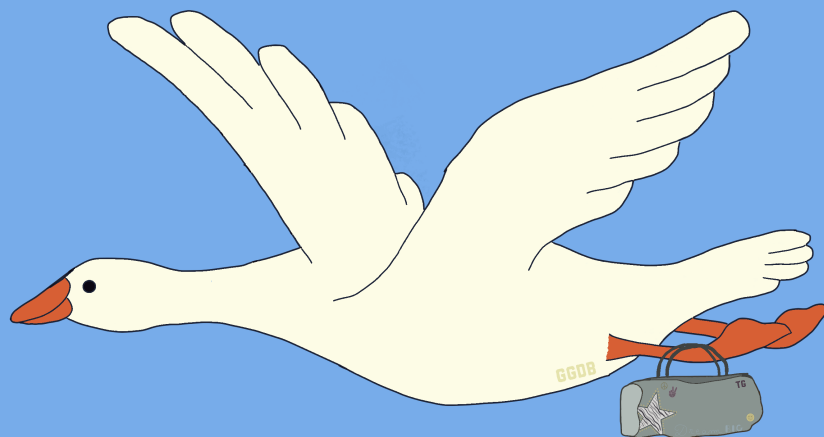


## **The Travel Goose**

*~The Travel Geese~*

Abadía Sofía  
Gomez Maria  
Machado Guillermo  
Malling Victoria  
Pareja Roberto  
Rimmer Myléna  
Sitbon Nina  
Undreiner Toro Victoria



## Introduction

### Selected brand:

When we look at the fashion or the luxury industry, we realize that, because of trends and social media, people tend to rapidly resemble one another. Our group felt that a lack of personality and originality was starting to show. This is why we have chosen the brand Golden Goose to create and develop a new product. The company was founded by two Venetian designers, Alessandro Gallo and Francesca Rinaldo, in the year 2000 (Wikipedia contributors, 2023). Originally, the brand was created as a reaction to haute couture but without compromising the emphasis on quality. It combines a modern and a vintage style and is characterized by a traditional Italian manufacturing (*Story behind Golden Goose*, 2019). This brand is known for its vintage-style sneakers with an already worn-effect, made with high-quality leather (Bote, 2020). They are all handcrafted in Italy. Golden Goose has expanded their shoe manufacturing to leather cowboy boots and diversified their goods by selling clothing and accessories. They also sell an in-store service which is a co-creation experience. It consists of customizing, by adding a drawn design onto the sneaker, with professional help which are called sneaker makers. The brand is not overly reliant on a particular fashion trend, season, generation or gender. Therefore, it can be enjoyed by everyone. All of the company's customers are divided within three geographical zones,- Asia, the United States and Europe. Golden Goose has been owned by multiple private equity firms and has most recently been acquired by the investment fund Permira in 2020. Golden Goose remains a small company with a niche market position in the personal luxury goods market (*Fitch Upgrades Golden Goose*, 2023).

### New product:

We are introducing a new line of travel bags that consumers will be able to completely customize. We chose Golden Goose, since they are a brand who provide the personalization services in their sneaker line. We wish to develop a new line of leather goods that takes personalization to a whole new level to expand the brand's unique style and address the lack of individuality we see in the luxury fashion industry.

### The Ansoff Matrix:

The approach that we selected from the Ansoff Matrix to introduce this product in the market is product development. We are entering an existing market with a new product. The luxury handbag industry is based on exclusivity and brand prestige. It is already very large and possesses many major players. Indeed, the global market for luxury handbags is expanding and is it expected to advance with a 6.1% CAGR (Compound Annual Growth Rate) from 2023 to 2031 which means that the market is experiencing consistent growth (Sawlani, 2023). However, consumers seek out for unique designs and personalized experiences, which is why we believe this is a new product because nothing like it currently exists and why it has a potential within the market.

