# C/ DETAILED GUIDELINE

## I. Market segment introduction
Choose 1 market segment (luxury, mid-end, mass market) to analyze.
Provide an overview of the market segment, key characteristics, major market, revenue, list of some top brands, what is this segment like in Vietnam,...

**Example:**
Luxury fashion industry segments include premium, high-end, prêt-à-porter, and haute couture, with ready-to-wear. Limited social class influence creates a revolving door for brands seeking luxury shoppers' support (Vecchi and Buckley 2016).

The luxury fashion market's revenue rebounded from a dip in 2020 to reach around 108.4 billion USD in 2021, a significant increase from 2020. According to the Statista Consumer Market Outlook, the market would produce revenue of 132,8 billion USD by 2025 (Statista 2022).

Luxury customers primarily come from Russia, China, and the Middle East. LVMH, Kering, and Richemont dominate the ready-to wear industry, while Louis Vuitton dominates the luxury fashion market. Other brands include Hermes, Gucci, and Prada (Handley 2018).

Vietnam's personal luxury goods market reached $976 million in 2021, projected to grow by 6.67% annually, with luxury brands seeking entry due to its expanding retail market and lower rents (Nguyen 2022).

## II. Market environment overview
- Analyze the current market conditions and factors that influence the market segment.

**Example:**
Household income growth boosts fashion apparel spending, resulting in a 5% economic expansion in 2018, valued at €1.2 trillion globally.

Luxury fashion is experiencing a shift towards sustainability, transparency, and traceability, driven by increased customer knowledge about materials, fabric quality, labor conditions, recycling, and social activities. Online purchasing has transformed the industry, leading to investments in AI and big data. Luxury fashion also adopts a slow fashion business model, focusing on local resources and longer product lifetimes for a more ethical supply chain (Kvasha and Gouwens 2019).

1. Brand no.1
2. Brand no.2
3. Brand no.3 (optional)
   - Select 2 or 3 of these key brands and provide an in-depth analysis of each, including their history, market positioning, identity, strategies, target market…
     - Suggested luxury brands: Louis Vuitton, Gucci, Chanel, Dior, Hermès, Fendi, Balenciaga,...
     - Suggested mid-end brands: Michael Kors, Kate Spade, Hugo Boss, Coach, Lacoste, Diesel,...

○ Suggested mass market brands: Zara, H&M, Mango, Uniqlo, Pull&Bear, Old Navy, OVS,...

- History: Gucci, founded in 1921, is an Italian fashion house known for its luxurious travel items and horse equipment. Initially manufacturing leather, knitwear, silk, footwear, and handbags, the brand gained popularity in the 1950s due to its sumptuous designs. In 2015, Alessandro Michele became creative director, leading to record sales and an 11% increase in profits for the parent company, Kering (Highsnobiety n.d).
- Identity: Gucci's strong brand identity, characterized by high-quality craftsmanship and daring design, creates a personal connection with customers. This trustworthiness and familiarity with the brand make it a preferred choice for luxury brands (Luxury Heterotopia 2017).
- Strategies: Gucci balances fashion-oriented products with timeless essentials, creating classic pieces while adapting to current trends, according to Business of Fashion (Lectra 2021).
- Main products: The product lines of Gucci include handbags, ready-to-wear, footwear, accessories, makeup, fragrances, and home décor.
- Target market: Gucci targets middle-aged, high-status, high-income individuals, including celebrities, politicians, and high-paying professions, with affluent lifestyles and social standings.
  - Demographic: Gucci caters to both boys and females, offering unisex products, catering to socially and financially privileged individuals, excluding middle-class or lower-class consumers.
  - Behavioral: Customers show high commitment to Gucci due to its opulent design and superior quality, enhancing their shopping experience with exceptional attitudes and conduct.
  - Geographical: Gucci is a luxury fashion brand that prioritizes quality, environmental standards, and local distribution, with less than 500 directly controlled outlets worldwide.
  - Psychological: Gucci's audience and target market have consisted of people with affluent lives, such as singers, film stars, and celebrities, whose purchasing decisions are heavily impacted by their social class.

## IV. Customer profiles
Create three distinct consumer profiles to represent the chosen market segment.
- Suggested customers for luxury market: Ho Ngoc Ha, Son Tung MTP, Quynh Anh Shyn
- Suggested customers for mid end market: Trinh Pham, Quynh Thi, Changmakeup
- Suggested customers for mass market: (your friends & family)

Include demographics (age, gender, location, income), psychographics (values, interests, attitudes), lifestyle (daily routines, hobbies, interests), and activities related to fashion (shopping habits, brand loyalty, style preferences).

**DEMOGRAPHIC:**
Full name: Phi Quynh Anh
Gender: Female
Age: 26 (gen Y)
Marital status: Single
Occupation: Fashionista, influencer
Income: $4000 USD/month (at least)

**GEOGRAPHIC:**
Residential location: Ho Chi Minh city
Language: Vietnamese, English

**PSYCHOGRAPHIC:**
Fashion style: willing to examine new and various fashion styles.
Lifestyle: Active, creative, enjoyable, professional.
Interest and hobbies: Fashion, social media, music, books, culture, traveling, pilates.
Attitudes: Open-minded, support traditional values, enjoy and appreciate art
Purchasing motive: Aesthetic, versatility,  functionality.

**BEHAVIORAL:**
Influence factors: Unique and fashionable design, brand's image and story telling, customer service, high-quality products
Shopping mode: Online and offline store.
Shopping platforms: Brand's social media, official website, e-commerce sites.
Spending habit: Willing to invest in unique fashion products with diverse mix and match capabilities

# D/ TIPS

- Select significant brands within the segment and analyze their strategies and impact.
- Create in-depth consumer profiles that go beyond demographics.
-  Identify similarities and differences among brands or consumer profiles.

# F/ FOOD FOR HUNGRY THOUGHTS

Vecchi A and Buckley C (2016) *Handbook of Research on Global Fashion Management and Merchandising*, 1st edn, Hershey: IGI Global, doi: 10.4018/978-1-5225-0110-7.
Handley L (2018) *The luxury sector is growing faster than many others and Gucci is in the lead*, CNBC, accessed 12 August 2022.
<https://www.cnbc.com/2018/10/04/the-luxury-sector-is-growing-faster-than-many-others-and-gucci-leads.html>

Kvasha E and Gouwens J (29 November 2019) 'The Current and Future External Environment in the Luxury Fashion Industry', *LinkedIn*, accessed 15 August 2022. <https://www.linkedin.com/pulse/current-future-external-environment-luxury-fashion-industry-kvasha/>