resell them to other retailers, earning a profit. Burberry maintains a close relationship with these wholesalers, working with them to select the most suitable products to maximize sales in specific locations.

Marketing and Sales: Burberry is known for its innovative and effective marketing campaigns. Brands use a variety of channels, including social media, to promote your products and interact with your customers. Burberry has also launched initiatives to attract and retain a diverse clientele. The brand was the first to allow its fans to "shop at the show" live during Fashion Week. This approach not only modernizes the fashion industry but also promotes product promotion by streaming fashion shows to promote the collection. Burberry plans to invest more in mobile apps to boost advertising and sales in Asia. In addition, Burberry has launched carbon neutrality initiatives and targets for 2022 that aim to be "climate positive" by 2040. These initiatives have had a positive impact on consumer brand awareness.

After sales services: Burberry is committed to providing outstanding customer service. The brand offers a variety of services, including customization and repair, to enhance the customer's shopping experience. Burberry also has a strategy to build customer loyalty and effectively market its products to a wider audience. In addition, Burberry has invested in the development of its mobile applications, allowing customers to make purchases through their

smartphones. This initiative is part of Burberry's strategy to improve the customer shopping experience and adapt to changing consumer trends.

- Support activities :

Corporate Infrastructure : Burberry experienced a period of fundamental change in the late 1990s when a new management team took over. They inherited a brand that had existed for decades, but faced many strategic and organizational challenges. Despite this, the company continued to turn a profit. The new team implemented a development strategy that required fundamental changes in the composition of the product range, the nature of the design and the structure of the distribution channel. Burberry now has a strong organizational structure that effectively supports its operations. Brands have policies and procedures in place to ensure effective management of their business.

Human Resource Management: Burberry attaches great importance to human resource management. The brand strives to attract and retain top talent and has implemented initiatives to promote diversity and inclusion within the company. Burberry has hired new talent to revitalize the brand. Christopher Bailey, who had worked alongside Tom Ford at Donna Karan and Gucci, was invited to join the brand's creative leadership and strategy development team. Bailey draws on the heritage of British culture to create her collections, reinterpreting traditional motifs in a unique way and combining them with contemporary silhouettes, fabrics and finishes.

Burberry has launched a corporate program called “Burberry Beyond”, which includes initiatives to improve the sustainability and ethics of the company. Additionally, the brand has taken steps to improve supply chain traceability, including a new green label. These efforts were recognized by the BrandZ UK report, which gave Burberry a score of 110/100 for its 'responsibility'. Specifically, the brand scored 110 for environmental commitment, 109 for social responsibility, 110 for employee commitment and 112 for supply chain transparency.

Technological development: Burberry was one of the first brands to recognize the importance of digital technology. The company has focused on overcoming the rapidly evolving digital environment. Burberry was the first company to present its collections online, displaying

models in 3D on iPads and launching its own customer service on Twitter. Overall, Burberry spends 60% of its advertising budget on internet advertising. Burberry mobile applications enable purchases from your smartphone. Burberry invests in technology development to improve product quality and streamline operations. The brand leverages technology to improve production efficiency and provide customers with a better shopping experience.

C. Identifying similarities and differences between brand value chains

In the luxury goods industry, each brand has its own unique identity and characteristics that set it apart from the rest. However, there are also striking similarities in how these brands operate and create value. This section explores similarities in the value chain.

All of these world-renowned luxury brands have creativity and design at the heart of their strategy. For example, Louis Vuitton has strengthened its image as an innovative brand by collaborating with renowned artists such as Takashi Murakami and Jeff Koons. Additionally, all of these maisons value craftsmanship. For example, Chanel is famous for its "métiers d'art" workshops, where highly skilled craftsmen create unique pieces. What these brands have in common is their success in building an image of timeless luxury. And they all provide a great customer experience. Burberry, for example, launched a personalization service to improve the customer's shopping experience. Thanks to our carefully selected distribution, we are able to maintain an exclusive image, allowing us to manage our brand image, quality of service, efficient inventory management and a constant level of pricing. When it comes to communication and marketing, these brands are known for their creative communication campaigns. For example, Chanel invested 6% of its sales in marketing in 2019, according to its annual report.

