## Brief Study on Marketing Strategies of French Luxury Brands in China - Taking Louis Vuitton as an Example

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Abstract: Luxury goods refer to those high-end items that are beyond the ordinary consumption level, which may not be daily necessities and are bought to pursue better life and taste. According to the traditional concepts of Chinese people, choosing to buy luxury goods is equivalent to "money worship", which manifests extravagance and waste. However, researchers believe that luxury goods emerged as people's income grew and their living standards improved, and they have unique social and economic significance, reflecting social progress and economic development. According to surveys and studies, hundreds of millions of Chinese people can afford luxury goods. Despite the fact that a number of luxury brands have entered the Chinese market, only a few succeeded. Among them, Louis Vuitton is the most outstanding one. What is the origin of the concept of luxury goods? How did foreign luxury brands achieve successful development? How did they market and promote their products and consecutively set sales records in China? Why are luxury goods so appealing? In this paper, these questions are discussed, where Louis Vuitton, a century-old established brand, is taken as an example to investigate its marketing conditions and methods in China, and put forward some views on its marketing and promotion strategies in China's luxury goods market. Meanwhile, some suggestions on the marketing and promotion efforts of Chinese luxury brands are given, aiming to help these brands get rid of the current predicament.

Keywords: Luxury goods; Marketing strategy; Louis Vuitton; China

### 1. Introduction

In recent years, with the rapid development of China's economy and the achievement of the goal of building a moderately prosperous society in an all-round way by 2020, the number of wealthy families has been increasing. After people's demand for basic necessities of life was met, they began to pay attention to luxury goods. According to a survey, hundreds of millions of Chinese people can afford luxury goods, and one-tenth of them are active buyers of luxury goods. The size of this group has been increasing. As a result, back in 2010, the sales volume of China's luxury goods market ranked first in the whole world.

According to statistics, these consumers spent RMB 42,000 on luxury goods every year on average. By relying on the extremely strong purchasing power of Chinese consumers, a number of luxury brands had outstanding performance in China's luxury goods market. Among them, French luxury brands were particularly active in the Chinese market thanks to some unique characteristics, such as exquisiteness, perfection and French romance, and thus became popular among Chinese consumers. In particular, Louis Vuitton ushered in a period of booming development. As some netizens mentioned jokingly, Chinese consumers saved Louis Vuitton. Why did they have this view?

Since January 2019, especially after the outbreak of the COVID-19 pandemic, the global luxury goods market has been declining; however, the Chinese luxury goods market went against the trend. In January 2022, Bain & Company released the China Luxury Report 2021, which showed that in 2021, China's domestic sales of personal luxury goods doubled compared with 2019, a 36% increase from 2020.

## 2. Origin of Luxury Goods and Brand Development History

## 2.1. The origin of luxury goods

Luxury goods (produit de Luxe) refer to "those consumer goods that are unique, rare or novel or have

other characteristics and are not necessities of survival and development"<sup>[1]</sup>. The term "luxury goods" originated in France in the 17<sup>th</sup> century, when the French royal family used luxury goods to satisfy their own needs on one hand, and gave them to other royal families as gifts on the other hand. Back then, the vast majority of luxury goods were designed and produced to satisfy the needs of royal families. Luxury goods were delicate and sophisticated handicrafts, showing respect for royal families as well as admiration for and confidence in their brands.

Luxury goods are characterized by amazing craftsmanship, extremely high quality, and excellent product design, which target a small group of people and are not affordable for most consumers. There are a wide range of these goods, such as a bag, a pair of shoes, a watch and even a pair of chopsticks. As described in this paper, Louis Vuitton is among such luxury brands.

### 2.2. The origin of Louis Vuitton

Mr. Louis Vuitton was originally an apprentice of a craftsman who made luggage cases, and was gradually promoted to be Chief Assistant. Later, he became the most trusted luggage expert of Queen Eugenie, attracting many fashionable clients from the upper class. In 1854, Louis Vuitton got married and opened the first store together with his wife at 4 Rue Neuve Des Capucine (now Rue des Capucine), which was the prototype of the internationally renowned luxury brand, Louis Vuitton. Meanwhile, they decided to "cover one of the trunks with durable and waterproof canvas material" [2]. Then in 1858, Louis Vuitton launched a new trunk, which had a flat cover suitable for transportation, was covered by a layer of high-quality waterproof canvas, had four corners covered with a metal material, and was equipped with handles and brackets on the sides. The trunk featured both excellent external design and ingenious internal design.

