French luxury companies:
Challenge to do E-Commerce without affecting their brand image

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## Summary of thesis

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<td>How French luxury companies, in a context of changing demand, use the e-commerce without affecting the image of their brand?</td>
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<td><strong>Method:</strong></td>
<td>In the method we explain that we decide to use a descriptive method of research. We collect secondary data from our University Library and primary data from our observation of Louis Vuitton website. We also explain why we choose this company and what the limits of our study are.</td>
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<td><strong>Theoretical framework:</strong></td>
<td>In a first part, we have written all the definitions and information about definitions that we have used in the empirical part. It means E-Commerce, E-Merchandising, Marketing mix and E-CRM. Then, we have given some information about website elements as the first page, the graphic website, buying process, electronic payment and website security. Finally, we have defined all the information about the brand and its different powers on the market: We start by a “brand awareness” explication, then we have defined “how is build a brand” to finish by the topic “brand and reputation”.</td>
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Paul LASSALLE and Clément LEMAIRE
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1. Introduction

In this introduction we explain what is the topic of our thesis and why we choose it: the e-commerce is a complex opportunity for French luxury companies. After that we discuss how luxury companies answer consumers’ changing demand by going through this new market. We finally present the purpose of our thesis: how French luxury companies use this new tool: e-commerce, without affecting the image of their brands.

1.1 E-commerce, an important opportunity

Following the growth of technology and the empowerment of the customers as a global opportunity, the e-commerce tends to take more and more importance in the global commerce (Usine Nouvelle, 02 février 2010). E-commerce consists in a wide range of online business activities for products and services. It also pertains to “any form of business transaction in which the parties interact electronically rather than by physical exchanges or direct physical contact (Andam, 2000). The first internet online shopping started in the 90’s, but it really started to be secure and functional around 2000 (leMonde.fr, 22/12/1999) when many companies from USA and Europe mainly, decided to offer their services and products through the Internet. Today, with a click of a mouse, customers are able to gather information about features and pricing and perform comparison shopping with little effort (Korper & Ellis, 1999). According to the last study published by Eurostat the 19 January 2010, 93% of enterprises of ten or more persons employed had access to the internet in the EU27 and 82% of enterprises had a broadband internet connection. Among other uses, internet access enables companies to buy and sell products electronically: in the EU27 in 2008, 12% of enterprises’ turnover was generated from e-commerce. This EU study was made the official statistical office of the European Union in 2009 and represents the most reliable data that we can have now. It shows the importance of the e-commerce and proves that it is an essential way for companies to make benefits.

1.2 E-commerce, essential key for the luxury market

One of the spectacular increases on the e-commerce is the penetration of the luxury market. According to DirectPanel study in May 2008, it has doubled from 5, 3 % in 2007 to 10, 8 % in 2008. Indeed, the luxury companies were highly reluctant to the use of internet, it was seen as a pirates´ area and a channel not adapted to the image of luxury (Okonkwo, 2010). The luxury market seems to be an example of market where this opportunity can become risks especially in terms of branding. Since 2008, it seems they could not avoid the reality and they may have to adapt the consumer’s habits changes. They decided to go through this market and developed their own websites in order to consumers to purchase luxury products (L’Expansion.com, 02/06/2008). According that luxury goods may need to be marketed in a certain way, companies have to be careful in the way they promote their products on internet. Since they have entered slowly in the e-commerce, one problem they may have to face is how to sell their products on the web without affecting the image of their brands. For example, the
design of the website may have to make the customers feeling that they are in a luxurious atmosphere as they would feel in a retail store. The company may be able to answer every questions and demands the customers might have. To protect their reputation and don’t affect their image luxury companies have to build a website to be up to their reputation, using different web techniques and marketing tools. As a whole E-commerce leads to risks, and some companies such as luxury companies may have been reluctant to enter in this new market. However, in a context of changing demand, even if this opportunity can become risks, indeed more customers want to purchase on internet, Luxury companies had to adapt to this opportunity.

1.3 E-commerce an opportunity for the French luxury companies?

To explain how to protect their brand image we have decided to focus this thesis on the French Luxury companies. Three French companies are in the top 10 and two in the top 3 of the most known, and performing Luxury companies: L’Oreal and LVMH (WWF, 2007). French brands are also famous, such as Louis Vuitton, Chanel, Hermes or Dior. According to the world ranking of luxury brands, Louis Vuitton, Chanel and Hermes are in the top 5 luxury brands by considering their turnover (Usine nouvelle, 2008). French Luxury companies may have been reluctant about the use of internet but knowing that it can be an important source of revenues they decided to adapt to this new market. According to Eurostat New release about e-commerce published in 2010, 92 % of the French companies have a broadband connection in 2009 (Eurostat, 2010), which is more that the European average. It is also the only European countries where 100% of the companies have an internet access, companies with at least 10 employees, which is the case for luxury companies (Eurostat, 2010). The e-commerce represents an important source of revenue for the French company as this survey shows that 13% of their turnover is made by the e-commerce (Eurostat, 2010). The importance of branding and reputation for French luxury companies enable us to dramatize our problematic on the case of e-commerce as a potential relevant internet tools.

1.4 Purpose of the study

The main purpose of the study is to describe how French luxury companies, in a context of changing demand, use the e-commerce without affecting the image of their brand.
1.5 Structure of the thesis

Our thesis is composed by six chapters. First, there is the introduction in which we explain what the problem is and what is the purpose. In the second chapter, we describe our theoretical framework in which we select theories that are relevant to answer our purpose. This part is divided in two parts: e-commerce and the marketing tools, and e-commerce and branding. In the chapter three: methods, we explain the methods we use to collect the data and do our study. In the chapter four we use our method to observe and gather data in order to answer the purpose. In chapter five, we analyze the results we observed according to our theoretical framework. Finally, in the chapter six, we conclude by giving an answer to the purpose according to our analysis.
2. Theoretical framework

In this chapter we present our theoretical framework and the main theories that we use to answer our research questions. We present the E-commerce concept, some marketing theories and many definitions about brands’ world. This is where we amass a knowledge base that is necessary to fully understand the scope of the thesis paper and the logic used to conduct it. This knowledge base supports the gathering, interpreting and analyzing of our information and empirical data made in latter chapters.

2.1 E-Commerce

2.1.1 Definition

At the beginning internet was created for the military force and, few time after for Universities. But since the beginning of the 90’s and the Internet opening to the general public, it has become an electronic distribution place where companies and customers do business. This transformation of internet to an economic space was very fast and now it is become a must place in order to do commerce (Isaac, Volle, Bréban, 2008). But the kind of doing business, selling goods and services and communicating however has changed. Many communities and companies entered the market with innovative ways to sell their products. It was time of important opportunity for those businesses that harness the power of the new market, namely electronic commerce, or E-commerce. (Korper & Ellis 2000).

The E-commerce is the ability to integrate electronic network solution elements into a particular problem resolution, or in our case the problem is to propose to the internet consumer some products from a company (Fellenstein, 2000). By another definition “E-Commerce is a compilation of business models, process and technology with which you can put online sells, services and marketing for B2B and B2C transactions. E-commerce facilitates transactions on the Internet and allows the creation and development of online relationships” (Compario, 2010, page 4)

2.1.2 Marketing concepts and the E-commerce

2.1.2.1 Marketing mix (4P’s)

The marketing mix “is the set of controllable tactical marketing tools that the firm blends to produce the response it wants in the target market.” (Kotler, 2008). The marketing mix is that the company can do to try to influence, in different kind of ways, the demand for its product. We can summarize the choice in four groups, known as the “4 Ps”: Product, price promotion and place.
Promotion: Activities that communicate the product or service and its merits to target customers and persuade them to buy.

Price: The amount of money charged for a product or service, or the sum of value that consumers exchange for the benefits of having or using the product or service.

Place: All the company activities that make the product or service available to target customers.

Product: Anything that can be offered to a market for attention, acquisition use or consumption that might satisfy a want or a need. It includes physical objects, services, persons, places, organizations and ideas. (Kotler, 2008, page 49)

Each company has to do the right combination of the 4 P’s in order to improve their sales and their turnover. An effective marketing program blends the marketing mix elements into a coordinated program designed to achieve the company’s marketing objectives. The marketing mix constitutes the company’s tactical toolkit for establishing strong positioning in target markets. (Kotler, 2008, p.49)

2.1.2.2 E-Merchandising

The merchandising includes several techniques which try to improve the product’s sales, using tactical work on the presentation of the place: Applying marketing techniques on the salesroom. The e-merchandising is the same thing as physical shop merchandising with the same rules and goals: only the support change. (Compario, 2010)

In a normal shop, the merchandising is primordial as the e-merchandising. If you apply a good e-merchandising, you can improve turnovers and average basket 20%. The e-merchandising is
to optimize the development and staging of the offer, in order to get new customers, but in the same time to loyalty your old customers. (Lannoo & Ankri, 2007)

The following schema summarise clearly that is the e-merchandising:

![Diagram of e-merchandising](image)

**Figure 2: The E-merchandising** (Source: Lannoo and Ankri, 2007, p.93)

When people look an internet page, there are many specifics zones, with more or less importance. This potential has to be exploited in order to put some important information in the good place, on a web page. Some big American companies, like Did-it and Enquiro & Eyetools, made several survey to realize the following schema (Lannoo and Ankri, 2007):

![Diagram of immediate rate perception](image)

**Figure 3: Immediate rate perception** (Source: Lannoo and Ankri, 2007, p.98)
On this schema, you can see the ranking of the different web page’s zone and their attractively. For example, the Zone 1 (the red one), is the main zone on a web page which captures attention of the internet user (between 85 and 100%): it means that between 85 and 100% of the internet users will be watching this part of the screen.