All these brands demonstrate a significant commitment to the environment and sustainable development through strong commitments and increased transparency to consumers. For

example, Gucci has committed to reducing its greenhouse gas emissions by 50% by 2025, according to its 2020 Sustainability Report. In today's increasingly digital world, luxury brands recognize the importance of developing a robust digital strategy. Burberry, Louis Vuitton, Chanel and Gucci have invested heavily in increasing their online presence, with a strong focus on e-commerce and social media. Moreover, as a luxury brand, every brand chooses superior materials to manufacture their products.

By analyzing the value chains of Louis Vuitton, Chanel, Gucci and Burberry, it's easy to see where each brand's value is created. While each of these companies has been observed to have significant similarities, their competitive advantage differs from company to company.

First and foremost, Louis Vuitton is characterized by its historical heritage and outstanding craftsmanship. The brand is known for its high quality materials and attention to detail. In addition, Louis Vuitton adapts to current trends and collaborates with contemporary artists and designers to create unique collections.

Chanel is known for its craftsmanship, but it also stands out for its use of innovative materials and manufacturing techniques. The brand has maintained its luxury image through effective marketing campaigns, choosing celebrities and supermodels like Louis Vuitton as endorsers for its products.

Gucci is characterized by its unique style and ability to capitalize on current trends. Effective use of social media and other communication channels has allowed brands to connect with their customers. This can have a huge impact, especially on younger generations. Burberry is also known for sourcing quality raw materials and efficient production processes. The brand executes a global outbound logistics strategy that combines physical point of sale, e-commerce platforms, and collaboration with other retailers.

Based on an analysis of the different activities of the various houses, they also have areas for improvement in each of their value chains.

For example, Louis Vuitton could reinforce its commitment to sustainability by integrating more eco-responsible materials into its products. In addition, the brand could improve its

online customer experience to meet the expectations of digital consumers. Finally, the house is known for having a very, very limited production capacity.

Chanel could invest more in technology development to improve the quality of its products. In addition, brands are likely to strengthen their personnel policies to promote the development of employee talent. The lack of online sales is also a weakness. This is a strategic decision to preserve Chanel's brand image and select distribution, but it will limit consumer access to the company's products. Finally, there is a contradiction between product scarcity and marketing approaches aimed at expanding the customer base and promoting the product. This can contradict the exclusive image and expensive price of Chanel products.

Meanwhile, Gucci still lags behind its competitors in this area, despite its heavy investment in research and development. Gucci must continue to innovate to maintain double-digit growth despite the challenges posed by the COVID-19 crisis. The brand can also step up its commitment to sustainability by incorporating more environmentally friendly materials into its products.

Ultimately, Burberry was able to increase its production capacity and develop its outerwear expertise. Additionally, the brand could further integrate sustainability into its value chain to meet consumer expectations for environmental responsibility. Burberry also makes most of its sales in the Asian market. This overreliance can be a weakness, as economic instability and changes in consumer behavior in the region can have a material impact on company performance.

When analyzing the luxury brands Louis Vuitton, Chanel, Gucci and Burberry, it is interesting to note that despite subtle differences in strategy and approach, there are no major differences in value chains. That's it. This similarity can be explained by several interrelated factors.

First, the luxury industry itself is characterized by high standards of quality, craftsmanship and customer service. These standards are integrated into the value chain of all luxury brands and the process leads to a certain degree of homogenization. Second, luxury consumers have high expectations regarding quality, design and service. To meet these expectations, luxury houses must maintain high standards across all aspects of the value chain, which limits variability between maisons. Moreover, competition in the luxury sector is fierce. Luxury

brands must constantly innovate and improve their products and services to remain competitive. This leads to some convergence of value chains as they follow similar customer acquisition and retention strategies.

The importance of brand image in the luxury goods industry cannot be underestimated. Luxury brands invest heavily in marketing and advertising to build and maintain their brand image. This is often reflected in value chains designed to enhance brand image. Finally, digitization has transformed the luxury goods industry, leading to a significant increase in online sales. Luxury brands have invested heavily in developing sophisticated online sales platforms that offer a personalized and intuitive shopping experience. This has led to some level of integration in the value chain as they use similar strategies to attract and retain customers online.

In summary, each luxury brands has its own unique identity and character, but due to the nature of the luxury industry, consumer expectations, competition, the importance of brand image and the impact of digitalization, there are many similarities in their value chains. there is.