## **Environmental analysis:**

### Macro-environmental analysis (PESTLE):

- **Political:**
  - Trade policies - **tariffs** (tax imposed by the government of a country or by a supranational union on imports or exports of goods), **quotas** (trade restriction that sets a physical limit on the quantity of a good that can be imported into a country in a given period of time), and **embargoes** (ban on trade or other commercial activity with a particular country):
  - Government regulations - product safety, labeling laws and anti-dumping regulations.
  - Political stability - Depending on the government, the production or distribution of our travel bags could be affected by conflicts due to military restrictions or armed conflict.
- **Economical:**
  - Economic growth - Since our product is more on the high-end spectrum of the fashion industry, economic growth in the country is a very significant factor in the sense that it can determine how many people will be able to afford our products.
  - Exchange rates - Fluctuating exchange rates can make the distribution of luggage throughout different countries slightly more or less profitable.
  - Inflation - The rising costs of raw materials needed to produce our travel bags can impact heavily the ultimate price of our bags.
- **Social:**
  - Changing consumer behavior - Although changing consumer behavior can be a very influential factor, that is the purpose of our brand, for it to be customizable and assume the likes of our customers.
  - Cultural values - Many countries have different cultural beliefs where some logos or characters might be seen as offensive or inappropriate so it would be important for us to take this into account when expanding our brand.
  - Demographic shifts - As our product is intended for younger people, aging populations in some countries can affect our sales through these demographic shifts.
- **Technological:**
  - AI & Research - Through AI and research, we can have more in-depth information about upcoming trends and the consumer market overall, becoming a great advantage.
- **Legal:**
  - Intellectual Property Law - Laws that protect creators and owners of designs and writing could influence the patches that we could legally place on the bags.
  - Labor laws - Labor laws varying in every country can affect our work production. Especially since our workers must be qualified to create the high-quality products we offer.
  - Product Safety regulations - Again, depending on the country, product safety laws can have an impact on which countries will have easier access to our products, although we don't believe this would have the highest impact.
- **Environmental:**
  - Disposal of products - Although we would attempt to have the least amount possible, excess material used in the process of manufacturing must also be taken into account. Disposal of this material can be expensive.
  - Water scarcity - A significant amount of water is needed to produce leather, so water scarcity in some countries must be an issue that we take into consideration.

### Micro -environmental analysis:

To understand the micro-environmental factors affecting our golden goose product, it is essential to identify and analyze each competitor.

Berluti, a luxury menswear and shoemaking brand, is one of our competitors. We strategically chose Berluti because of its association with superior leather and materials, coupled with a degree of customization, which aligns with our own concept, such as leather patinas for shoes (*Berluti Online Store - Shoes, Ready-To-Wear, Leather Goods* | ES, s. ). Berluti has several strengths, including its craftsmanship and commitment to traditional artisanal techniques. The use of premium materials, with high-quality leather, solidifies its position in the luxury market. Berluti also has a distinctive design characterized by a blend of classic and contemporary elements that set them apart from their peers. Additionally, its global presence, with a network in major cities, contributes to its market influence around the world. Finally, while it is initially known for its footwear, Berluti has expanded its product range to include accessories, leather goods, and ready-to-wear clothing. In contrast, our brand's competitive advantage over Berluti lies in our youthful and trendy aesthetic, offering a stark contrast to Berluti's classical style. Therefore, we attract a different segment of consumers. Our emphasis on inclusivity, targeting both men and women across various age groups, ensures a broad and diverse market reach, distinguishing us from Berluti's more men focused approach.

Our second competitor is Louis Vuitton, specifically focusing on its Louis Vuitton's World Tour Collection, which provides a personalized range enabling customers to design their own handbags or luggage, reflecting a unique travel experience (Vuitton, s. d.). We chose Louis Vuitton because of the similarity of offerings in the luxury travel accessories market, particularly the shared concept of providing customizable experiences with patches representing different cities. Louis Vuitton's World Tour Collection has significant strengths. First of all, it is synonymous with Brand Prestige, being a globally recognized and prestigious luxury brand. The customization aspect of this collection adds a layer of uniqueness, setting it apart within the luxury market. The commitment to Craftsmanship and Quality, evident in the World Tour Collection, further contributes to its competitive positioning. Our competitive advantage over Louis Vuitton stems from our innovative approach to customization. While both brands offer a personalized experience, our customization options surpass those of Vuitton. We go beyond by incorporating innovative features and a more extensive range of personalization elements, including color selection, patches, pins, Swarovski jewels, handle design, and initials. This breadth of options allows customers to tailor their products with unparalleled specificity, enhancing the individuality of each item.