As we can see, the important zones (1, 2 and 3) are on the left top, and after on the right top. If everybody looks there, companies have to put in this part the most important information such as the logo, the name, the slogan or the promotion, for example.

2.1.2.3 Customer Relationship Management (CRM) and E-CRM

The relationship in the business today is very important. You need to keep your consumer as long time as possible in order to form a long-term relationship (Gopalkrishnan, 2003). The customer relationship management is a very important concept in the modern marketing: it “involves managing detailed information about individual customers and careful managing customer "touchpoints" in order to maximise customer loyalty.” (Kotler, 2008). In the same time, you need to give to the customer some value and satisfaction as much as possible (Peppers & Rogers, 1994).

The E-CRM is exactly the same thing than customer relationship management, but it is the approached to obtaining loyalty in electronic markets and forging profitable ties with customers over a technological interface. (Gopalkrishnan, 2003)

2.1.3 Website elements in the E-commerce

2.1.3.1 The first page

According to Lannoo and Ankri (2007), the first page has to be the most beautiful page of the website: it is supposed to challenge its target and encourage access to its website. It is the image of the website and people, who are visiting the website, just by taking a look at the first page, can be able to find which brand is it. This page has to show in a short time the image of the company and its market positioning. It is the showcase of the company on internet and in the same time, the door to access to the company’s world.

Its main goal is greeting customers, and “gives an identity to the website, and propose a visibility and a good comprehension of all goods and services.” (Lannoo & Ankri, 2007)

On the website, the traditional size is 1024x768 pixels, and the colour aspect depends on your computer. So sometime, it is possible that people are not able to see all the design aspect (colour, animation...) because of their computer. (Lannoo & Ankri, 2007)
The following schema shows how the traditional structure of an E-commerce website first page:

1. Logo or name of the site
2. Publicity and auto promotion place
3. Baseline, slogan, language, website contact, website structure
4. Main text (very important)
5. Main text (less important)
6. Some complementary link: website contact, website structure, etc.
7. Website navigation
   a. Standard width
   b. Standard height
   c. Captive height

2.1.3.2 Graphic website

According to a Canadian survey, an internet user can get in 50 milliseconds a first impression on the website (Gitte Lindgaard of Carleton University in Ottawa, Canada, 2006). The study, published in the journal Behaviour and Information Technology, also suggests that first impressions have a lasting impact (BBC News, Monday, 16 January 2006).

The graphic website is composed by the “look and feel” —colours, typefaces, sizes—, the consistency —Rich in product description, corporate philosophy, and commitment— and also by the image, movie and song (Oxer, 2007).
2.1.3.3 Textual element

The textual elements can be declined with: key word, web page disposition, choice of the typeface and lexical word. The disposition of the elements on the website page needs to have a title. Then, the choice of the typeface and its size has to be clear, because the readability is a very important characteristic. Finally, about the lexical word, you need to adapt what you are going to say with your market target. You need to use the same vocabulary as your future users (Oxer, 2007).

2.1.3.4 Buying tools

In order to be more reassuring, most of the E-commerce website asks to their consumers to create an account before buying. In general, the typical questions are about the name, surname, address or the date of birthday for example. A legal mention specifies that the website needs an authorization from the internet user, to use and keep all of the information after. During this last step, the website gives to the customer a login and a password. (Isaac & Volle, 2008)

Then, about the link “contact”: Companies needs to propose to their customers a way to contact the company if there are any problems or simply some questions. You can find this “help” with an email address or a telephone number for example.

2.1.3.5 Different steps of buying process

![Cart Identification Delivery Confirmation Payment Report](https://example.com/image)

Figure 5: Different steps of buying process (Source: Lannoo and Ankri, 2007, p.72)

The card is an essential option in the website. It allows to put the product that the customer wants to buy and to know how much you are going to spend on the website. Then, the identification, as we have said before, it is when the buyer needs to get identify on the website with his password and his login.

The third step is the delivery. It is an essential point where the website informs the customers about all the information about the price, the delay and the delivery place. The following step is the confirmation, last step before the payment –Refer to the Electronic payment part 2.1.3.6 to get all the information about the payment system-. After buying, you receive a report; generally it is in your inbox. The report is a big summary of all the information that you wrote before –product, price, delivery, etc–. (Lannoo & Ankri, 2007).
2.1.3.6 Electronic payment

“Payment in its most primitive form involves barter: the direct exchange of goods and services for other goods and services.” (O’Mahony, Pierce & Tewari, 2001).

With time and due to the new technology, payment has evaluated and has been divided into some different processes and one of them is the electronic payment. “Electronic payment system has become necessary to enable the Internet commerce”. (Bauknecht, Kumar Madria & Pernul, 2001) Electronic payment is a payment, that we have described before, but via using the internet channel. (Bauknecht, Kumar Madria & Pernul, 2001)

Today, buying with an electronic system is common, but some years ago it wasn’t the same thing. In fact, all around us electronic transaction is taking place and everybody is ok with that now. (O’Mahony, Pierce & Tewari, 2001). The most famous purchasing system on internet is the credit card payment. On the following schema, the different steps can be seen.

As we study marketing, and not informatics, this schema could be a little bite difficult, even if we took the easier. So we just try to do the link between this schema and that customers can see when they are using payment process on the website.
The previous schema, with the two red arrows, shows what exactly can see the buyer on the website. In fact, during the “payment step”, the buyer has to fill his card number –which is the first arrow “sign voucher”–, and after the website authorize the payment –which is the second arrow–. The buyer just can see these two steps whereas the website does many exchanges with the buyer’s bank to authorize the payment.

2.1.3.7 Security

According to Korper and Ellis (2000), since internet is become a huge of opportunities, with a lot of transactions and money every day on the website market, a lots of persons -as we are going to call “hacker”- have tried to create systems to divert money. Hackers employ several techniques to attack companies’ servers: the most famous of them is the “Trojan horse”. So internet is become a potential security risk for the company and the customers.

Viruses, hacker attacks and other cyber threats are now a part of daily life. Malware spreading throughout the Internet, hackers stealing confidential data and mailboxes flooded with spam are the price we pay for computing convenience. Any unprotected computer or network is vulnerable. It is not just home users who suffer. For businesses of all sizes, the risks are manifold. Crucial data distorted by viruses, financial data misappropriated by cyber criminals, and mountains of spam reducing ROI on human and technological resources. An effective risk management strategy is essential for business success.

In a concern to protect their customers, companies have established many security techniques and the two most famous of them are the SSL –Secure Sockets Layer– encryption and the firewall:

- SSL encryption “is a commonly used program layer for transmitting payment information between a buyer and a seller. SSL, which was developed by Nestscape, sends data back and forth between the cardholder’s Web browser software and the merchant’s Web server software, within a secure environment. SSL encapsulates data
into transactions and guarantees the confidentiality and integrity of the individual blocks of the transaction” (Korper & Ellis, 2000, p.183).

- “The firewall consists of a server and two network interface cards. The external network card communicates with the Internet or extranet and the internal network card communicates with the intranet or internal network. The firewall is placed between the internal servers and the external servers. This firewall design provides protection against external users accessing the internal network” (Korper & Ellis, 2000, p.197).

Internet user just can see the firewall effect when they are using the payment process. In fact, when they try to buy a product, on the right on the screen, a lock appears –refer to the appendix B–. This lock means that this buying process is secured, and the firewall work is good.

2.2 Brand

2.2.1 What is a brand?

The word brand comes from the Old Norse “brandr”, meaning to burn, and from these origins made its way into Anglo-Saxon. It was used as a means of distinguishing animals of livestock’s owners (Raymond Perrier, 1997).

A brand is a name, term, sign, symbol or design, or a combination of these that identifies the goods or services of one seller or group of sellers and differentiates them from those of competitors (Kotler, 2008). In terms of value, the brand equity represents a huge part of what is a brand. Most researchers have since then provided similar definitions of brand equity: (Keller, 1993; Washburn and Plank, 2002). But overall, the brand equity is a set of assets linked to a brand’s name and symbol that adds the value provided by a product (Aaker, 1991).

The main asset categories of a brand are brand awareness, loyalty, associations and perceived quality. These elements of Brand equity are the ones that generate brand’s value. It also creates value for the customer as well as the firm.
2.2.1.1 Brand awareness

Brand awareness is reflected in the consumer's ability to identify the brand under different circumstances (Keller, 1993) and is considered to be of particular importance in low involvement product categories (Keller, 1993; Ritson, 2003). When it comes to high involvement products, like cars or other durable goods, it is however likely that those consumers spend more time on the decision process and also get familiar with unknown brands (Ritson, 2003). The brand awareness leads to the consideration of brands, familiarity-linking, which is experience gained from past exposure, and finally signals of commitment/substance (Aaker, 2001). Consumers tend to develop affinity to the brands. When they notice a brand and recognize it, they understand that the company is spends money to support this brand.