IV) ANALYSIS OF VALUE CHAIN TRENDS

A. Identifying emerging trends in the luxury goods industry

In this section, and building on the elements of the analysis previously made, we will look at emerging trends in the luxury industry that are having a significant impact on brand value chains. The luxury industry, like all industries, is constantly evolving in response to factors such as technological change, consumer preferences, environmental concerns and economic dynamics. These trends shape not only how luxury brands operate, but also how they create and deliver value to their customers. By identifying and understanding these trends, luxury brands can position themselves to take advantage of the opportunities and meet the challenges they face.

Sustainability and environmental responsibility have become major trends in the luxury goods industry. Consumers are increasingly aware of the environmental impact of their purchases and expect brands to adopt ethical and sustainable sourcing practices. In response, luxury brands are starting to incorporate sustainability into their value chains.

A Nielsen survey found that 73% of millennials were willing to pay more for sustainable products, indicating the importance of this trend to the future of the luxury industry. Additionally, the Boston Consulting Group found that sustainability is now a key factor in their luxury buying decisions for 50% of consumers worldwide. The pandemic is prompting fashion and luxury companies to rethink their supply chains, according to a study by Sistema Moda Italia. They want to get closer to their suppliers, increase flexibility and integrate more sustainable approaches.

In 2020, the global luxury industry suffered a loss of 13 billion euros, down 31% from 2019. However, the post-pandemic recovery has been marked by an acceleration of fundamental trends, particularly sustainability. A Boston Consulting Group study found that 75% of the consumers consider sustainability very or very important, and this trend is even stronger among younger consumers. In fact, 90% of millennials and Gen Z believe sustainability is a key factor when shopping for luxury goods.

Luxury brands are increasingly recognizing the importance of sustainability in their business models. They recognize that their models are vulnerable to changing consumer expectations and growing demand for environmentally friendly products. To meet these challenges, companies are looking to adopt faster decision-making processes, rethink operating models, and incorporate more sustainable logic into their supply chains.

So we can see that sustainability has become a key factor in the luxury brand value chain. Not only is this important to meet consumer expectations, it also provides an opportunity to improve operational efficiency and build business resilience in the face of environmental and social challenges.

Personalizing the customer experience is also a big trend in the luxury goods industry. Leading brands want to offer customized products and services that meet the individual needs and preferences of their customers, with the goal of creating a unique and unforgettable experience.

According to research from brand consultancy Lighthouse, luxury brands need to build a positive brand ecosystem to offer services and experiences that strengthen their overall value proposition and generate additional revenue. This approach goes beyond simply selling products, providing personalized service and exclusive experiences. Brands can partner with complementary players, develop personalized online consulting services, organize exclusive events for loyal customers, and offer attractive loyalty programs. These efforts strengthen the emotional bond between brands and customers and help build loyalty among discerning customers.

Another important trend is hyper-personalization. Consumers want products and services that match their tastes and preferences. Luxury brands can meet this demand by offering customization options such as the ability to choose materials, colors and patterns, or add personalized elements to their products. For example, some jewelry brands offer the option of engraving initials or a special message on the piece. This enhanced personalization makes customers feel special and privileged, strengthening their bond with your brand.

Online sales of luxury goods are also showing strong growth. By 2025, online sales will account for a larger proportion of total luxury sector sales, according to a Bain & Company

study. Brands are investing heavily in developing sophisticated online sales platforms that offer a personalized and intuitive shopping experience. These platforms allow customers to discover collections, benefit from personalized advice, get recommendations based on their preferences, and personalize their purchases. In addition, brands use social networks and influencers to increase their visibility and reach a wider audience. In short, personalizing the customer experience is a major trend in the luxury goods industry. Brands that can deliver a customized customer experience through personalized service, unique products, and a strong online presence have a clear competitive advantage. By meeting consumer expectations for personalization, exclusivity and superior service, luxury brands can build lasting relationships with their customers and ensure success in an ever-changing competitive landscape. can.

Digitization and the use of new technologies have fundamentally changed the luxury goods industry. Brands are constantly reinventing themselves, leveraging the latest technological advancements to create innovative brand experiences. Among these new technologies, virtual reality (VR) and augmented reality (AR) are proving particularly effective in delivering immersive experiences.

