

Culture and Consumer Perception on Gucci's Marketing

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Abstract

Gucci has become one of fashion's most influential, innovative and progressive companies. The use of different cultures as marketing strategies in different countries is one of the factors contributing to Gucci's success. However, perception is people's perception and cognition of external things, and further processing of information through stimulation. Perception is one of consumer behaviors. Gucci changes consumer behavior by perceiving visual stimuli. This report examines and compares Gucci's marketing activities in Italy and China, and critically examines how culture and perception influence Gucci's marketing activities.

Keywords: spirit of innovation, cultural concept, marketing, consumer behavior, perception

1. Introduction

Gucci Company is a luxury fashion brand that is popular for its creativity. Its principal activities are manufacturing and distribution of leather goods, shoes, silks, timepieces and jewellery (Gucci, 2018). The company sells its products through its own stores and franchisees and department stores around the world. Gucci is one of the oldest companies in the luxury fashion industry, having been founded in Paris by an immigrant called Guccio Gucci in 1921. As a hotel worker, Guccio was fascinated by the way guests were carrying luggage and he decided that he would integrate lavish lifestyle of the people he saw in the hotels and art of craftsmanship. His first line of products consisted of leather bags for horsemen, which were gradually turned into luxury bags (CAF Tour & Travel, 2013). Almost 100 years later, Gucci is one of the most influential, innovative and progressive companies in the fashion industry with a completely different brand from the one that was created by the founder. The company has continually redefined luxury and positioned itself as a leader in the global fashion market (Bagista, 2018). Its products have been recognised as the perfect representation of the best Italian craftsmanship due to their high quality and prestige.

Gucci is a member of Kering Group that specialises in apparel and accessories and owns a large portfolio of popular luxury, sport and lifestyle brand. However, the scope of this report is Gucci Company and its marketing activities (Kering, 2018). This report starts with defining the marketing activities of the company and comparing how it executes them in Italy and China. It also examines how the enterprise can improve its marketing efforts using marketing theories and concepts of culture in the two countries. In addition, the report identifies perception as an aspect of consumer behaviour and defines the marketing activities of the company in relation to this element of culture. It then makes recommendations on how the firm can improve its current efforts using theories of concepts of consumer perception. Therefore, the objective of this report is to critically examine how culture and perception influence Gucci's marketing activities.

2. Culture

This part of the report focuses on the marketing activities of Gucci in Italy and China. In Italy, Gucci's promotional campaign aims to portray itself as a brand that is not only innovative in product design, but also precise in using the latest technology. Compared with mass products, it provides consumers with attractive and mature products. Consumerist culture based on capitalist philosophy drives Italian consumers to consume luxury

goods. In this socio-economic order, people consume more and more goods and services as long as they can afford them (Kagan & Burton, 2014). On the one hand, Gucci understands Italian culture. Gucci's marketing activities are mostly related to shaping the brand into more cultural and historical than other brands by telling stories. For example, due to geographical location, many cultures of Italy and Greece are similar. Therefore, Gucci once designed a Dionysus bag in product design, which was inspired by the Dionysus in Greek mythology and made consumers pay more attention to the cultural connotation of the product by means of fairy tales (Gucci, 2018). In view of the mature and dynamic Italian luxury market, the company has been innovative in its marketing efforts. For example, Gucci cooperated with many young European illustrators and street artists to attract the younger generation, especially with the concept of experimental marketing (McKinsey & Company, 2016). Advertising is also a common marketing strategy for the company in European countries, especially when new products are introduced from time to time to attract people's attention to new products.

Unlike Italy, China's luxury market has exploded in recent years (Rapp, 2018). Moreover, many consumers in Asian countries have a different mindset than in Europe. In fact, consumers' attitude towards luxury products originates from utilitarian culture, whose guiding ideology is to maximise the utility of their consumption (Turner, 1974). In this culture, people only buy what they think will bring them the greatest happiness (Khare, 2011). Gucci enjoys high brand recognition in China, especially among young people. However, brand recognition is relatively low, and the company's marketing activities are largely aimed at enabling consumers to distinguish the brand from other brands. Compared with Asian countries such as Japan and South Korea, Chinese consumers also have a relatively high propensity to consume luxury goods (Chakraborty & Sheppard, 2016). As a result, Gucci has used a number of innovations in China combined with traditional Chinese culture, largely to show consumers the great value of its products, rather than simply associating them with concepts of prestige and status. Gucci wants to integrate into local Chinese culture, so Gucci integrates into Chinese culture in product design. For example, China has 12 zodiac animals, each year has a special animal to represent the happiness and luck of the whole year, so 2018 is the year of the dog. In order to attract consumers, Gucci added a large number of dog patterns (Carder, 2018) to its products launched in the New Year of 2018.