2.2.1.2 Perceived quality

Brand equity implies that the brand not only should be well-known, but also known for something that is valuable to the consumer, as the high quality dimension (Aaker, 1996). High objective quality is of course worth striving for, but does not necessarily contribute to brand equity. As with customer based brand equity, and in contrast to objective quality, the perceived quality is a subjective notion that exists in consumers' minds. Perceived quality can be said to capture an attitude towards the brand, and differs from objective quality by having a higher degree of abstraction (Aaker, 1996; Keller, 1993). The perceived quality is shown to drive financial performance of the brand, it represents a major strategic thrust of a business and it is also linked to and often drives other aspects of how a brand is perceived (Aaker, 1996).
2.2.1.3 Brand associations

Both Aaker (1991) and Keller (1993) define brand associations as the information in the consumer's mind linked to the brand. Although there is no doubt that brand associations are important when understanding brand equity. These associations might include product attributes, opinion leader(s), or a particular symbol.

2.2.1.4 Brand Loyalty

Aaker (1991, p. 39) defines loyalty as “the attachment that a customer has to a brand”, and consider it to be a primary dimension of the brand equity. Customer loyalty allows several advantages such as creating entry barriers for competing brands making possible to implement higher prices, giving the company time to react on competitors strategic innovations and also function as a buffer in times of intensive price-competition (Aaker, 1996). The brand loyalty is a key element of the brand’s value; indeed a highly loyal customer base might lead to important sales and benefits. According to Griffin (1995), a high customer loyalty allows companies to reduce their marketing costs as it is less costly to retain customers than to attract new customers.

Finally, brands can be very valuable, indeed the extraordinary resilience and security of demand evidenced by power brands represents a unique attraction to investors. What is important about brand value today is not only to create and market the brands but to understand how others might perceive their success, and ultimately, their financial worth (Stobart, 1994).

To conclude, we can consider that a brand is more than a product, it also concerns lots of others elements that compose it. This schema illustrates what are these elements:

![Figure 9: A brand is more than a product (Source: Aaker, 1996)](image-url)
2.2.2 How is build a brand

Not every brand identity needs to employ all or even several of the elements brands’ identity we develop later: brand as product, brand as organization, brand as person, brand as symbol (Aaker, 1996). For some brands, only one will be viable and appropriate. Each organization should, however, consider all of the elements and use those deemed helpful in articulating what the brand should stand for in the customer’s mind.

The following schema characterizes each of the four perspectives Aaker (1996) recommends firms take into account in formulating their brand strategy:

![Brand Identity Diagram](Source: Aaker, 1996, p.6)

Figure 10: Brand identity (Source: Aaker, 1996, p.6)
2.2.2.1 The brand-as-product

A core element of a brand’s identity is usually its product thrust, which will affect the type of associations that are desirable and feasible. Attributes directly related to the purchase or use of a product can provide functional benefits and sometimes emotional benefits for customers. A product-related attribute can create a value proposition by offering something extra like features or services, or by offering something better. However, the goal of linking a brand with a product class is not to gain recall of a product class when a brand is mentioned. It is more important, he posits, for customers to remember the brand when there’s a need relevant to the product class (Aaker, 1991).

2.2.2.2 The brand-as-organization

This perspective focuses on attributes of the organization rather than on those of the product or service. Such organizational attributes as innovation, a drive for quality and concern for the environment are created by the people, culture, values and programs of the company. (Some brand aspects can be described as product attributes in some contexts and organizational attributes in others.) Organizational attributes are more enduring and resistant to competitive claims than product attributes (Aaker, 1996).

2.2.2.3 The brand-as-person

Like a person, a brand can be perceived as having a unique personality. The brand-as-person perspective suggests a brand identity that is richer and more interesting than one based on product attributes. There are three ways a brand personality can create a stronger brand: 1) create a self-expressive benefit that becomes a vehicle for customers to express their own personalities; 2) form the basis of a relationship between customers and the brand (in the same way human personalities affect relationships between people); and 3) help communicate a product attribute and thus, contribute to a functional benefit (Aaker, 1996).

2.2.2.4 The brand-as-symbol

A strong symbol can provide cohesion and structure to an identity and make it much easier to gain recognition and recall. Its presence can be a key ingredient of brand development and its absence can be a substantial handicap. Elevating symbols to the status of being part of the identity reflects their potential power. Three types of symbols are highlighted: visual imagery, metaphors and the brand heritage (Aaker, 1991).

2.2.3 Brand and reputation

The brand and the reputation are linked together. The marketing of brands has been important in the past and consequently the companies behind their brand have been in the shadows (Ind, 1997).

But brand and reputation have distinct corporate assets. Each requires careful supervision if their potential is to be fully realized. There is evidence that both brand and reputation are positively correlated with financial success. Especially in today's unpredictable, competitive global marketplace, it pays to be prudent about managing them. (Ind, 19997)
One essential point that determines a link between the brand and the reputation is the way companies manage their brands. It requires high skilled individuals that are able to coalesce operations and communications to create a consistent experience of the organization. Communication can never be truly consistent for many companies, but the closer they come to consistency the better (Ind, 1997). The companies that would want to have a good reputation should make an effort in communicating around their corporate brand and be good listeners, use consultants effectively, develop a rigorous approach to briefing, believe in training, have the support of leaders and be never satisfied (Ind, 1997).

The corporate branding consists in using the brand’s name as product brand name. It is an attempt to corporate brand equity to create product brand recognition. It is related to the value, identity, image an communication around the company (Ind, 1997). The corporate brand is divided in three core attributes: Intangibility, Complexity, and Responsibility.

Among these ones Intangibility is relevant to explain how reputation is linked to the communication around the brand.

**Intangibility**: Brand as some intangible elements that customers can’t know such as history, strategy, values and culture. Customers make their own opinion from its communication, people and its products (Ind, 1997). These judgements are simplistic. Customers have a lack of information concerning companies, they make their opinion with the elements that are available. This view is clearly influenced by the media coverage. There is a big difference between the reality of an organization and its image. The corporate image is a picture that customers have of an organization through the accumulation of all received messages (Ind, 1992).

Building relationships play also an important role in the corporate image. Companies that don’t focus on other stakeholders, except shareholders, won’t get a great reputation. Working actively to build reciprocal relationships with customers, suppliers and other key stakeholders through a partnership approach will lead company to communicate in a way that is relevant to each person. That would influence positively the brand perception and the reputation of the companies. (Ind, 1992).

### 2.3 E-Commerce and brand

As e-commerce and marketing efforts continue to shift online, brands exposure to risks are increasing (Irfan Salim, 2009). This is a challenge for the companies that use e-commerce to protect their brands. We already underlined the opportunity that represents e-commerce for companies and brands. E-commerce allows companies to target more people, extend their offer, and increase their benefits. It can also help the companies to communicate more through this channel, and to aware more customers about their products and their brands. However going through the e-commerce contains risks. Indeed, a company that decides to sell its products or services online has to respect the way it is doing business in the retail store. The main sources of risks are:
2.3.1 Errors by people

This error happens because of a human error. It consists in an employee in charge of the website that would make a mistake. It could be mainly the delete of information or the communication of wrong information. The publication of wrong information spreads rumours or wrong image of the company and of the brand. (Korper & Ellis, 2000).

2.3.2 Technical failure

These Technical failures can be halting failures, fail-stop, omission failures, network failures, network partition failure, timing failures, byzantine failures (Curphey, 2003). As the others failure, the risk is to affect the customers opinion concerning the brands and so the brand equity. The perceived quality might be influences in a wrong way. A company that does e-commerce should be able to avoid these failures. (Korper & Ellis, 2000).

2.3.3 Credit card and payment fraud

Credit card fraud is a wide-ranging term for theft and fraud committed using a credit card or any similar payment mechanism as a fraudulent source of funds in a transaction. The purpose may be to obtain goods without paying, or to obtain unauthorized funds from an account. Credit card fraud is also an adjunct to identity theft. According to the Federal Trade Commission, while identity theft had been holding steady for the last few years, it saw a 21 percent increase in 2008. In a same way than the failures, a possibility of payment frauds influences the image of the brand in a wrong way. It shows that the brand does not take all measures to protect their customers. It may affects the band perceived quality or the brand loyalty. (Korper & Ellis, 2000)
3. Method

In this chapter, the methods used to collect information for this research are explained. The chapter starts by explaining the different research method of the thesis and then we describe how we collected data (primary and secondary). After that, we describe the different types of research we have used for this thesis and the population and sampling of the research. Finally, we finish by the instrument of data collection.

3.1 Research method

There are three different techniques to do a marketing research. They can be identified broadly as: exploratory, descriptive and causal. Chisnall (1997) describes and explains these three methods.

First, there is the exploratory research. This type of research gives valuable insight, results in a firm grasp of the essential character and purpose of specific research survey, and encourages the development of creative, alternative research strategies (Chisnall, 1997). According to Gummerson (2002), this type of research method is used when the problem is not easy to define. This method consists in collecting as much data as possible in order to get a better understanding of what is the problem.