As an experienced bag designer for the royal family, Louis Vuitton successfully designed a classic series – "Trianongrey" canvas boxes, which caused a sensation among the upper class in Paris after being launched, created a fashion trend in the aristocratic circles, and became the first choice for travelers. The design of the trunk is still a classic design of Louis Vuitton today. Nowadays, when we walk into Louis Vuitton's flagship stores or specialty stores, we can still see photos of some aristocrats taking a train with this classic series of trunks (0990) on the walls.

The ingenious design made Louis Vuitton's trunks become well-received, and many counterfeits thus appeared on the market. To combat counterfeits, Louis Vuitton added red and white stripes to gray canvas, and also filed a lawsuit; however, these efforts failed to effectively prevent counterfeits from entering the market. Later, Louis Vuitton's son, Georges Vuitton, took charge of the company in an all-round way, and asked the designer to design a more complex pattern composed of brown and white plaid, which was also printed with the logo, L.Vuitton, to prevent malicious plagiarism. The classic pattern used on the current Louis Vuitton products was also created by Georges Vuitton to prevent counterfeits. This new pattern was inspired by flower patterns and aristocratic logos, and ingeniously incorporated his father's initials in memory of him.

#### 2.3. Development of Louis Vuitton

Later, Louis Vuitton and his son, by relying on their keen insights into art and fashion, launched a number of new trunks and suitcases designed to keep pace with the changes of the times, which attracted many celebrities to Paris to buy them. Meanwhile, Louis Vuitton and his son also opened stores in London, New York and some other places around the world. Along with the emergence of cars, planes and other means of transportation, Louis Vuitton launched a new type of luggage trunk that was waterproof, light and portable, and also launched a trunk with a lock to ensure the safety of luggage.

Originally, Louis Vuitton established its business by designing luggage trunks, and marketed them by telling stories; since then Louis Vuitton has become closely associated with "travel", and "travel" has become Louis Vuitton's DNA. During the 162 years of external communication of the brand, Louis Vuitton has been exploring the theme of stories about the brand, and finally used "travel" as the core theme. As the core of Louis Vuitton's theme positioning, "travel" expounded the history and evolution of the brand, and as a result, Louis Vuitton started a series of storytelling-based marketing, where "travel" served as the core.<sup>[3]</sup>

In 1914, Louis Vuitton relocated its original store to the Champs-Élysées in Paris, and today the store

is still the largest physical flagship store of the brand around the world. After World War II, the demand for its products increased, so the company launched a global distribution network, and still strictly controlled product quality and adhered to the concept of offering perfect products.

In 1987, Louis Vuitton merged with Moet Hennessy to form LVMH, the world's largest luxury goods group. Nine years later, Louis Vuitton joined the group, extended its original range of products (trunks and suitcases) and business to include other items, such as fashionable clothes, jewelry, and watches, which accounted for 70% of the group's business. Then, it pursued all-round development in multiple fields in the fashion world, and hired more master designers as art directors, and worked with them to successfully design many best-selling series.

In February 1998, Louis Vuitton opened its first flagship store in Paris. In the same year, the second flagship store opened for business in London; in August and September, Louis Vuitton continuously expanded its business and consecutively opened two flagship stores in Osaka, Japan and New York, the United States.

Since 2000, Louis Vuitton has opened 314 specialty stores in 52 countries/regions. Its turnover has tripled in ten years, and its annual profit has been growing rapidly. Among them, Japan and the United States played major roles in sales. In addition, 9 stores have been opened in China. In December 2018, Louis Vuitton ranked 34th on the "World's 500 Most Influential Brands" list compiled by the World Brand Lab. In July 2020, Louis Vuitton ranked 9th on the list of the World's Most Valuable Brands released by Forbes.

With the continuous brand development, Louis Vuitton has been expanding the scale of the brand, and improving its reputation and status. Thanks to its unique craftsmanship and emphasis on top quality, the brand was favored by fashion circles in many countries/regions.

#### 2.4. Image building of Louis Vuitton

Since its establishment, Louis Vuitton has incorporated profound cultural heritage into the brand with more than 100 years of history. It has been favored by generations of people thanks to its pursuit of top quality and excellence, as well as the acumen of its founder and his successors in art and fashion. In this way, Louis Vuitton allowed its brand image to be deeply rooted in people's hearts, successfully established its business presence in various markets around the world and became a well-established brand with over 100 years of history.