3. Indulgence Versus Restraint

In Hofstede's cultural dimension index, indulgence index in Italy is higher than that in China, and indulgence refers to people's ability to control desire and impulse (Tang & Koveos, 2008). This trait is acquired through life experience and interaction with the environment. These indicators mean that Italians have less control over desire and impulse than Chinese (Irfan, 2016). Therefore, Gucci's marketing in China is more challenging. Due to the influence of Chinese Confucian culture, Chinese people tend to behave more introverted and low-key (Guo, 1995). Consumers have lower affinity for leisure and prestige and stronger control over desire. Therefore, in order to succeed in China, they must emphasise the practical value of the product, not only the status that it will provide to users (Dey, 2017). In fact, those who indulge in pleasure will be viewed negatively by the society and may be regarded as abandoned by the society because they do not follow the established social norms and conventions.

In Italy, especially in Europe, there is a tolerant culture in which freedom of speech and personal control are considered important (Balkin, 2004). Therefore, people can choose to consume what they want without anyone judging them based on any social expectation. Personal happiness is more important, social acceptance is higher, and individuals focus on achieving goals (Irfan, 2016). In Italy, Gucci's marketing campaign aims to show consumers how its products can make them happier than others. For example, when dealing with customers in shops, customer service personnel are always expected to be happy. They should smile, be friendly to customers and explain how the products make them happy. Due to the difference in luxury indulgence dimension between the two cultures, Gucci needs to use different marketing strategies to attract customers. Gucci has launched a series of online marketing models in Italy and China, which have aroused extensive discussions on social software. Although it is network sale, but combines the traditional culture of different countries to undertake subtle change again. Gucci has made more innovations in digitalisation in order to explore the preferences of Chinese consumers. Due to the prohibition of Facebook, YouTube and other social media in China, Gucci designed interesting activities for Chinese consumers on its app during the Chinese New Year, combining with the traditional Chinese culture. After logging in and registering with Gucci app, consumers can design their New Year wishes and expressions and share them with friends and relatives. iPhone X users can also use 3d effects. Although not everyone can afford the price of Gucci, the free emoticons this New Year have increased the exposure rate of Gucci and its popularity among Chinese people. Gucci also cooperates with the most popular Chinese photo-taking software (similar to Instagram), to create emojis and photos with Gucci designs (Zhou, 2018). Gucci's rich symbolic image makes this activity very attractive to young consumers. However, For the Italian market, Gucci launched the #TFWGucci (That Feeling When Gucci) campaign on Instagram, collaborating with young web celebrity designers for a series of creations (Gucci, 2018). They created artistic images that went viral through social media, exploded for young people and set a new trend in the European

market.

4. Recommendations

Although Gucci has tried to integrate into local culture in China, it has launched products corresponding to traditional Chinese culture, such as red-themed products favoured by Chinese people at the traditional Chinese New Year. Red represents luck and happiness in China, as well as the integration of the twelve zodiac animals. However, due to the lack of in-depth understanding of culture and blindly wanting to integrate into traditional culture and not combining with the aesthetic culture of the country, the products designed are too stiff, causing hot discussion and ridicule among consumers. The design that really wants to integrate into the Chinese market is not only to print simple Chinese characters and common patterns on the logo of the brand, but also to try to have a deeper understanding of Chinese culture.

5. Consumer Perception

The identified consumer behaviour is perception, which is defined as customers' impression or consciousness of a company or its products and services (Bamossy & Solomon, 2016). Perception is people's perception and cognition of external things and further processing of information through stimulation. According to the perceptual process, people will pay attention to the visual, auditory and olfactory stimuli, and the brain integrates information and stores it in the brain to form memories. (lumen-learning property- and hit large reserves). Memory is divided into unconscious memory and conscious memory. Conscious memory is a process of learning. According to the forgetting curve, conscious memory is divided into long-term memory and short-term memory (The Human memory, 2018). As a result, the way consumers perceive brands such as Gucci is influenced by advertising, advice from relatives and friends, public relations, social media, personal experience and media. Every time customers interact with the brand, their perception will be affected in one way or another (Kazmi, 2012). For example, if a customer sees negative comments about Gucci or its products on Facebook, he or she will change his or her view of the company or the specific product mentioned. Some of the factors that affect consumer perception are within the control of the organisation, while others are not. Enterprises need to pay attention to things they can control, such as the way they arrange products in stores, the colours and shapes of their signs, and the types of marketing information they use in promotional activities (Martinez, 2012). Gucci stimulates people's vision through the form of advertisements, which enables people to form conscious and unconscious memories. In addition, it generates long-term memories through repeated propagation, which deepens customers' understanding of the brand.