The SWOT analysis:

SWOT Analysis Components	Golden Goose's elements
Strengths	<ul style="list-style-type: none"> <li>• Golden Goose is well known internationally and has a strong brand recognition. Their customer reach is also wide considering both gender and age.</li> <li>• Golden Goose's unique streetwear products are something that few luxury brands have - making them appealing to a wider customer range. Their phrase "Younique" which they use to describe their products emphasizes their ability to fit into the customers wishes.</li> <li>• Golden Goose uses high-quality materials for their products which guarantees durability and comfort, making them strong compared to competitors.</li> <li>• The company has strong customer loyalty - their customer base is dedicated and appreciates the brand's style and quality.</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>• Golden Goose's products have high prices which limits their customer target group</li> <li>• The company has a limited product range consisting of mainly footwear</li> <li>• As environmental concerns are increasing the company may face scrutiny regarding sustainability and ethics</li> <li>• Other luxury companies have similar products and the luxury sneaker market is becoming increasingly saturated. There is also high competition in a small market</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>• Golden Goose's fashion shows are original such as their latest show Venice was on a skate ramp. Unusual and cool elements like this can attract new customers with a more Street Style focus.</li> <li>• By diversifying their products beyond footwear Golden Goose can reach out to a larger customer range.</li> <li>• By becoming more sustainable and ethical the company can keep its relevance in changing trends and focuses of the public.</li> <li>• By developing their e-commerce, Golden Goose can optimise their online sales channels</li> <li>• Collaborating with other companies can allow Golden Goose to expand their customer range and increase their exposure.</li> </ul>
Threats	<ul style="list-style-type: none"> <li>• Economic downturns can impact expenditures on luxury and therefore decrease sales for the company</li> <li>• High competition in the market is a threat as the company is vulnerable to the actions of other firms</li> <li>• Changes in consumer preferences and shifts in trends can affect the company's sales.</li> <li>• Other companies developing similar products could lead to less interest in Golden Goose's products</li> <li>• Supply chain disruptions can lead to shortages in supply of products and therefore reduction in sales</li> </ul>

## Marketing strategy:

### Description of the new product:

Our product concept is the following. Since Golden Goose is known for its vintage-style sneakers made with high-quality leather using Italian manufacturing, we thought of taking their know-how and extending it to travel bags which would be completely customizable. There would be different sizes and a small variety of colors of leather. The customer could choose the star of their choice and then add patches, pins, Swarovski jewels, etc. to the bag itself just like they already can on a sneaker. Moreover, if the bag is customized in-store, they could have a design drawn. The strength of our line is the opportunity to adhere to one's personal style, to create something that is uniquely theirs. The true exclusivity of having something that is the only one of its kind.

Here is a sketch of what it would look like:



### Segmentation and targeting:

- *Segmentation:*

We decided to choose multiple segmentation criteria for our new product:

The first criterion chosen is demographic segmentation, based on income level. We decided to choose this criteria because our product is not affordable for everyone, thus we consider income level a determining factor to have in mind for our marketing strategy. We divided the market into three groups based on the income level using the Gini coefficient. First, we find the group with the lowest income level, with a share of earned income from 0% to 33,3%. The second group is composed of the medium-level population, with a share of earned income from 33,3% to 66,6%. Finally, the third group is formed by the highest income level population with a share from 66,6% to 100%.