Nearly 20% of luxury goods sales will be online by 2025, according to McKinsey research. Luxury brands have recognized the importance of an online presence and have invested heavily in developing online sales platforms. With features such as product recommendations based on customer preferences, personalization tools, and online consulting services, these platforms provide customers with a personalized and convenient digital shopping experience.

Additionally, the luxury brand utilizes social media and instant messaging to enhance customer relationships. They use conversational commerce tools like WhatsApp and Facebook Messenger to allow customers to communicate directly with merchants for personalized advice. Some brands are developing intelligent chatbots that handle customer inquiries 24/7 and provide seamless customer service.

The trend of live streaming has become inevitable in the luxury industry as well. Brands host live events where web users can interact and get a behind-the-scenes look at fashion shows and product launches. These events provide an immersive and interactive experience that strengthens customer loyalty to your brand.

The use of virtual and augmented reality and the introduction of new technologies are also bringing new opportunities to the luxury market. For example, some brands develop clothing and accessory collections dedicated to popular video game characters. Some companies are looking to use blockchain technology to ensure product authenticity and improve traceability throughout the supply chain.

Another key strategy that luxury brands use to differentiate themselves in the market is to focus on the superior quality of their products and the use of premium materials. The aim of this approach is to provide unique, durable and exclusive products that meet the high demands of our customers for luxury.

According to research by Bain & Company and Fondazione Altagamma, luxury brands have experienced significant growth in recent years, largely thanks to their ability to offer superior quality products. The study found that luxury brands grew at a CAGR of 6% from 2016 to 2020, while the overall luxury market grew just 3% over the same period. This highlights the importance of product quality to the success of luxury brands.

Materials used by luxury brands play an important role in creating high-quality products. The brand strives to select superior materials to ensure impeccable durability, beauty and finish.

Another study by brand consultancy Lighthouse shows that material quality is one of the most important selection criteria for luxury consumers. According to the survey, 60% of luxury consumers believe that the quality of materials is one of the most important factors in their purchasing decisions. Customers want products that provide a superior sensory experience and are made from premium, durable materials.

Moreover, luxury brands recognize that the quality of materials is closely linked to the perceived value and exclusivity of their products. A Deloitte survey found that 75% of luxury consumers are willing to pay more for products made with quality materials. The willingness to pay a premium for this quality reflects the customer's emphasis on durability and long-term value in luxury products.

In summary, emerging trends in the luxury industry are having a major impact on the brand value chain. Sustainability and environmental responsibility have become priorities for luxury

brands in response to growing consumer demand for ethical and sustainable products. Customer experience personalization is another key trend that allows brands to create a stronger emotional connection with their customers by offering customized products and services. Digitization and the use of new technologies such as virtual and augmented reality are transforming the luxury industry by providing immersive and innovative experiences. After all, the pursuit of the highest quality and the use of premium materials are key strategies used by luxury brands to differentiate themselves in the market. These trends reflect major changes in society and changing consumer expectations. Luxury brands must adapt accordingly to remain competitive and meet customer demand. By integrating sustainability, personalization and innovation into the value chain, luxury brands can create unique and unforgettable experiences for their customers. Furthermore, by offering high quality products and using superior materials, we strengthen the perceived value of our products and our position in the luxury goods market.

To thrive in an ever-changing environment, luxury brands must keep a close eye on these trends and innovate accordingly. Opportunities abound for those who can pick up on these trends and adapt quickly. By developing strategies focused on sustainability, personalization and the use of new technologies, luxury brands can add value to their business while continuing to meet the needs and desires of their customers.

B. Assessing luxury brands' alignment with these trends

Emerging trends in the luxury goods industry, such as sustainability, the personalization of the customer experience and the use of new technologies, are having a significant impact on brand value chains. To assess the alignment of luxury houses Louis Vuitton, Gucci, Chanel and Burberry with these trends, let's look at the specific initiatives they have put in place.

Sustainability and eco-responsibility:

Luxury brands Louis Vuitton, Gucci, Chanel and Burberry all recognize the growing importance of sustainability and environmental responsibility in the luxury industry. They have established commitments and practices to minimize their environmental impact while adopting ethical sourcing practices.

Louis Vuitton has implemented a product recycling program and invested in technology to reduce the carbon footprint of its manufacturing processes. Additionally, the brand has established partnerships with local suppliers to promote responsible sourcing and support the communities in which it operates.