Understanding consumer perception requires understanding perception theory. The premise of perception theory is that human senses and their contents can be classified and learned. Basically, perception refers to the point at which a person is aware of something through his senses. In response, individuals may use their intuition or decision-making ability to generate positive or negative thoughts about them (Durmaz & Diyarbakirlioglu, 2011). Or one may simply ignore it and move on with their life. Consumer perception can also be explained by self-perception theory, which solves the problem of how people view themselves in different environments (Martinez, 2012). As a luxury goods company, perception is very important for Gucci, because it directly affects whether people will consume its products. To convince consumers that the brand is superior to other brands in the fashion industry, marketers must overwhelm their senses with prestige and class information. They must be able to stimulate an adrenaline rush that drives buyers to the store regardless of price. When consumers have a strong positive perception of a particular product, they are most likely to spend any amount to buy the product (Spencer & Freeman, 2012). Therefore, the goal of marketing efforts should be to prove to potential consumers that they will gain unique status and exclusivity when they use the company's products.

6. Definition of Marketing Activities

In order to improve and maintain the positive perception of customers, Gucci has launched various online activities in Italy, bombarding visual stimulation with advertisements. For example, the opening of Gucci Garden, Gucci built a museum in Florence, named Gucci Garden (Madsen, 2018). Gucci Garden is a building, which is a fantasy world, a visual feast created by Gucci designers. This building was rebuilt in a building in the 14th century, its appearance is classical with Italian architectural characteristics, while the interior design is modern art, unrestrained fantasy, bringing unprecedented visual stimulation, and forming a deep memory in mind. In addition to the logo of Gucci, there are also novel symbolic elements, which can make people remember and associate more clearly and intuitively. And Twitter activities use colour images to enhance people's visual impact and memory (Minton, 2018).



Source: huanqiu.com



Source: huanqiu.com



Figure 3. Inside of Gucci Garden

Source: huanqiu.com

Gucci's visual impact does not stop at the design of Gucci Garden, from advertising to photography and design, which is more intense and stimulating. For example, Gucci's new model of early spring 2018 released advertising pictures, which did not completely use real scene shooting, but combined the model and oil painting, making it difficult to tell whether it is a painting or a real person. Gucci uses rich colours to reverse people's old and rigid impression of luxury products. Gucci uses oil paintings to make people feel as if they were in the 18th century and feel elegant and gorgeous (Souhu, 2018). Moreover, Gucci vividly tells one story after another with the feathers of many insects and animals on the patterns, so that people can see not only commodities but artworks when they buy them, which makes the combination of culture and products very beautiful, both retro and fresh. The modern interpretation of culture enhances people's visual memory. It seems that all the designs are against the theory of modern society, breaking the prejudice and taking off the inherent label of luxury goods. Using patterns and symbols to stimulate the desire of people's hearts, Saussure's structuralism is fully used to express the meaning behind culture, which makes people's brains have different associations. Gucci designer has deeply imprinted new meanings in consumers' minds through the accumulation and superposition of seemingly

messy symbols, so that customers cannot forget what they have seen and have direct associations, and arouse nostalgic emotions with symbols.