Contrary to exploratory research, the descriptive research stem from substantial prior knowledge of marketing variables. It is used when the problem is clear and well-known. For this type of studies to be productive, questions should be designed to secure specific kinds of information which can be related to product performance, market share and competitive strategies for examples (Chisnall, 1997).

The causal research consists in generating the type of evidence necessary for confidently making causal inferences about relationships between variables (Parasuraman, 1991). This research is used when different variables exist about the problem area. The aim is to answer a problem area by an experimenting method (Malhotra, 1996).

The purpose of this thesis is how French Luxury companies use e-commerce without affecting the image of their brand, so we will use a descriptive method of research which is the most adapted as the problem is well defined and we observe relevant information that would help us answer to our purpose.

3.2 Qualitative and Quantitative Research

There are two types of research approaches: qualitative and quantitative (Parasuraman, 1991). According to Parasuraman (1991), this research involves collecting, analyzing data that cannot be meaningfully quantified, that is, summarized in the form of numbers. This method is used when the researcher wants to go through the details of his/her investigation. It is a form of exploratory research involving small samples and non structured data collection procedures (Parasuraman, 1991). The quantitative research in contrast to qualitative research is
characterized by more structure and by larger samples. It is a form of conclusive research involving fairly structured data collection procedures (Parasuraman, 1991).

In this thesis, we use the qualitative method as we will analyze in a deep way the data we collected, as we have decided how French luxury companies use e-commerce without affecting the image of their brand.

3.3 **Company selection**

In order to answer our purpose which is how French luxury companies use e-commerce without affecting the image of their brand, we decide to focus on one companies that is Louis Vuitton. We use this case as an example. This is the most famous French luxury companies (Usine nouvelle, 2008) that use e-commerce and has a prestigious image to preserve, that is why we think that it completely fits with our purpose. Furthermore the study of this company is transferable to the other ones as explain below in Reliability and Validity. The website of this brand has all elements that are interesting to explain how luxury brands use e-commerce without affecting the image of their brand. The website is available in many languages but we decided to observe in English, for facilities matter of understanding.

3.4 **Data collection**

According to Chisnall (1997), Parasuraman (1991) and Churchill (2005), there are two main categories of data we collect for a marketing research: secondary data and primary data. Secondary data offers time and cost economies, indeed if the information required is available as secondary data, the researcher simply needs to go to the library or to get online, locate the appropriate sources, and extract and record the information desired. Primary data are collected by the researcher himself because they are not available yet (Churchill, 2005).

3.4.1 **Secondary data**

This type of data can help us to build the problem, the theoretical framework, and the empirical material. You can get these data in magazines, books, e-books, newspaper, internet, thesis and all official reports. There are two main problems by collecting secondary data. First you are not sure that this data fit to your subject (Churchill, 2005). Indeed, these data were collecting by someone else’s’ purposes before, so it is rare when it fits the problem perfectly. Then there can be problem of accuracy. Many errors can happen, and the following criteria should help the researcher to judge the accuracy of any secondary data: (1) the sources, (2) the purpose of publication, and (3) general evidence regarding quality. (Churchill, 2005)

In order to answer the purpose of this thesis, we use secondary data provided by Halmstad University Library, and the courses of Marketing and Strategic Marketing we have had. This source of information is relevant as it is an University that undertakes outstanding research in which many areas attain international levels of quality. We use this source to read scientific articles, thesis and economic books in order to gather data concerning our thesis. We also look at economic magazines as Lemonde.fr, Usinenouvelle.com or L’Expansion.com.
3.4.2 Primary data

In order to get new data and deeper information concerning our purpose we use collect primary data. According to Parasuraman (1991), there are different ways to collect primary data that are: surveys, interviews, observation, and experimentation. In this thesis, we decide to observe our own data. Indeed, we take a look at the website of Louis Vuitton and we analyze it. By using this technique of data collection we get new information that we didn’t find in any secondary data sources. Furthermore they are fully adapted to answer our purpose, contrary to most of the secondary data we found. This observation and the screenshots are done the 30th of April. We consider this important according to the fact that the website is often actualized.

3.5 Instruments of data collection

As the research area of this study is the Internet, all the data was collected through this medium from the official website of the French luxury company Louis Vuitton. To collect regular data from the websites, we have decided to use the option “screenshot” of our computer. By doing this, we explain you clearly all the tools use by the luxury companies to do e-commerce.

The address of the official websites is: www.louisvuitton.com.

3.6 Reliability and Validity

Reliability, validity and generalization are terms that are often used when the verification of knowledge is discussed” (Kvale, 1997). In order to bring value to the thesis the marketing research has to be reliable. Validity and reliability can be discussed in different ways according to what type of research you do.

3.6.1 Reliability

Joppe (2000) defines reliability as the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability, and if the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable. The reliability of a study measures to what degree a study’s result can be repeated if an identical or similar research wants to be carried out. According to the fact that we try to generalize our findings to theory analogous to the way a scientist generalizes from experimental results to theory, we think that our thesis is transferable to similar case studies (Yin, 1989).

3.6.2 Validity

The validity of a study on the other hand concern the study’s credibility and results. In other words, it measures how the results correspond to the actual reality. It exists internal and external validity and both have advantages and disadvantages (Churchill, 2005). Internal validity is this ability to attribute the effect that was observed to the experimental variable, and not to other factors. The external validity is the extent to which the effect can be
generalized to other populations and settings. The distinction between internal and external validity is important, and what’s even trickier is that the goals usually conflict (Churchill, 2005).

In this thesis we gather the data by observing an official website. We take the information directly to the main source. We do as customers would do, but we add an observation of the tools luxury companies use. As it is observation, everything we analyze is provided by the company itself so this is reliable information. The doubts about objectivity and the status of scientific knowledge followed a period of relative confidence and certainty, in which science was predominantly, sees as the steady accretion of objective knowledge through the unproblematic medium of observation (Sayer, 1992)

3.7 Limitations of study

We find out some limitations of our study. First, the observation of this study is made the 30th April, but the website is actualized regularly and Louis Vuitton tries to change it as often as possible. Then, we did not have any contacts with the company itself, maybe it could have bring us more information about some of their choices. Finally in order to complete our study, interviews of Louis Vuitton e-customers could have been interesting to analyze the effect of the marketing tools on the brand perception.
4. **Empirical example**

In this chapter, we present all the elements defined in the theoretical part adapted to the French Luxury Company that we have decided to focus on: Louis Vuitton. We present the background of the company, a description of its brand characteristics, and an observation of the marketing tools they use during e-commerce.

4.1 **Louis Vuitton**

4.1.1 Background

First of all, we present some statistics concerning Louis Vuitton we can find in the online annual report 2009 of the company:

![Louis Vuitton Income Statement](source: Louis Vuitton Annual Report, 2009)

Fashion and Leather Goods posted organic growth in revenue of 2%, and 5% based on published figures. Louis Vuitton turned in a remarkable performance for the year, again recording double-digit revenue growth based on published figures. The brand has made spectacular headway in Asia (especially in China), and continues to benefit from strong momentum in Europe (annual report, 2009).

**Louis Vuitton Malletier** (founded in 1854), the star brand of this business group, first focused its development around the art of travelling, creating trunks, rigid or flexible luggage items, innovative, practical and elegant bags and accessories, before expanding its territory and its expertise in other areas of expression. For over 150 years, its product line has continuously expanded with new travel or city models and with new materials, shapes and colours (louisvuitton.com, 2010). Famous for its originality and the high quality of its creations, today Louis Vuitton is the world leader in luxury goods and, since 1998, has offered its international customers a full range of products: leather goods, ready-to-wear for men and women, shoes and accessories. Since 2002, the brand has also been present in the watch segment; Louis Vuitton launched its first line of jewellery in 2004 and its first eyewear collection in 2005. The principal leather goods lines of Louis Vuitton are:
the Monogram line, a historical canvas created in 1896, also available in Monogram vernis, mini, satin, multico and denim;

- the Damier line in three colours, ebony, blue azur and the Damier Graphite line for men, launched in 2008;
- the Cuir Epi line, offered in nine colours
- the Taïga line for men in four colours (LouisVuitton.com, 2010)

**Louis Vuitton in 2009**

2009 was another year of double-digit growth for Louis Vuitton. The world’s leading luxury brand both confirmed its exceptional appeal and reinforced its leadership position. It recorded excellent performances in both Europe and the Middle East, and weathered a particularly difficult economic context in the United States. In the Asian markets, which continued to be very dynamic (Greater China, South Korea), Louis Vuitton reaped all the benefits of the qualitative work performed over time to establish its legitimacy. New stores were opened in all regions of the world. Louis Vuitton continued its renovation and refurbishing work which improves the quality of its network, and implemented major architectural programs for its stores and their façades which give the brand extraordinary visibility while enhancing the cities and streets in which they are located (annual report, 2009).