Louis Vuitton started his career as an apprentice, and then successfully became an expert in making luggage trunks for the royal family. When serving the royal family, he managed to improve his craftsmanship and artistic taste to a great extent, laying a foundation for the establishment of the brand. Back in the 19th century, people attached great importance to social classes in France, so as a trunk maker serving the royal family, Louis Vuitton could infuse great value into its own brand. As a result, the first group of consumers visiting Louis Vuitton stores were aristocrats. During this period, the brand image of Louis Vuitton among consumers featured convenience and high quality. In the era with no media communication, Louis Vuitton became popular in the upper class by word-of-mouth communication among members of the upper class, and was promoted on the European continent with the travel of the French aristocrats. Therefore, the brand image of Louis Vuitton was established in the aristocratic class.

With the rapid development of the capitalist economy, Louis Vuitton began to provide a special service to aristocrats - customization, which satisfied the individual needs of consumers to the greatest extent, and catered to their mind of rivalry by providing exclusive products and charging a large amount of customization fees.

Sophistication, simplicity and practicality have become the core features of the brand, and a distinguished and elegant brand image has been built for Louis Vuitton. At the same time, the pattern designed by Georges Vuitton has become the brand trademark of Louis Vuitton. The petal pattern and the iconic LV logo were capable of embodying the brand image of Louis Vuitton in a better way, imprinting "LV" on people's mind.

At the end of the 20th century, the newly appointed design director, Marc Jacobs, made new innovations, injecting new vitality into the century-old brand. By combining traditional monograms with more lively colorways, the innovative series was applauded by the fashion world. The traditional composure and dynamism successfully built another image for Louis Vuitton, which also became a representative of luxury brands.

The cultural connotation of Louis Vuitton is closely related to the French royal family, so stars, celebrities and upper classes around the world bought Louis Vuitton products and regarded the brand as a symbol of their identities. Louis Vuitton products are deemed as must-haves for those who chase after the lifestyle of the French royal family; people who own these products feel proud and honorable. With more than 150 years of history, a Louis Vuitton trunk or suitcase is far more than a container, which is used as a symbol of the status of a consumer.

#### 3. Development of Louis Vuitton in China

For a brand, the establishment of an accurate brand image makes it easier to attract consumers and allow them to learn about the brand, so that the brand can understand the needs of consumers in turn, and use different marketing strategies for consumers from different classes to enrich their images and expand the markets.

In the early days of Louis Vuitton, the brand catered to aristocrats. For them, "a brand serving the royal family" is a sign of Louis Vuitton. Can you imagine that an aristocrat didn't want to use a trunk or a suitcase designed by a designer serving the royal family? Did using such a trunk or a suitcase indicate that he/she had a great taste? During the period of development of the capitalist economy, Louis Vuitton established a refined and distinguished brand image, and also offered special services for aristocrats, psychologically satisfying the needs of aristocrats with luxury goods. Excellent quality and customization were used by Louis Vuitton as selling points for the aristocratic class to meet their psychological needs, thus making itself a symbol of dignity in people's hearts.

In 1992, Louis Vuitton opened its first store in China at the Peninsula Beijing, representing that Louis Vuitton officially entered China's luxury goods market and opened up a new business territory. Seven years later, LV opened a flagship store in the Landmark, Central, Hong Kong, which covered an area of 6,600 square meters on two floors. By now, Louis Vuitton has opened more than 40 stores in China, covering almost all first-tier cities and new first-tier cities. Louis Vuitton's achievements in the Chinese market are the results of the brand's popularity and marketing efforts as well as the rapid development of China's market economy since the beginning of the 20th century.

In this paper, we divide Louis Vuitton's development in the Chinese market into two stages. In the first stage, the brand gradually explored the Chinese market; in the second stage, it made efforts to adapt to the Chinese market, and developed marketing strategies that were more suitable for the Chinese market.

## 3.1. Establishing business presence and investigating the market in the early days

Since the beginning of reform and opening up, China's economy has been developing rapidly, and now China is a major consumer market of luxury goods in the world. With the continuous development of China's economy, Chinese people's purchasing power has been increasing, which has gradually increased China's share in the international market. The sales of luxury goods in China account for 12% of global sales.

Different from consumers in developed countries/regions such as Europe and the United States, major consumers in China are under the age of 40, compared with major consumers aged 40-70 in developed countries in Europe and the United States. Fashion and culture have become new consumption concepts for Chinese young people, and some young people even regard luxury as part of their lifestyle. Of course, everyone has the right to pursue a high-quality life if his/her financial status permits, and it is not difficult to understand that some people choose luxury goods because of this. Due to huge differences in consumer groups, the marketing strategy used by a luxury brand in the region where it has been founded cannot fit all markets. If a brand wants to successfully establish its business presence in the Chinese market, it must first understand the different features of the Chinese market.