Secondly, we decided to use psychographic segmentation, based on the lifestyle, interests, attitudes, and personalities of the market. The reason why we decided to apply this criterion is because psychographic traits are important when targeting a specific public in the fashion industry. With this segmentation, we divided the market into four groups based on different profiles of luxury product buyers: *The Connoisseur*, *The Status Seeker*, *The Hedonist*, and *The Investor*. ***The Connoisseur*** is a luxury brand buyer who is driven by a deep enthusiasm for a specific product category, like exquisite wines, gourmet cuisine, or upscale fashion. These individuals typically

possess a wealth of knowledge about the chosen product category and actively pursue exceptional, rare, or distinctive items to enhance their collections. ***The Status Seeker*** represents a category of luxury brand consumers propelled by the aspiration to showcase their affluence and social standing through their acquisitions. These individuals actively pursue well-known luxury brands that carry a strong association with elevated social status and prestige. ***The Hedonist*** is primarily driven by the pursuit of pleasure and enjoyment. They appreciate luxury goods for the sensory delights they offer, including the tactile sensation of soft fabrics, the gustatory satisfaction of exquisite food and beverages, and the aesthetic allure of meticulously crafted objects. Finally, ***The Investor***, who views luxury goods as a means to invest their capital. These individuals are often drawn to acquiring items with the potential to appreciate in value over time, particularly favoring rare or limited edition pieces from renowned luxury brands.

To summarize, with this segmentation criteria we have a total of 12 different segments based on demographics and psychographics, achieving this way better-defined segments on which to apply a more effective strategy to the chosen target segment.

- *Targeting:*

From the past segments mentioned, we chose to target hedonistic people in the higher  $\frac{1}{3}$  of the income bracket. We chose the top  $\frac{1}{3}$  income bracket as most suitable for our target customer, since the intended audience we are trying to appeal to are willing to spend 500 euros and more, which is something not everyone is willing to do. We also did not specify gender because we believe that Golden Goose sees no correlation between fashion and gender. From the segments available, we chose the hedonist. We believe it is the most suitable specification for the intention of customizing bags, as they tend to engage various emotions such as pleasure and enjoyment, and have the advantage of buying luxury items. Additionally, their love for items with high quality based materials is supplemented by the premium Italian leather that Golden Goose provides, which feeds their fondness and investment into the brand. Finally, these people are attracted to creative and engaging immersive experiences, which makes them interacted to the product. That type of connection a new level of pleasure for the customer when going through with his purchase (M.A., 2023).

- *Buyer persona:*

Our buyer persona Kate Sitbon. She is a 30-year-old married women. She currently lives in New York City. She is the PR manager for Louis Vuitton, in charge of celebrities in North America. She graduated college and majored in communications. Her income level is high. She likes to go for runs early in the morning in Central Park. She also enjoys reading, painting, spending time with her loved ones and her job. She identifies as a hedonist type of luxury brand buyer. This person exhibits the psychological characteristics of a preference for immediate rewards over delayed benefits, a

willingness to explore new and unfamiliar activities, and a strong appreciation for high-quality and luxurious experiences. Behaviorally, she tends to make impulsive buying decisions, likes to express their personality through fashion choices, and loves the anticipation and excitement of exclusive offers. In particular, choosing a Golden Goose custom bag resonated with her because she appreciates the opportunity to co-design a custom bag that fits her personal style. Furthermore, she