All the businesses, from leather goods to ready-to-wear to footwear, contributed to the overall growth of Louis Vuitton in 2009. The capacity for innovation is one of the brand’s traditional assets. Louis Vuitton expanded its men’s Damier Graphite line created in 2008, with articles available in all segments. The success of this line reflects the ongoing growth of Louis Vuitton in the men’s segment and is a key factor in that growth. New very successful models were added to the historical lines of leather goods (Annual report, 2009).

Louis Vuitton is going well, it shows that the brands found ways to fight the economic crisis, and that Louis Vuitton has a strong position on the current Luxury market. The brand confirms its reputation of high quality and appreciated products.

**4.1.2 Louis Vuitton as a Brand**

**Brand awareness**

As Louis Vuitton is a Luxury brand, the brand awareness is a less important factor (Keller, 1993). Buying luxury products represents an element of the last steps of Maslow’s pyramid, it means that less people use to buy luxury products comparing to products concerning the physiologic needs. People that buy luxury products know what the offer, the quality and the prices are. Consumers that are interested in buying luxury products are aware that Louis Vuitton exists as it is the best French Luxury company in terms of turnover (LeMonde.fr, 2008). Thanks to this situation, a large part of the population in EU, USA and China, and others may know this brand (LouisVuitton.com, 2010)

**Perceived quality**

Brand equity implies that the brand not only should be well-known, but also known for something that is valuable to the consumer, as the high quality dimension (Aaker, 1996). Louis Vuitton is a Luxury company which furthermore has increased its sales of 10% during the first trimester 2010 (UsineNouvelle.com, 2010). It shows that the customers perceive a
high quality in Louis Vuitton’s goods. Indeed Luxury customers are looking for high quality products before fair prices.

**Brand association**
In the customers’ mind, Louis Vuitton is associated to the words Luxury, high quality, high prices in consumers’ mind. It is also associated to their famous logo and to some events such as: the Louis Vuitton Cup that they sponsored because Sailing is associated with an upscale lifestyle which is also the branding aim of Louis Vuitton and the Louis Vuitton classics annual automobile race in Paris. (Louisvuittontrophy.com, 2010).

**Brand loyalty**
Louis Vuitton has loyal customers. Indeed they are loyal to this Brand according to the fact that the luxury customers are not looking for price advantages. They are looking for quality. According to the increase of its sales and benefits in 2010 (UsineNouvelle.com, 2010), Louis Vuitton confirms that many customers buy their products and like them. The luxury market has huge barriers to entry according to the fact that companies need to have a reputation to be seen by the customers as a good luxury company that provides high quality products.

4.1.3 **How is built the brand Louis Vuitton?**

**Louis Vuitton's brand as a product**
A core element of Louis Vuitton brand’s identity is its products thrust which affect the type of association that is desirable. The attributes of Louis Vuitton’s products linked to the purchase or the use of them provide emotional benefits to the customers according to the fact that it fulfils their need to get high quality goods. The product-related attribute of Louis Vuitton creates a value proposition by the high quality, creativity and uniqueness of its products (annual report, 2009). The customers may remember that Louis Vuitton ‘s goods is the best alternative concerning luxury trunks, leather goods, ready-to-wear, shoes, watches, jewellery, accessories, sunglasses when they are looking for high quality, class and uniqueness.

**Louis Vuitton's brand as organization**
The brand Louis Vuitton is more famous for its fashion shows and its flagship store than for its organization and its factories. However, its factories represent the key success of the world leading Luxury Company: Louis Vuitton (Usinenouvelle.com, 2003). All the business is integrated, from the creation of the products to the sale of them. The brand counts less than twenty factories1 seventeen according to LouisVuitton.fr, which accentuate the control they have on their products. Louis Vuitton is an organization really controlled from the creation to the sale. It gives to the organization this image of reliability, uniqueness and “know-how”.

**Louis Vuitton's brand as person**
As a person the brand Louis Vuitton can be identified as a man or a woman in a mature age that belongs to a high social class because of the professional carrier, the important capital of the family. This person would be original, distinguished from others, elegant and class.

**Louis Vuitton's brand as a symbol**
The symbol of Louis Vuitton is the monogram that appears on every product Louis Vuitton provides. This symbol has a international success and represents the key symbol of the brand.
Less known, the logo is also a symbol of the brand. It appears on every goods as well and is composed by a “L”, for Louis, and a “V” for Vuitton.

![Louis Vuitton Logo](Source: LouisVuitton.com, 2010)

**4.1.4 The reputation of Louis Vuitton**

Of course, the main element that influences on Louis Vuitton reputation is their financial results which show that customers are satisfied and buy their products. According to the annual report of 2009, Louis Vuitton revenues are around 17,053 million Euros. Louis Vuitton is the first luxury company in the world in terms of revenues (UsineNouvelle.com, 2008)

The first element which influences the reputation of Louis Vuitton is the strength of their strategy: The key drivers of their strategy continue to be innovation and the expansion of their presence worldwide (L’expansion.com, 2010). Louis Vuitton launches some powerful products which will enrich its major lines such as Monogram and Damier. It also develops its product offering in leather and open in some new countries, such as China and India. The year 2009 once again was marked by the intense and dynamic innovation of Louis Vuitton: highlights of the year (annual report, 2009). Innovative and dynamic are the key words of Louis Vuitton’s strategy and are part of their reputation.

The last point that influences the reputation of Louis Vuitton is their communication strategy. Louis Vuitton does not use TV and radio to communicate around its brand. Indeed, these channels may be considered as popular and accessible to everyone, which is contrary with a luxury company strategy.

They also do not publish anything in the public places. However, they publish commercials in the fashion magazines. Finally, they are partner to some events such as: the Louis Vuitton Cup that they sponsored because Sailing is associated with an upscale lifestyle which is also the branding aim of Louis Vuitton and the Louis Vuitton classics annual automobile race in Paris, which is in linked with the traditional side that Louis Vuitton want to associate to its brand (Louisvuittontrophy.com, 2010).
4.2 Description of the website

4.2.1 Louis Vuitton’s marketing mix for the e-commerce website

In this part we describe the Louis Vuitton’s marketing mix on internet, and especially in direct link with the Louis Vuitton e-commerce website.

**Product:** Louis Vuitton is one of the best pioneers on the fashion market. In fact, its products have been made with the best expertise and the high raw material quality. The designer of Louis Vuitton is Marc Jacob, a fashion designer from New-York. (Louis Vuitton website, www.louisvuitton.com)

There are a lot of varieties of Louis Vuitton products on the website that you can find on different assortments: bags, handbag, wallets, agendas, belts, ties, sunglasses, books and pens, watches and accessories –all of this for men and women–. For each assortment, there are several products choices.

You can also find some products that you can customize, but a concern not to repeat, refer to the “Monogram” part, 4.2.2.2.

The brand name, “Louis Vuitton”, is written on each product. For most of the product, the colours are more or less the same –several kinds of browns– even if, for some years, the new generation of Louis Vuitton colours has been created.

![First colour generation](image1)

**Price:** The Louis Vuitton products are high quality products, and it is for the reason that they are very expensive. It is not possible to describe in the thesis the entire Louis Vuitton collection product with all prices, so we just put some examples of simple products.

![Price examples](image2)

Figure 13: Louis Vuitton’s colours (Source: created by the authors)

Figure 14: Louis Vuitton’s prices (Source: created by the authors)
**Place**: As we describe the Louis Vuitton e-commerce website, the only place is the official website http://www.louisvuitton.com/uk/flash/index.jsp?direct1=home_entry_gb.

**Promotion**: Louis Vuitton represents “the discovery, travel, beauty, class, style, trend and creativity”. Of course, when these words are used in order to describe a company, it is easy to understand that the communication has to be very special. Louis Vuitton does not use all the Medias to communicate; the company chooses precisely the communication channels which are the most adapted to what they want. Its communication as to be in the same way than its products which means: special, sophisticated and high quality.

Louis Vuitton uses two kinds of promotions on its website:

- **Advertising on internet**: In fact, in 2008 Louis Vuitton makes its first—and its last—TV advertising, and put it after on internet. You can find the movie on Youtube on the following address: http://www.youtube.com/watch?v=QYMF_1KoHPA
- **Facebook**: Since 2009 Louis Vuitton uses the fad Facebook. It created its own Facebook page (http://www.facebook.com/LouisVuitton) and it has broadcast, in full and in live, its last fashion show in October 2009, on this page. (http://www.lexpress.fr/styles/mode-beaute/mode/fashion-week/comment-suivre-la-fashion-week-sur-internet_849058.html).

### 4.2.2 E-Merchandising

We describe the E-Merchandising on the Louis Vuitton e-commerce website, with six elements:

- **Feeling, product, time and quality**: As we have written before, the product on the Louis Vuitton website are only from the Louis Vuitton collection, so they are official products with high quality.
- **Place**: The Louis Vuitton e-commerce website (www.louisvuitton.com)
- **Presentation**: It is the most important part of the E-Merchandising mix. The E-Merchandising is divided in two parts: Design and structure.
  - **About the design**: you need to refer to “the Website element” part 2.2.3
  - **About the structure**: We describe each step between the internet user arrivals on the first page of Louis Vuitton e-commerce website, to the last step before buying product. In order to do that, we are going to divide the following part in six points where each of them represents one of the six parts of the first page.
4.2.2.1 Men and women area

After choosing the “Men and women area” on the first page, internet user can see this website page.