In its Luxury Report 2005, Bain & Company pointed out: "In the past, the golden rule for success in the luxury industry was adherence to elegance, consistency and positivity: don't ask customers what they want; instead, tell them what they should have.<sup>[4]</sup>" However, in the Chinese market, where the "customer first" principle has been established, this method will no longer work. You have to work hard to understand your customers and deeply grasp their high-end value propositions.

Therefore, in the fifth year of Louis Vuitton's business operation in China, its official website

provided a Chinese page. Four years later, Louis Vuitton launched a new website in four different languages: French, English, Japanese and Traditional Chinese. In July of the same year, Louis Vuitton set up a "Greater China Focus" column on the Chinese version of the website, releasing news and information about LV in Hong Kong, Taiwan and the Chinese mainland.

The launch of the Chinese version of its official website enabled Louis Vuitton to get closer to Chinese consumers and listen to their voices, which also indicated that the brand was making efforts to establish business presence in China, and willing to listen to the voices of Chinese consumers and feel the pulse of the emerging market. This move not only improved the favorability of Chinese consumers towards Louis Vuitton to a great extent, but also attracted a group of consumers and encouraged them to learn about the brand.

#### 3.2. Changing marketing strategies to adapt to the Chinese market

Considering China's unique luxury consumer market, Louis Vuitton has also implemented a different marketing strategy. The average age of Chinese luxury consumers suggested that luxury goods should not be exclusive to the upper class; instead, they should be enjoyed by everyone, and even by every young person. Those brands that learned about this idea began to offer innovative services to Chinese consumers:

#### 3.2.1. Opening an increasing number of physical stores

After accurate surveys on the productivity and purchasing power of cities, Louis Vuitton opened a number of new physical stores in China, where, through high-quality services, customers could experience the noble and elegant luxury brand that was different from other brands. Louis Vuitton has always been maintaining its pioneering spirit. In September 2006, Louis Vuitton opened its first flagship store in the Chinese mainland in Plaza 66, Shanghai, and opened 15 more specialty stores during the same period. Louis Vuitton stores could be seen not only in first-tier cities, but also on bustling commercial streets in some new first-tier and even second-tier cities. For example, many consumers waited at the door of a specialty store in Tianjin, hoping to buy new products.

More and more physical stores allowed consumers to experience the brand's service quality at home, eliminating the need to go abroad, and thus winning a group of loyal fans and consumers.

## 3.2.2. Engaging domestic celebrities to be brand ambassadors

In recent years, the entertainment industry has been developing rapidly, and online celebrities and entertainers appeared, causing waves of "celebrity worship". In view of this, Louis Vuitton shifted its focus to the domestic entertainment industry, realizing that the super-popular celebrities and large groups of fans could be potential customers of the brand.

Therefore, in order to further seize the opportunities in the young consumer market in China, Louis Vuitton began to engage domestic popular celebrities to be its brand ambassadors and participate in brand activities, and even engaged a domestic female celebrity to be its spokesperson. From classic suitcases and bags to ready-to-wear clothes, jewelry, and shoes, various products offered by the brand were presented by these celebrities in a variety of events, such as the "LV & Exhibition" held in Shenzhen in January 2022. Engagement of many celebrities and popular stars, and younger brand design enabled the brand to be seen by more people, attracting not only fans but also passers-by with "amazing" styles.

This is the well-known "fan effect" in the domestic entertainment industry, which means that popular celebrities with a huge fan base are engaged to improve a brand's influence. This actually requires the brand to have excellent product quality and maintain long-term cooperation with celebrities, in order to build a great reputation among fans and increase brand influence. Louis Vuitton is one of the brands adopting this method. Recently, many male celebrities wore Louis Vuitton's latest suits when parading along the red carpet during the "Weibo Night" event and other events, allowing media reporters, marketing accounts and fans clubs to take photos and videos on the spot, so that the brand could be promoted among more people. A lot of posts on Weibo analyzed celebrities' clothes, explaining every detail of what celebrities wore, ranging from clothes to accessories. As a result, some fans bought the same ones to show their worship towards their idols. These fans may have great purchasing power, and the clothes worn by celebrities are not customized, which are not like those worn for a red carpet parade, and are thus affordable for some fans.