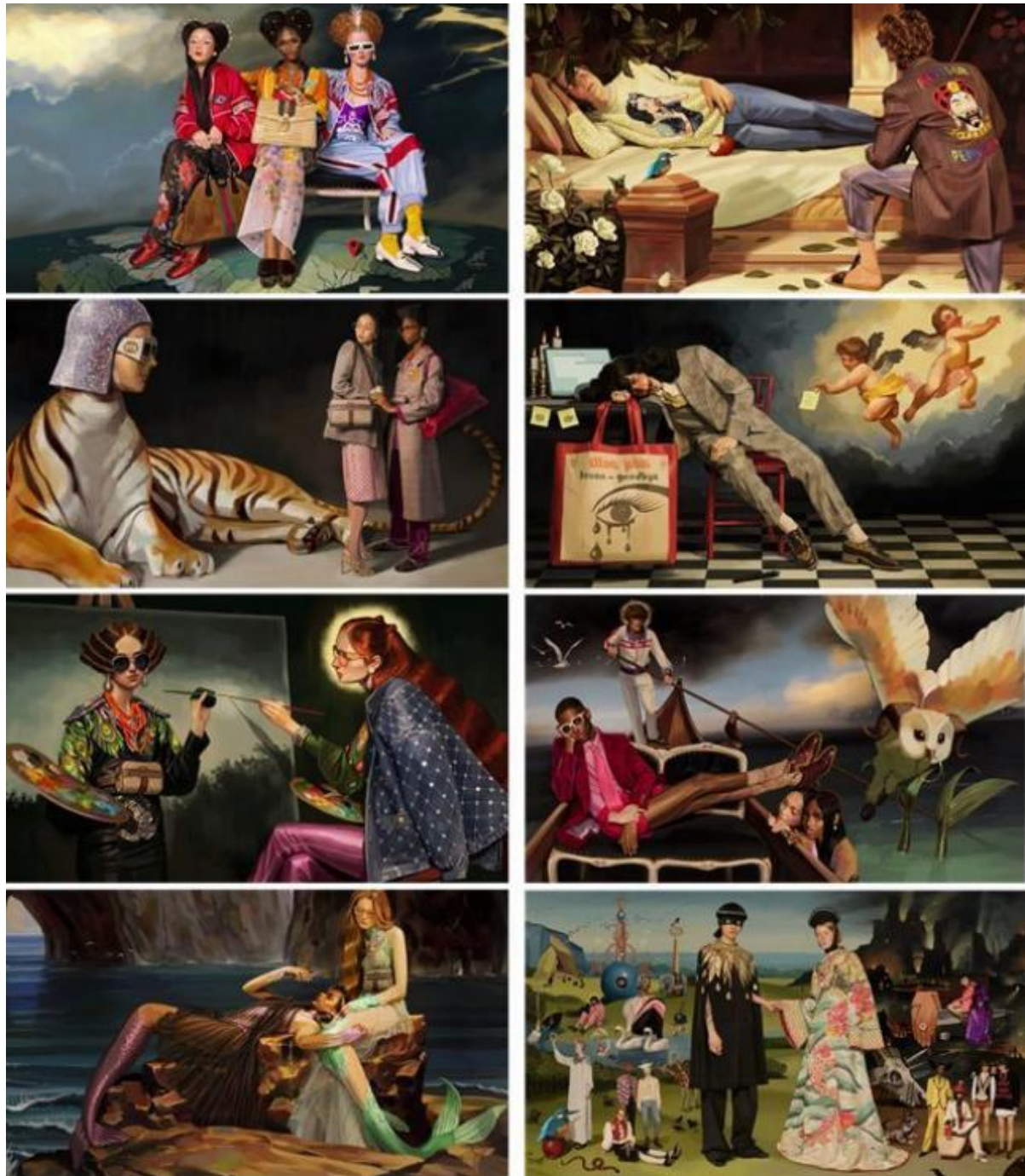


Figure 4. 2018 spring and summer series ads

Source: huanqiu.com

7. Recommendations

Gucci will not only carry out a series of marketing activities in Europe, but also carry out social media marketing in Asia to attract more young users from different cultures in Asia. Gucci Garden, which is very attractive, is only set up in Europe. Gucci should set up similar Gucci Garden in Asian cities to attract young consumers, introduce Gucci brand culture into the Asian market, and let Asians know more about European culture. The goal of these efforts should be to let as many people as possible know about the existence of the brand and what it stands for. Online conversations and discussions with young people will help Gucci become a familiar name

among the younger generation. In addition, the company needs to treat the prices of its products as lower than those of its competitors, not as a premium. For example, it can offer loyalty programs and bulk discounts to attract buyers from other stores. In fact, companies can adopt two different pricing strategies to cater to the mass market. As a result, the company will minimise the impact of the economic cycle on its profits. As consumer incomes fluctuate, demand for luxury goods rises during booms and falls sharply during recessions.

8. Conclusion

Gucci's marketing campaign in China can't go the way it did in Italy. Due to cultural diversity, similar promotional messages can be interpreted differently in both markets. Italian society tends to be more indulgent than Chinese society, which affects their view of luxury consumption. In addition, the difference in national culture also has a great influence on the way people spend money. Italians have a culture of tolerance, they have more freedom to buy whatever they want, with little regard for how it will affect others. However, the consumption habits of Chinese people are limited by social norms and conventions, which hinder luxury consumption. If Gucci adopts the same marketing strategy in both cultures, it may not be able to effectively cultivate customers' expectation perception. Therefore, the design of its marketing activities should recognise the uniqueness of the needs and expectations of people in these cultures and their subcultures.

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