All the pages are the same. On the left you have the menu of the products –with all the product range (watch, handbag, bag, etc.) – and on the right a picture in direct link with the product.

Source: Louis Vuitton website (www.louisvuitton.com)
After choosing which products you want, for all the products range, you have this screen:

On the left, the same thing, and on the right the entire products range which you have choose. For each product the internet user can see a high quality picture, the exact name of the product and the price.

After choosing one of them, you get this interface:
It is the last interface before buying the product. On it we can see two important parts:
- One with three pictures of the product (on the left), and if you click on the product you can use a very accurate zoom.

- One with the product description (on the right)

**MESSENGER GM BEAUBOURG**

There’s room to spare in the Messenger GM. Smart and stylish, sleek and practical, light and easy to carry, it can accommodate numerous A4 documents and files. An essential addition to any shoulder.

Size (LxHxW): 15.8” x 12.2” x 3.9”

- Iconic Monogram canvas
- One exterior zipped pocket allows quick access to essential items
- Interior includes one short zipped pocket and four patch pockets
- Two pen holders
- One D-ring for attaching keys

PRODUCT ID: M97039

First, the internet user can read an advertising sentence on the product. Each sentence it is different for each product. Then he can get the product information about the size of the product. And finally, he can find all the technical information.
4.2.2.2 “Delicious Zippy”

On this part, the internet user can find only the fad product of Louis Vuitton collection. Most of the time, it is a small product, “not expensive”, like a wallet at time. If you chose the product, the following steps are the same that in the previously part.

In this section you can also find, in the bottom left-hand corner, a special link called “Monogram”. If the customer clicks on this link, he will go on the following page.

On this page, the website proposes to the buyer a choice between three products: A Keepall, a Pegase and a Speedy.
After choosing the product, the internet user will have to do another choice between the different products sizes.

Then, the finally step, is the choice of the customization. In fact, the buyer can choose three things: The stripes way, the stripe colours and the initials that you want to put.

4.2.2.3 “New arrivals”

The “New arrivals” part is as you can read on the title, the part where buyer can find the last Louis Vuitton products from the last collection. This part is divided in four elements: Women leather goods, Women accessories, Men leather goods and Men accessories.

Customer just has to click on the picture in order to get some information about the product. It is the same process than the precedent part.

But as we can see, there is a difference between the E-merchandising of this part and the rest of the website. This one is more in relation with the new generation of Louis Vuitton colours:
No brown colours, only clear grey. It is the same for the products disposition: It is not really structured. If you chose the product, the following steps are the same that in the previous part.

4.2.2.4 “Galliera Monogram”

“Galliera Monogram” is a simple part within Louis Vuitton has wanted to highlight one product, the “Galliera GM”.

On this website part, the internet user can see the product in a small animation –about 40 seconds- with music: The music is a simple music, without singer, only one melody and it is possible to stop the music whenever you want. The animation is a woman who is walking on the street with the Louis Vuitton bag. During the animation, on the left, you can see some product characteristics which appear gradually as the woman is walking.

At the end of the animation, Louis Vuitton proposes to buyers three links: One if they want to review the animation, one if they want to buy the “Galliera GM” and the last if they wants to buy some complementary products as you can see on the following picture.
They are only six products. One for each product category: wallet, handbag, glasses, shawl, jewel, and belt. The disposition and the merchandising are the same than the rest of the website. If you chose the product, the following steps are the same that in the previously part.

4.2.2.5 “The perfect gift awaits”

The “Perfect gift awaits” part is a special link for people who need help in their purchase. It is a relationship marketing technique. In fact, it is a generator of personal idea: The buyer needs to put three characteristics and the generator help they trying to propose some gift idea. As it is written in the right part, you can join a message to the gift, for the customization, as we have seen before (second relationship marketing technique).
The three characteristics are about the sex, the price and the occasion.

After having filled all the characteristics, the generator proposes to you several choices, as you can see on the following picture.

The E-Merchandising is a little bit different. In fact there are always six products but the background is white. If you chose the product, the following steps are the same that in the previously part.

4.2.2.6 “Little summer temptations”
The part looks like the “Delicious Zippy” part. Indeed, if the buyer clicks on this link, the website proposes to him a special choice, in line with the current season. Nowadays the internet user can find some Louis Vuitton products in direct tie with the summer.

![Image of a Louis Vuitton website with summer collection]

The E-merchandising is different but classic: grey background, and on the right a picture reminds the summer season. If you chose the product, the following steps are the same that in the previous part.
4.2.3 Website elements in the E-commerce

4.2.3.1 The first page

On the Louis Vuitton e-shopping website, the first page looks as you can see above.

You can find on the top of the page the name of the brand “Louis Vuitton”. Then, down the name there are five links: Four if you want to go to the Louis Vuitton website – The world of Louis Vuitton Stores, Personalisation, Catalogue –, and the last which show you that you are on the Louis Vuitton E-commerce website –E-shopping–.

After that, and it is represented the biggest zone of the page, you can see several “cosmos” represented by several autistics pictures, in direct link with the Louis Vuitton E-shopping world: “Men & Women”, “Delicious zippy”, “Little summer temptations”, “New arrivals”, “Galliera Monogram” and “The perfect gift awaits”.

Then, completely down, you can find some links which can help you if you want to navigate on the website – HR, Legal Notice, Terms & Conditions, Site Map, FAQ and Environment –.
4.2.3.2 Graphic website and textual elements

The graphic website and textual elements are composed of many special characteristics. Louis Vuitton:

- Uses the same typeface all the time – a special Louis Vuitton’s mix between the “Arial” typeface and the “Calibri” –. The size is different, it depend if it is a title or not: The titles are in size “14” and the rest of the selection in “12”.
- Uses the same dark or subdued colours all the time – Black, Blue, Brown and White –

- Puts pictures, movies and song with a very good quality: In fact, it depends of your material (computer, graphic card, song card and internet connection) but Louis Vuitton has put the best quality on the entire graphic website elements. For each Louis Vuitton product, you can get a high quality picture which can show you more precisely the product that you might buy.
- Puts just some words, pictures, links: Only the essential for the internet user. For the lexical word it is the same: simply, clear, just the most important, nothing superficial.
2.2.3.3 Buying tools

As we have explained in the theoretical part, in order to be more reassuring, most of the e-commerce website asks to their consumers to create an account before buying. It is the case for the Louis Vuitton e-commerce website. You need to create your own account before buying something, as you can see on the following picture:

The information that Louis Vuitton wants to know are the following: Title, last name, first name, date of birth, e-mail address and the password that you are going to chose.

At the right side you can find the link “contact”: It is a telephone number that you can call if you have a problem, or if you want some information about Louis Vuitton’s brand.

Then, in direct link with the buying tool, you have the “Terms and Conditions”. On this part, we can find all the information about preliminaries, scope, identification of the offer, information relating to goods, orders, price, payment, delivery, limitation of liability, your right of cancellation, further information, intellectual property rights, delay or failure to perform, use of your information, governing law.

In the following part, we describe just some point, the essentials (all the following information are from the Louis Vuitton e-commerce website):

- **Payment**: Louis Vuitton e-commerce website accepts only credit card payment, and only some kind of credit card - Visa, Eurocard, Mastercard, American Express, Switch, Solo, Connect and Diner's Club and JCB - . The credit card’s buyer will be debited at the time the order is prepared, and you must confirm to the company the name which appears on the credit card to be debited, give the 16-digit card numbers
and the expiry date as shown on the front of the card, as well as the security code on the reverse of the credit card.

- **Delivery**: The customer’s good will be delivered during normal business hours once payment has been confirmed to the address which the customer gives to the company. They can also find some general information about delivery.

- **Limitation of liability**: The company will not be liable to the buyer by way of representation (unless fraudulent), common law duty or under any express or implied term of the Contract for:
  o Any losses which are not reasonably foreseeable by both Parties when the Contract is formed arising in connection with the supply of Goods and related services or their use by you
  o Any losses which are not caused by any breach by us
  o Business or trade losses.

You can find all the rest of the information in the appendix A.

### 4.2.3.3 Different steps of buying process

![Different steps of buying process diagram](Image)

**Shopping bag**: The Louis Vuitton shopping bag gives you the possibility to know some information like the product’s price, the total price, the quantity, the delivery details, the
payment and return information, the customer service and some link in order to buy some complementary products (called in the marketing world: Cross selling).

The shopping bag, like the rest of the website, is very clear: Some essentials links and nothing else.

**The identification:** In this part, you just need to confirm your e-mail address and your password, in order to access to the following steps.

**Delivery:** Here, the buyer needs to complete some information about the delivery and the person who are going to receive the product: the title, first name, last name, address, city and phone.

On the right, the total price and the picture of the product are mention again.
**Confirmation:** The step “confirmation”, or “review”, is a formal step which has one goal, confirm all the information that the customer has written before. It is all the information about the price and the product, but also about the delivery address. In additional, the buyer has to accept the general "Terms and conditions" of Louis Vuitton.