Chanel takes important steps to ensure that the leather used in its products is ethically sourced. The brand invested in a French tannery that strictly adheres to sustainability and environmental standards. Additionally, Chanel has unveiled a collection of handbags made from recycled materials, demonstrating its commitment to sustainability.

Gucci, on the other hand, has an ambitious goal of becoming a completely carbon-neutral company. The brand is committed to reducing greenhouse gas emissions and offsetting inevitable greenhouse gas emissions. Gucci also unveiled a collection of handbags made from recycled materials that help reduce waste. Burberry is also taking important steps to promote sustainability. The brand has set a goal of reducing greenhouse gas emissions by 95% by 2022. Burberry has invested in cutting-edge technology to reduce the environmental impact of its manufacturing processes, promoted local craftsmanship and taken steps to support the communities in which it operates.

These commitments demonstrate luxury houses commitment to sustainability and environmental responsibility. They recognize that these issues are important to their customers and have a role to play in promoting sustainable and ethical practices in the fashion industry. To support these claims, we can add statistical data showing the impact of sustainability on the luxury industry. For example, a Nielsen survey found that 73% of millennials were willing to pay more for sustainable products, highlighting the importance of this trend for the future of the luxury industry. increase. Additionally, the Boston Consulting Group found that sustainability is now a key factor in their luxury buying decisions for 50% of consumers worldwide.

Personalized customer experience:

Even luxury brands recognize the importance of a personalized customer experience in building strong emotional bonds with their customers. Their aim is to provide customized products and services that meet the individual needs and preferences of their customers, creating unique and unforgettable experiences.

These reputable brands employ different strategies to provide a personalized customer experience. They build a positive brand ecosystem and offer services and experiences that enhance the overall value proposition and generate additional revenue.

For example, Louis Vuitton offers a personalized online consultation service that allows customers to interact with experts and receive recommendations tailored to their needs and preferences. The brand also organizes special events for its loyal customers, offering unique and privileged experiences.

Chanel also offers a personalized customer experience through personalized online consulting services and exclusive events. The brand does more than just sell products, it offers a global experience that includes expert advice, personalization services and unique fashion events.

Gucci also features personalized online advice and attractive loyalty programs. The brand uses social networks and influencers to build awareness and reach a wider audience. Burberry is also implementing strategies aimed at providing a personalized customer experience. The brand offers personalized online advice and organizes special events for its loyal customers. It also uses social media to interact with customers and provide immersive experiences.

This drive to personalize the customer experience is fueled by growing consumer demand for unique products and customized services. According to a study by brand consultancy Lighthouse, 60% of luxury consumers believe the quality of materials is one of the most important factors in their purchasing decisions. Customers want products that offer a great sensory experience and are made from quality, sustainable materials.

Digitalization and the use of new technologies:

Luxury brands are embracing digitization and the use of new technologies to create innovative brand experiences. They have invested heavily in developing a sophisticated online sales platform that offers a personalized and intuitive shopping experience.

For example, Louis Vuitton offers an online sales platform that allows customers to discover collections, get personal advice, get recommendations based on their preferences and personalize their purchases. Additionally, the brand utilizes its social network and influencers to increase awareness and reach a wider audience.

Chanel has also invested in digitization, offering personalized online sales services, product recommendations based on customer preferences and personalization tools. The brand uses social media to engage with customers and build an engaged community.

Gucci has also gone digital, developing a sophisticated online sales platform that offers a personalized shopping experience. The brand uses social media to raise awareness and provide personalization tools to help customers create unique products.

Burberry is also investing heavily in digitizing its operations. The brand offers an online sales platform that offers a personalized and intuitive shopping experience. You can also use social media to engage with customers and organize live events.

This drive towards digitization and the use of new technologies is underpinned by the significant growth of online sales in the luxury goods industry. By 2025, online sales will make up a significant portion of total luxury sector sales, according to a Bain & Company study.

High-quality materials:

Luxury maisons are also characterized by providing quality materials for their products. They recognize that the quality of materials plays a key role in creating superior luxury products.