#### 3.2.3. Launching online service platforms

With the popularity of social networks such as Facebook, Twitter and China-based Weibo, a number of luxury brands have begun to pay attention to this influential marketing method. Back in 2010, Louis Vuitton opened accounts on various domestic social media platforms, such as Sina Weibo. As of April 2022, Louis Vuitton's official Weibo account had 7.549 million followers; in November 2012, it announced the opening of its official account on WeChat, where some events were launched via its WeChat account to give opportunities to visit art exhibitions hosted by the brand. The Internet enables Louis Vuitton to get closer to Chinese consumers, lifting the veil on luxury goods.

The development of Internet technologies brought about not only a variety of social networking platforms but also the promotion and popularity of online shopping. Affected by the COVID-19 pandemic, the proportion of online shopping has increased in the past two years, and Louis Vuitton has launched its online store several years ago. In August 2017, Louis Vuitton announced the opening of an online flagship store in China, supporting online payment and covering 12 cities, including Beijing, Shanghai, Chongqing, Chengdu, Guangzhou, Shenzhen, Hangzhou, Nanjing, Shenyang, Dalian, Harbin and Wuhan; more cities are expected to be covered in the future. The opening of the online store marks an epoch-making change for Louis Vuitton in the Chinese market, via which customers don't need to queue up at a physical store to make an appointment and face an awkward situation where some items may be sold out if they arrive late. Now, a customer only needs to order an item online and pick it up at a physical store during the selected period of time, or receive it via a courier service.

In the following year, WeChat launched Mini-programs. Louis Vuitton took the initiative to use a mini-program to promote its "Volez, Voyagez" exhibition, giving admissions to the exhibition and launching some personalized games via the mini-program. Back then, Louis Vuitton had refined mini-programs with design features, which were closely associated with the themes of the events. What's more, almost every event had a dedicated mini-program, which was closely related to the theme of the event in terms of overall style and color matching, highlighting the design theme of a series.

#### 3.2.4. Implementing hierarchical management of consumers and establishing VIP customers

China's luxury consumer market is an obviously hierarchical market. While expanding the market, Louis Vuitton had to ensure that high-end customers could enjoy the corresponding rights and interests, so it offered special VIP services to high-end customers.

These special VIP services include that Louis Vuitton invite some customers to new product launch events hosted by the brand, and to its manufacturing factory based in France to view the process of manufacturing. These value-added services not only improve the loyalty of high-end consumers to the brand but also encourage other consumer groups to continue to buy products to become VIPs.

Meanwhile, some high-end consumers wanted their products to be unique, so Louis Vuitton launched a new business on this basis, namely customization service, which is not the same as the aforesaid "customization" service provided to aristocrats. Those customized items provided to the aristocrats were limited editions, to be precise; however, for Chinese consumers, customization refers to that customers can request the brand to customize products for them. For example, a customer may request a guitar bag, and another customer may request an office-type suitcase for a band. Products are specially designed and manufactured for these customers, which are unique in a real sense.

In addition, Louis Vuitton also introduced another personalized service to China, that is, engraving characters specified by a customer on a leather item, so that the product can be unique and exclusive to a the customer. Such customized products are not only unique but also cater to the consumption psychology of Chinese consumers, thus attracting more customers.

Moreover, during the recent lockdown due to the COVID-19 pandemic, a Louis Vuitton store based in Shanghai also delivered delicately packaged vegetables to VIPs, and updated the menu for the current day in a chat group of VIPs every day. The store delivered fine food to VIPs during the lockdown, including not only exquisite meals and desserts but also fresh vegetables and fruits packaged in tissue paper sheets with brand labels, which was quite considerate.

# 4. Influence and Inspiration of Louis Vuitton's Brand Marketing on China's Luxury Goods Industry

## 4.1. Improving the quality of luxury goods and cultural connotations of luxury brands

Real top luxury brands feature manifestation of refined temperament, and achieve cultural inheritance through the brand power, enabling consumers to experience and understand the cultural connotation and cultural heritage behind the brands. During its development, Louis Vuitton has always respected tradition, and retained the most representative and symbolic historical elements, thus building the foundation of the brand.