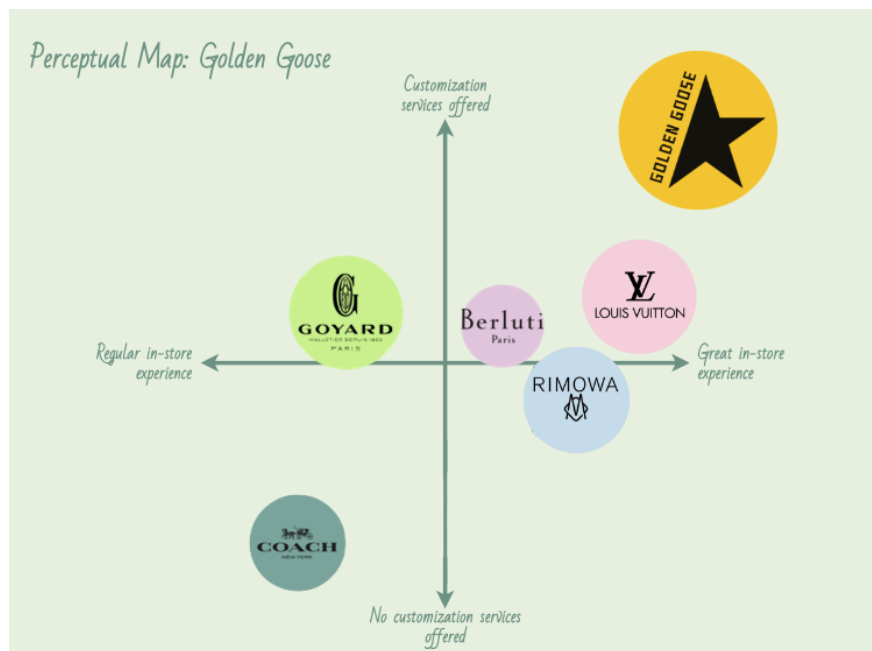
### Positioning and Differentiation:

- *Positioning statement:*

"For those who values individuality, Golden Goose Customizable Travel Bags redefine the travel experience. Elevate your journey with a brand that, not only understands your unique taste, but also provides a canvas for your individuality. Choose Golden Goose, where every adventure becomes a statement of your distinctive style and uncompromising taste."

- *Differentiation:*

- Perceptual Map



The selection of Louis Vuitton, Goyard, Rimowa, Berluti, and Coach as competitors for Golden Goose was made with a deliberate focus on contrasting in-store experiences and customization services. These brands are positioned within a range of luxury levels; high end and entry level. Moreover, they have a similar level of quality, considering craftsmanship and their product's durability as Golden Goose, as well as having a similar customer base. For this reason, we consider the selected brands are the best selection competitors to show how Golden Goose differentiates itself. We can deduce from this perceptual map that two competitors for our product are Louis Vuitton and Berluti as mentioned in the micro-environmental analysis.



## Market Research

### Interview:

We decided to conduct individual interviews over a focus group interview to ensure a more confidential setting, allowing participants to express their own personal opinions openly without a group dynamic, which usually leads to bias opinions because of social pressure. This approach enables a deeper exploration of individual preferences and perceptions, providing a more nuanced insight into the target customers' thoughts and desires.

Individual interviews were conducted with a diverse group of 15 participants (sample size). The interviews took place in a controlled environment (a room in IE tower) to make people comfortable since it is an environment they are familiar with. The participants were chosen to capture as a holistic view of the target market with an average age of 20 years old and a mix of genders with 60% (9 women) female and 40% (6 men) male.

### ***Our research questions are the following:***

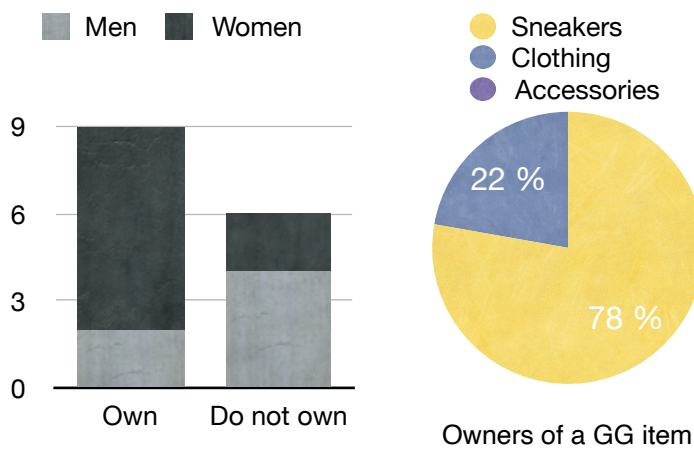
1. Do you have any golden goose items? If not, is it something you want?
2. What is your perception of the brand Golden Goose?
3. Are you aware that Golden Goose is offering personalized shoes? Is this something you would desire in other types of goods, like traveling equipment?
4. Do you think something is missing from the luxury industry?
5. Is personalized goods something you like, and something you want more of? Why?
6. If you were to buy a new travelling product, would you want to personalize it or not and why?
7. Would you purchase this good? If not, why? If yes, would you recommend it to someone else and why?