Louis Vuitton places particular emphasis on the selection of superior materials to ensure impeccable durability, beauty and finish. The brand works with skilled craftsmen and uses

quality materials in its products. Chanel attaches great importance to the quality of the materials used in its products. The brand sources high-quality leather and works with suppliers who meet strict sustainability and environmental standards. Gucci is also particular about materials. The brand selects quality materials to ensure the durability and beauty of its luxury products. As a luxury brand, Burberry is also known for using high-quality materials in its products. The brand favors noble and durable materials to ensure an exceptional experience for its customers. This commitment to providing quality materials is fueled by consumer demand for luxury goods. Material quality is one of the most important selection criteria for luxury consumers, according to research by brand consultancy Lighthouse. What's more, a Deloitte survey found that 75% of luxury consumers are willing to pay more for products made with quality materials.

In summary, luxury brands such as Louis Vuitton, Gucci, Chanel and Burberry are adopting different strategies to keep up with emerging trends in the luxury goods industry. They are committed to promoting sustainability and environmental responsibility, providing a personalized customer experience, utilizing digitalization and new technology, and providing the highest quality materials. These initiatives reflect changing consumer expectations and major changes in society. Luxury brands recognize the importance of adapting to these trends in order to remain competitive and meet customer demands. Integrating these trends into your value chain creates unique, sustainable and highly personalized experiences for your customers.

It is important for these luxury houses to continue to monitor these trends closely and innovate accordingly. Opportunities abound for those who can pick up on these trends and adapt quickly. These luxury brands not only offer high-quality materials, but also add value to their business by developing strategies focused on sustainability, personalized customer experiences, digitization and the use of new technologies. You can continue to meet the needs and desires of your customers as you add.

V) DISCUSSION AND CONCLUSION

A. Summary of results and main conclusions

Finally, the paper explored the value chains of luxury brands such as Louis Vuitton, Chanel, Gucci, and Burberry in depth, highlighting some key trends and insights related to the luxury goods industry.

First, sustainability has become a key factor in the luxury brand value chain. Luxury houses are increasingly recognizing the importance of sustainability and are looking to integrate it more closely into their supply chains. This trend is not only important for meeting consumer expectations, but also offers opportunities to improve operational efficiency and build business resilience in the face of environmental and social challenges.

Second, personalization of the customer experience is an inevitable trend in the luxury goods industry, making it an integral part of the value chain. Leading brands want to offer customized products and services that meet the individual needs and preferences of their customers with the aim of creating unique and unforgettable experiences.

Third, digitalization and the use of new technologies have fundamentally transformed the luxury goods industry and changed the value chain. Brands are constantly reinventing themselves, leveraging the latest technological advancements to create innovative brand experiences.

Finally, despite subtle differences in strategy and approach, there are no significant differences among the luxury brand value chains studied. This similarity can be explained by several interrelated factors, including the high standards of the luxury goods industry, consumer expectations, intense competition, the importance of brand image, and the impact of digitization. In summary, the report highlighted key trends and challenges facing the luxury goods industry and strategies adopted by luxury maisons to address them. He also highlighted the importance of sustainability, personalization, digitization and innovation in the value chain of the luxury goods industry. These insights will provide valuable insight to

stakeholders in the luxury goods industry and serve as a guide for future research and corporate strategy.

B. Practical implications and recommendations for players in the luxury goods industry

An in-depth analysis of the value chains of luxury brands such as Louis Vuitton, Chanel, Gucci and Burberry reveals some practical implications and recommendations for luxury industry stakeholders.

It is important that these luxury houses step up their commitment to sustainability. This can be achieved by incorporating more environmentally friendly materials into our products and rethinking our operating model to integrate sustainability considerations into our supply chain. This not only meets consumer expectations, but also provides an opportunity to improve operational efficiency and build business resilience in the face of environmental and social challenges.

Additionally, luxury brands must continue to personalize the customer experience. We do this by offering personalized service, unique products, and maintaining a strong online presence. By meeting consumer expectations for personalization, exclusivity and superior service, luxury brands can build lasting relationships with their customers and ensure their success in an ever-changing competitive landscape. can.

Digitization and technological innovation are also important aspects for luxury brands. We need to invest in technology development to improve product quality and create innovative brand experiences. Emerging technologies such as virtual reality (VR) and augmented reality (AR) can provide immersive experiences and strengthen customer loyalty to your brand. Additionally, luxury brands need to develop sophisticated online sales platforms to keep up with the significant growth of online sales in the luxury goods industry.