We can also attempt to comprehensively combine luxury brands with China's traditional culture, strictly control product quality, and keep learning from foreign luxury brands in terms of market development. China has a long history and profound historical and cultural heritage, and we should learn to integrate our historical and cultural elements with fashion elements and gradually develop a native luxury brand. The brand may incorporate traditional Chinese elements, such as elements from landscape paintings and ink paintings, into clothes, and incorporate some elements from traditional myths into gold ornaments to create unique shapes, to which a product story may be added. For example, CHOW TAI SENG, a well-known gold jewelry brand in China, launched the "Zodiac Series". This year, the Chinese zodiac sign of tiger was used to make necklaces, lucky beads, rings and other products, and different stories were incorporated into different products to attract consumers. Meanwhile, in order to change the old-fashioned styles of gold ornaments in people's impressions, tiger-like patterns were created, which not only fit the current year, but also cater to all age groups because of the innovation in design. These products can be used as both ornaments and collectible items.

Chinese brands do not have much experience; however, such gap in the market provides a favorable opportunity for the development of luxury goods. China's luxury goods market is like a blank sheet of paper and can be cultivated in a flexible way. Therefore, we can draw lessons from the excellent foreign marketing strategies, discard the inappropriate part and retain the great part. While learning from others, we should also utilize the advantages and characteristics of China's traditional culture.

## 4.2. International positioning of luxury brands

In today's world, economic globalization and regional economic integration have become irreversible trends, and those problems encountered in the process are also major issues that cannot be avoided by various countries/regions. Domestic companies need to quickly go abroad and establish business presence in the international market, have world-class technologies that are better than those of other countries/regions, set international strategic goals and plans, and finally build world-renowned brands. For example, the production process of Neiliansheng shoes with strong cloth soles has been included in the list of intangible cultural heritage. This brand was established in 1853, and the founder was once a shoemaker serving the royal family in ancient China. The cloth shoes were completely handmade with exquisite craftsmanship, and were comparable to products of Louis Vuitton, which was founded in the same period. This shows how important it is for a brand to have appropriate positioning and strategic goals.

Strategic promotion and brand planning of China's luxury brands can be carried out in the following aspects:

- (1) Entrepreneurs should be far-sighted and should set ambitious goals, which will encourage them to achieve the goals and move forward;
- (2) High quality and high standards must be ensured in the production processes of brand products in order to maintain a stable and loyal customer base during long-term development, and enable brands to be always energetic and dynamic;
- (3) Chinese brands should be good at exploiting their advantages to the full, seize opportunities when going abroad to design unique products by combining traditional Chinese culture with their cultural connotations, so as to attract consumer groups;
- (4) An international brand should neither refuse to make progress nor focus on domestic marketing only. To establish business presence in foreign countries/regions and embrace the whole world, a brand needs to learn about the market demands of other countries/regions and change the initial marketing

strategies in a targeted way.

Therefore, we can optimize plans for brand promotion in these aspects and utilize our advantages to show the oriental cultural charm of China.

#### 4.3. National cultural promotion and policy support

When building domestic luxury brands, we should attach great importance to the value of cultural communication, make full use of our excellent cultural heritage in the process of brand marketing, and influence the status of Chinese commodities in the international market via national culture and brand images. China has rich and profound culture. Brands should communicate and integrate with overseas cultures on the basis of respecting the Chinese culture, and carry out brand packaging and promotion, making efforts to enable the world to recognize and accept Chinese culture.

Over the past few years, China has gradually established and promoted its image around the world. The Beijing 2022 Winter Olympics and China's national publicity film showed the splendid traditional Chinese culture and the momentum of China's development. Chinese luxury brands can rely on such propaganda to seek promotion through sponsorship or by other means. In a word, Chinese culture is closely connected to the world, and any change in either of them will cause a change to the other.

#### 5. Conclusion

During years of development, the share of luxury goods in the Chinese market has been increasing. This trend has promoted the domestic economic development on one hand, and allowed more and more people to learn about and understand the connotation of luxury goods.

In the analysis of consumption of luxury goods in China, only some of French luxury goods were included. In the next few years, China's luxury goods market is expected to have huge growth. When traveling abroad, Chinese consumers have also demonstrated their strong purchasing power in overseas consumer markets, which has greatly promoted the development of foreign luxury goods markets.

In this Sino-French trade relationship, the French government attaches great importance to the irreplaceability of French luxury brands. For France, China is a country with the largest potential for development. If a new product cannot be successfully promoted in China, it will be unlikely that it can enjoy a success elsewhere, indicating that the Chinese market is of great strategic significance for French luxury brands. Meanwhile, these French luxury goods that seek development in China can also provide some experience and marketing strategies for native luxury brands founded in China.

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