You can also find a specific part, just under the address confirmation, which is a relationship marketing tool. In fact, in order to be closer than their customer, you can write your own message on a gift wrapped -390 characters to write what you want.-

**Payment:** The payment process is very simply – refer to the previous picture –. In fact, Louis Vuitton e-commerce website just needs five details in order to finalise the purchase: The payment method, the card number, the expiration date, the security code and the account’s holder name.

On the payment method, the buyer has to put his kind of card. As we have written before, the credit card has to be one of the following names: Visa, Eurocard, Mastercard, American Express, Switch, Solo, Connect and Diner's Club or JCB. After that, he has to inform the website of the written information on the credit card.
About the security during the payment, every buyer can find some information on free access on the website: in fact, in order to counter internet fraud, payments on Louis Vuitton e-commerce website will be managed on-line with the banking organisations concerned through the facilities offered by OGONE S.A. This company will be responsible for holding and automated handling in a secure environment the information relating to each order, including bankcard details.

Louis Vuitton has contracted with Retail Decisions (Europe) Limited to put in place a screening system to deter credit card fraud. As a result, the buyer's personal data (including name, email address, delivery details, telephone number, details of the order placed, credit card details) will be disclosed and used by Retail Decisions (Europe) Limited exclusively for the purposes of providing fraud screening services to us and to the customers.

Then, you can see that Louis Vuitton uses the SSL –Secure Sockets Layer- encryption process to protect all the details from their customers.

**Report:** Now, we don’t know exactly what’s happened because we didn’t do the process until the end. In fact, as Louis Vuitton product are very expensive, even if it is important for the thesis, it is not possible for us buying this kind of product. So we think, and normally it is that is going to happen, that after accepting the confirm order, the customer will receive an email with all the information that he has provided before – delivery, name, address, price, etc –.
5 Analysis

In this chapter we interpret and analyze our empirical findings by using our theoretical framework: We analyze the Louis Vuitton e-commerce website with the different theories. In a first part we discuss about the marketing mix, then the e-merchandising, and we finish by the different website elements.

5.1 Website elements analysis

5.1.1 First page

In the theoretical part we have found a model about the website first page called “Immediate rate perception” -refer to the figure 3, p.11-. Crossing the model with the First page of Louis Vuitton E-commerce website, we analyse it.

<table>
<thead>
<tr>
<th>Zone</th>
<th>Immediate rate perception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zone 1</td>
<td>between 85 and 100 %</td>
</tr>
<tr>
<td>Zone 2</td>
<td>between 65 and 85 %</td>
</tr>
<tr>
<td>Zone 3</td>
<td>between 45 and 65 %</td>
</tr>
<tr>
<td>Zone 4</td>
<td>less than 45 %</td>
</tr>
</tbody>
</table>
On the first page, you can find the name “Louis Vuitton” more or less in the Zone 1 (the red one). In order to highlight the brand name, the background is white and the Louis Vuitton typography is black. It influences the customers to read “Louis Vuitton”, so they remember the brand’s name one more time. This is an effect on the Brand awareness, and the Louis Vuitton’s brand as a symbol. By doing this, Louis Vuitton reinforce the awareness of its brand in customers minds. We stay in the Louis Vuitton spirit, because there is nothing else –just the minimum-, clean and beautiful presentation. This is an influence on the customers because they associate Louis Vuitton (Zone 1), with a clean, easy and beautiful presentation. This is an effect in customers’ minds on the brand association.

In the Zone 2 and 3 on the left side, customers can find the most important link –to go to the all Louis Vuitton collection–. This link is bigger than the rest of the link –about 4 times more–. By this, Louis Vuitton gives to the customers the feeling that the website is easy to use - Fewer elements for a better quality of each-. In the Zone 2 and 3 on the right side, you can see two different links “New arrivals” and “Galliera Monogram” symbolized by two pictures with Louis Vuitton handbags. This choice is not accidental because the most famous Louis Vuitton product is the handbag, so they had wanted to highlight this product on their website, and that is why they put two different handbags in the Zones 2 and 3 because between 65 and 85% of internet users look there.

Concerning the E-merchandising on this webpage, Louis Vuitton has decided to put only the essential, so you can just find six principals links. One more time, Louis Vuitton as decided to make it easy for the customers. The main objective is to make the customers understand that buying on internet is also a personalized service. The customer is more confident if the e-commerce of Louis Vuitton gives a similar perception than its commerce with the retail stores. This reinforce the customers’ view of Louis Vuitton’s brand as an organization; clear and reliable. Each link is materialized by an attractive picture. Louis Vuitton put these pictures in order to attract the consumer’s eyes. Each of them is high quality and very good-looking (professional models, professional photograph, beautiful background…) which refers to the Louis Vuitton brand image. On this first page Louis Vuitton is in the good way to keep its premium brand image: beautiful, perfection and unique.

On a general aspect, the colours are attractive, each link is clear and the page is very clean.
5.1.2 Website page

The following part is the same than the previous. We cross a model, which we have found and explain in the theoretical part – Figure 4: the traditional structure of an E-commerce website first p.13-, with an internet page from the Louis Vuitton E-Commerce website. We analyse it:

If you cross the theory and the Louis Vuitton website page, we can see that in the zones 1, 3, 4, 5, 6 and 7, Louis Vuitton puts the same things that it is written in the theory.

Indeed, the logo and the name of the site are correctly in the zone 1 -up left-. As on the first website page, it is in black capital letter with a white background. Knowing that the customers are looking first at this zone, Louis Vuitton decided to put there the Logo and name by purpose. Indeed, customers associate the logo to the brand name which reinforces the brand association of Louis Vuitton’s logo to its brand. It also increases the customers’ view of the logo as a brand symbol. The zone 3 represents the website structure with different links –The world of Louis Vuitton, Stores, Personalisation and Catalogue–. Then, in the zone 4 and 5 there are the main text, on this page a handbag high quality picture. The picture changes, it represents the product range that we have chosen before. Once more, there is a high quality picture of a handbag, symbol of Louis Vuitton. It has an effect on the customers’ perceived quality and the brand as a product. The Louis Vuitton handbag is one of their famous products.
and it is a symbol of the brand. This is not located in this zone by chance. In the zone 6, buyer can find some different links in order to facilitate Internet browsing on this website –HR, Legal Notice, Terms & Conditions, Site Map, FAQ and Environment–. It’s small and at the bottom because it is not an important thing for the Louis Vuitton Company. Finally the zone 7 is the website navigation or internet user can navigate on the website choosing where they want.

In the zone 2, according to the theory, Louis Vuitton should has put its publicity, but as we have said before, they are not used to put advertising on internet, so they put in this space the “search navigation”.

As we can see, Louis Vuitton has applied exactly the theory about the website structure –refer to the figure 4, p.13–. It shows that they really focused on what are the important elements to take in account when you do e-commerce. They did the website by respecting the zone that the customers may have more attention for.

Then, about the design and the look and feel, all the Louis Vuitton’s code is present: The type face, the colour, the design and the presentation. Louis Vuitton keeps all its code in order to be conformed to the image of its brand. By doing this Louis Vuitton avoids to affect negatively the customers’ view of the brand: brand as product, organization and symbol

5.1.3 Graphic website and textual elements

Throughout its website, Louis Vuitton has used graphic website and textual elements in order to keep its image that it built for several years, that is to say:

- Louis Vuitton’s basics
  o They have wanted to keep its own colours: –refer to the figure 13: Louis Vuitton’s colours p. 33–. This was done in order to not shock the brand association of Louis Vuitton by the customers. Another colour could have shock them and change the image they have of Louis Vuitton.
  o You can get the most famous Louis Vuitton product (The Louis Vuitton hand bag and the Louis Vuitton suitcase). By this, it reinforces the brand association of the brand and this famous product which is Louis Vuitton hand bag.

Keeping the same colours means that they want to build the same Louis Vuitton entity on internet, than in the normal shop, in order to keep their customers and in the same time trying to target new one.

- High quality, luxury and class
  o On the website you can see a lot of pictures, watch some movies and listen to some music. This website is adapted to the new added values you can bring to the customer on websites. Louis Vuitton offers the best to its customers and increases the perceived quality of its service and so on its brand.

- Clear and effective
They use the same typeface all the time (mix between the “Arial” typeface and the “Calibri”). Both of them are class, clear and easily readable.

- The website structure is very clear: you just find some pictures, links and movies.
- The lexical word is very simple: Some easy word that everybody can understand. Then, there is a technical vocabulary for each product description, and Louis Vuitton used a simply word to describe it.

As we have written in the empirical part, Louis Vuitton has built a strong image with many characteristics: Effectiveness, clearness, high quality product, luxury world and expertise. After having analyze the “Graphic website” and the “textual elements”, we can see that Louis Vuitton keep all this characteristics on this part of this analyze. The simplicity, by using easy words, well written, the effectiveness by being clear and quick, and the high quality, by being beautiful and well organized, make this website conform to the brand image of Louis Vuitton. When Louis Vuitton respects that, the website reinforces the brand association and the perceived quality of its brand to the customers’ point of view. It might also increase or confirm the brand loyalty of the customers by giving them what they want from Louis Vuitton website.