It is also important for luxury brands to continue to value the quality of their products and the use of high-quality materials. The aim of this approach is to provide unique, durable and exclusive products that meet the high demands of our customers for luxury.

Talent development is also an important aspect for luxury brands. Human resource policies should be strengthened to promote the development of employee talents. Creating a work environment that promotes personal and professional fulfillment contributes to the company's superior product quality and creativity.

Finally, luxury brands must implement effective logistics strategies that combine physical point of sale, e-commerce platforms and collaboration with other retailers. Efficient, fast and reliable delivery is essential to meet customer needs and ensure satisfaction.

This means luxury brands must continue to innovate and reinvent in order to remain competitive in an ever-evolving industry.

C. Limitations of the study and suggestions for future research

Although this study provides an in-depth analysis of the luxury real estate value chain, it has certain limitations that may be resolved in future research.

For starters, this research primarily focuses on four luxury houses:

Louis Vuitton, Chanel, Gucci, Burberry. While these brands represent the luxury industry, including other brands in our analysis may provide a broader and more diverse perspective on the industry.

Second, the study primarily focuses on the operational aspects of the value chain. Future research may also explore other aspects such as marketing and sales strategies, human resource policies, and the impact of technology and digitization in value chains. Third, this study is largely based on secondary data. Future research may benefit from using primary

data, such as interviews with industry leaders and detailed case studies. Still, obtaining such confidential information from these companies is extremely difficult.

Finally, the study did not take into account the impact of the COVID-19 pandemic on the luxury goods industry. The pandemic has had a major impact on the industry, impacting both consumer demand and supply chain operations. Future research may explore the impact of the pandemic and how luxury brands have adapted their value chains in response to these challenges.

In terms of suggestions for future research, it would be interesting to explore how luxury houses can incorporate more sustainability into their value chain. For example, how can we incorporate more environmentally friendly materials into our products, or how can we rethink our operating model to incorporate sustainability aspects into our supply chain?

Additionally, future research may explore how luxury brands can continue to personalize the customer experience in the digital age. For example, how can technology be used to provide personalized service, unique products, and a strong online presence? In conclusion, it will be interesting to explore how luxury houses can continue to innovate and reinvent and remain competitive in an ever-evolving industry. For example, how can technology and innovation be used to improve product quality and create innovative brand experiences?

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B. Glossary

- *Haute Couture*: Literally translated as "haute couture", this is the creation of exclusive bespoke garments.
- *Ready-to-wear*: Mass-produced garments available in several standard sizes.
- *Inbound Logistics*: Activities related to the receipt, storage and distribution of raw materials or components used in the production process.
- *Outbound Logistics*: Activities linked to the collection, storage and distribution of the product to the customer.

- *Luxury Fashion*: Fashion sector comprising the most prestigious, high-quality brands, often with higher-than-average prices.
- *Supply Chain*: Network between a company and its suppliers to produce and distribute a specific product.
- *Influencer Marketing*: A type of marketing that focuses on using key opinion leaders to amplify a brand's message.
- *E-commerce*: The sale of products or services online.
- *Sustainability*: Business practices that take into account long-term environmental and social impact.
- *Sourcing*: Process by which companies identify, evaluate and contract with suppliers of raw materials or services.
- *Sustainable development*: Type of economic and social development that aims to satisfy the current needs of individuals and societies without compromising the ability of future generations to satisfy their own needs. It implies the simultaneous consideration of environmental, economic and social factors in decision-making and operational processes. In the fashion industry, this could include practices such as using renewable raw materials, minimizing waste and carbon emissions, and improving working conditions in the supply chain.

C. Appendix

Figure 1: Difference between Supply Chain and Value Chain:

Basis For Comparison	Supply Chain	Value Chain
Meaning	The integration of all the activities involved in the procurement, conversion and logistics of the product is known as Supply Chain.	Value Chain is defined as the series of activities, that adds value to the product.
Originated from	Operation Management	Business Management
Concept	Conveyance	Value Addition
Sequence	Product Request - Supply Chain - Customer	Customer Request - Value Chain - Product
Objective	Customer Satisfaction	Gaining competitive advantage

Figure 2: The value chain analysis:

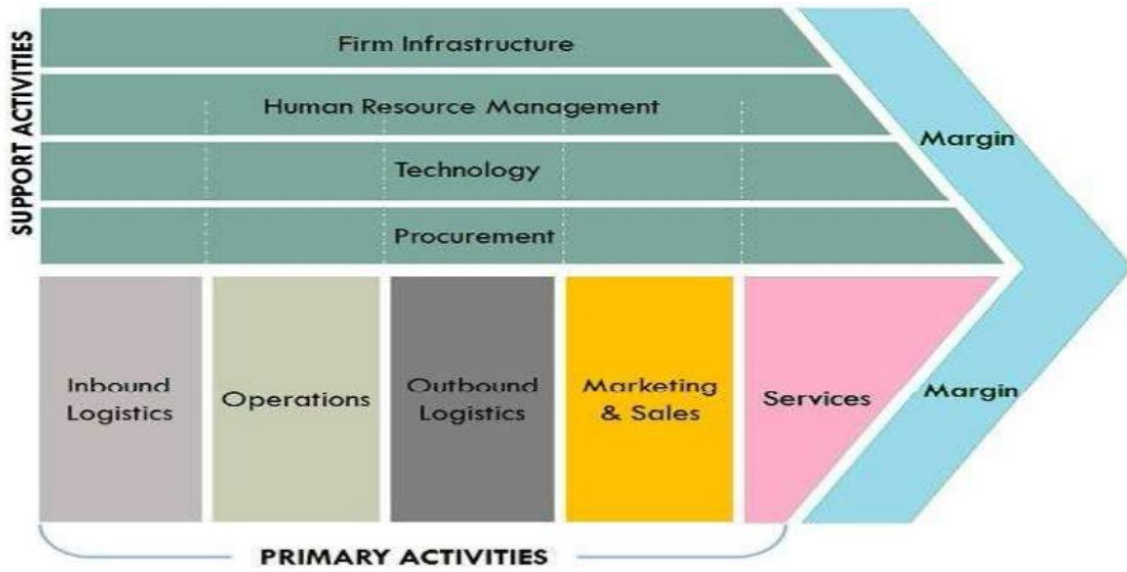


Figure 3: The revenue in the luxury fashion segment per year (Statista, 2019)



Figure 4: Burberry's revenue by channel (burberryplc, 2019)

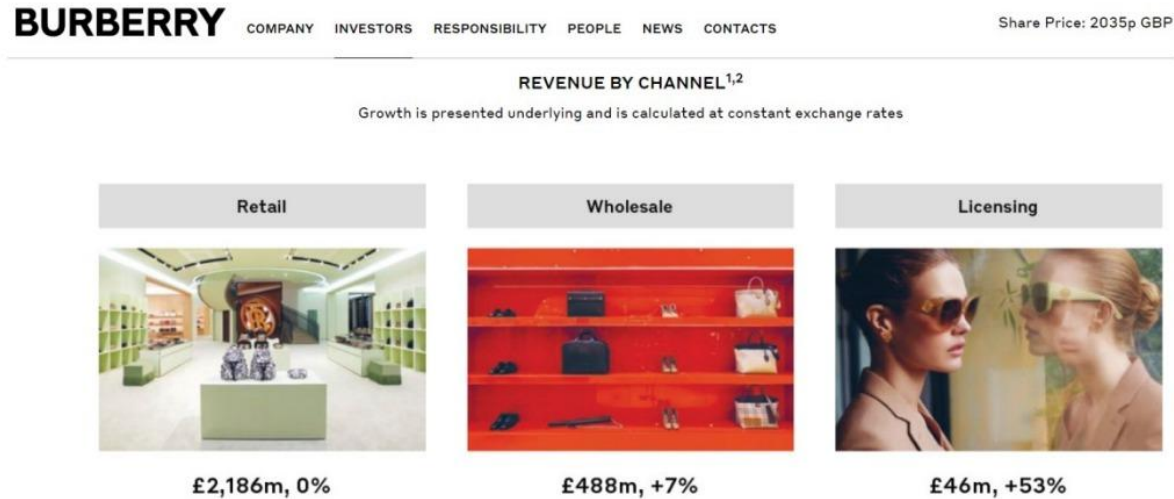


Figure 5: Gucci's revenue by region and product category (Kering, 2019)



Figure 6: Burberry's brand value development (Statista 2019)