This questionnaire allowed us to discover key findings and insights about our product:

1. Do you have any golden goose items? If not, is it something you want?

**Indeed, in terms of existing ownership and desirability of Golden Goose items**, 60% (9 people) of the interviewees owned at least one Golden Goose item, but the other 40% (6 people) of the participants did not own any Golden Goose items, although 33% (2 people) of them expressed interest in having them. Approximately 78% (7 people) of those who answered that they had in their possession a piece of clothing from Golden Gosse specified that it was a sneaker.

Here are two graphic which illustrate the mentioned data:



We can conclude from these two graphics that even though Golden Goose is gender-inclusive that many more women own Golden Goose items and that their dominant sold good are their sneakers which is why it would be strategic to expand the brand.

## 2. What is your perception of the brand Golden Goose?

Regarding **the perception of the brand Golden Goose**, a substantial 93% (14 people) of participants perceived Golden Goose as a trendy and fashionable brand with a unique and distinctive style. People used several adjectives to describe the brand such as high-quality, exclusive, colorful and luxurious. These terms indicate us that in people have a great esteem of Golden Goose in their minds.

## 3. Are you aware that Golden Goose is offering personalized shoes? Is this something you would desire in other types of goods, like traveling equipment?

Moreover, **in terms of awareness and desire for personalized goods**, 73% (11 people) of participants were unaware of Golden Goose's personalized shoes. This data is understandable as Golden Goose stores have only recently started to offer that service outside of Italy and New York. However, an impressive 93% (14 people) expressed interest in personalized goods, particularly in the context of travel equipment.

## 4. Do you think something is missing from the luxury industry?

Regarding **the perceived gap in the luxury industry**, all participants believed that personalization is an aspect missing from the luxury industry, presenting an opportunity for innovation. A made-to-order bag reflects the individuals style and preferences which is exactly what our product aims to achieve.

## 5. Is personalized goods something you like, and something you want more of? Why?

In terms of **the preference for personalized goods**, a notable 87% (13 people) of participants liked and desired personalized goods, citing a sense of uniqueness and personal connection as driving factors. Many cited examples of personalized goods they had in their possession. For example, men had their initials engraved on their wallet, women had necklaces with their name on it etc.

## 6. If you were to buy a new travelling product, would you want to personalize it or not and why?

In the **context of personalization in traveling products**, 80.5% (12 people) of participants expressed a desire to personalize their traveling products, emphasizing the uniqueness and easy identification of their belongings. As a follow-up question, we asked them if they were going to use it for other purposes than for traveling and 90% (8 women) of women answered that if the bag was not too large that they would use it on a daily basis whereas only a third of men agreed that they would use it for other purposes.

7. Would you purchase this good? If not, why? If yes, would you recommend it to someone else and why?

Finally, in terms of **purchase intent and recommendation**, 73% (11 people) expressed a strong intent to purchase personalized traveling products, and 67% (10 people) would recommend them to others due to the perceived value and uniqueness. They said that this would be a great present idea, as the experience is as enriching as possessing the product.

Adjustments:

In terms of target market selection, we could also include Tech Savvy consumers, in other words, people who are active on social media, since they are more likely to share their unique goods and their overall experience in the personalization process, aiming to reduce the 70% of participants who are unaware that Golden Goose provides personalization services.

In terms of positioning, we could establish Golden Goose as the go-to brand for personalized travel products, offering unique and easily identifiable items, capitalizing on the 80% of participants who expressed an interest in the easy identification and uniqueness of their belongings.

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