5.1.4 Buying tools and buying process

In order to be more reassuring, Louis Vuitton, as most of the E-commerce website, asks to its consumers to create an account before buying. The account creation does in four steps. This process is very simply and quick. In few minutes, you can easily create an account and be able to buy on the website. According to the image of their brand, the perceived quality and the brand association of their customers, Louis Vuitton website has to be efficient. The fact that the process of creating an account is quick, it is completely adapted to the image of Louis Vuitton’s brand.

The buying process is also the same thing: After choosing the product, the six steps are quick and clear. With this website, even if you are not used to use the internet tool, you can buy easily a Louis Vuitton product. All the information is written, and as we have said before, the process is very basically.

As creating an account, the buying process has to be quick. Furthermore, it also has to be secure. The fact that the payment of the customers is protected by this SSL encryption –refer to the appendix A– is conform to Louis Vuitton as an organization view of their clients: reliable and controlled. Louis Vuitton website reassures the customers by being as safe as if they would buy the product in the retail store. Louis Vuitton explains to its internet user that its website is safety using the lock –refer to the appendix B– during the buying process, but also highlighting this encryption in its “Terms & Condition” –refer to the appendix A–.

5.2 E-CRM analysis

Within its e-commerce website, Louis Vuitton put some relationship marketing tools. In fact, the Louis Vuitton commerce is based on the CRM process. The company needs to create and keep a special link between them and their customers: Indeed, it is not a current product, because people will spend several hundred Euros only for one bag, so the luxury consumer is
not like the others. In order to be closer with its customers, Louis Vuitton used the following tools:

- Before buying Louis Vuitton product, the website proposes to the customer to write a message for the gift recipient. This technique shows to the customer that he can personalize, one more time, its product. It is a small attention which can do the difference between two brands with the same kind of product. By doing this, they confirm, in customers’ minds, that this is a high quality service, and increase their perceived quality of Louis Vuitton. The example shows one more time that Louis Vuitton puts the customer in the middle of its preoccupations; it is a perfect CRM process.

- On the website, you can also create your own product and write your initials on it. It is a new relationship marketing process that Louis Vuitton proposes to its consumers. The ultimate personalization, when the customer becomes the product creator. One more time, this element comforts the perceived quality of the customers. It also reinforces the Louis Vuitton brand as product view of the customers. They have the opportunity to buy unique and creative products as they do a part of them. It is an interesting point, because Louis Vuitton shows with this example that he is in a genuine of CRM process.

- The “generator of personal ideas” is a tool as well. The website gives to the customer different products choice in terms of their needs. It is an interesting technique which replaces the sellers in the normal shop. In fact, with three questions the website can guide the customer to several products, as a professional seller. Of course there is not reactivity with the customer, but this service can answer at an untypical demand, like people who don’t like to go the shop because there are too shy, or people who are pressed. Louis Vuitton provides added value to the customers. They try to do the maximum to make the customers feel that the website is like the retail store. Louis Vuitton gives to customers the possibility to ask questions as if the customers would be in a store. Louis Vuitton affirms being a customer’s oriented company and makes an effort concerning the relation to the customers added to the effort they do concerning the high quality, effectiveness, and simplicity. This is without any doubt something that reinforces the brand loyalty of the customers, and in the same time their view of the brand as an organization.

With these three examples, Louis Vuitton shows one more time that they put the customer in the middle of the preoccupations.
6. Conclusion

The purpose of our study was to observe how French luxury companies, in a context of changing demand, use the e-commerce without affecting the image of their brands. In this part, we present the conclusion of our study. We also discuss the limits of our observation, bring some suggestions and new ideas to the luxury company we took as example: Louis Vuitton.

Based on our study the main purpose of our thesis was to study how French luxury companies use tools to be conformed to their brand image and not affect it. We aimed to identify the marketing tools they utilize to preserve their reputation and which elements they use to not affect or even to reinforce the characteristics of their brands such as brand awareness, perceived quality, brand association and brand loyalty. In order to identify the marketing tools and their effect on both the brand image and the customers’ perception of it, we observed the website of a famous French luxury company, Louis Vuitton and how they do e-commerce.

We narrowed the scope of our thesis by focusing on the French luxury company Louis Vuitton. Indeed this company has all aspects needed to answer our purpose. Louis Vuitton is the most famous French luxury company, and it does e-commerce. Furthermore Louis Vuitton’s has an image and a reputation to protect. As they hesitated to go through this new opportunity which is e-commerce, they paid attention to the marketing tools they should use in order to be conforming to their brand characteristics. The observation of Louis Vuitton website gave us a better understanding of how French luxury companies can preserve their brand image when doing e-commerce.

We defined the tools luxury brands need to use in order to preserve the image of their brand, particularly for high involvement brands such as luxury brands. These tools are the marketing mix on internet, the e-merchandising, the perception of an internet page, the e-customer relationship management, the first page, the graphic and textual elements, buying tools, payment process and finally security system. It is dearly observable that all these important elements needed to preserve a brand image and a brand reputation is present within Louis Vuitton e-commerce website. Therefore we can conclude that Louis Vuitton use the marketing tools available on internet in order to preserve the brand image they built since 1854. Furthermore, by using this marketing tools and always trying to make the customers feel that they have a personalize and unique service as they are in the real shop, Louis Vuitton does e-commerce without affecting the image of its brand.

We conclude from our findings that Louis Vuitton tries to make its e-commerce customers feel that the environment and the buying process of the website is similar to shop in a Louis Vuitton retail store. The aim for this company is to make money by catching this new opportunity which is the e-commerce, but also, by the fact that internet is accessible to everyone, make the customers feel that it is still a personal and unique service. Our observations permit us to understand the influence of each marketing tools on the customers.
perception of the brand, Louis Vuitton has succeeded to enter into the e-commerce market and create its own e-commerce website.

By doing this study of Louis Vuitton e-commerce website we now have some suggestions concerning their way of doing e-commerce. We think that Louis Vuitton should keep the structure of its website, meaning the six main “cosmos”, same graphic elements, payment process and security system in order to not disturb its customers. However, in order to increase the attractively and more precisely the visits frequency of each customer on its website, we see two different techniques: a regular actualization and a more important interactivity with its customers.

First, Louis Vuitton could actualize its website once month with one precise theme, as example May: flowers, August: the beach, December: the snow. Furthermore, “Cosmos” such as “New arrivals”, “Personalized your luggage” should be actualized as often as possible according to when there are big events, important changes, new collections, new trends & fads.

Then, increasing the interactivity with the internet users by using more videos, music, flash animations as they started to use in the website part “Galliera Monogram” (refer to 4.2.2.4). They could also implement a new strategy which is the phone marketing. This strategy consists in informing the customers about each important change of the e-commerce website by receiving an text message. As example, a new collection that would complete the “new arrivals” cosmos. Gathering the phone numbers could come from an internet database on the Louis Vuitton e-commerce website (when the customers create an account or if the customers wish it). These two techniques would increase the attractively of Louis Vuitton.’s website and the interactivity with its customers.

We finally would like to highlight some limitations of our study. Some studies could be interesting to do in order to complete ours. We decided to focus on the observation of the website and how Louis Vuitton does e-commerce. Interviewing customers could bring an outside point of view to our study because we are not customers of Louis Vuitton ourselves. However, this point made that we had an objective observation of the website which might not have been the case if we would have interviewing customers. Then we only focused on Louis Vuitton, which concerns Fashion & Leather goods. It can also be relevant to study how French luxury companies that sell perfumes, wines or cars for examples do e-commerce. This focus on Louis Vuitton gives us however a good understanding of this overall problem for luxury companies but these others companies may have some other strategies, more specific to their own domain.
7. Appendix - A

LOUIS VUITTON

TERMS AND CONDITIONS FOR ORDERS PLACED BY TELEPHONE OR VIA THE LOUIS VUITTON WEBSITE

For further information, please contact our Customer Service team on 0207 299 4000 (local rate).

Preliminaries

These are the terms and conditions of sale ("Conditions") of Louis Vuitton UK Limited, whose registered office is c/o Bruno Jacobson, Alder House, 81/82 St. Martin's Lane, London WC2N 4HR (registered in England and Wales under company number 01633050). These terms will apply to all purchases of Goods in the United Kingdom when you order via our website (www.louisvuitton.com) or via telephone using our Customer Service team. Please read this document carefully before placing your order.

By placing an order by telephone through our Customer Service team, you confirm your unconditional acceptance of these Conditions.

By accepting the Terms and Conditions when confirming your order, you confirm your unconditional acceptance of these Conditions. Please note that:

Not all items featured in our catalogue or on our website are available through telephone order or via our Website. Certain categories of Goods are not available via our mail order service. Shoes, ready to wear, trunk, etc. Please consult our Website to check whether the Goods are available via telephone or website order.

We may change these Conditions from time to time. The latest version of these Conditions is available on our Website.

These Conditions can be saved electronically or printed by all users of our Website. Whilst they remain posted on our Website, these Conditions will apply to all transactions carried out via our Website and by telephone.

1. Scope

1.1 In these Conditions:
1.1.1 "Customer" means a person acting as a consumer who is purchasing goods outside the course of his or her business or trade;
1.1.2 "you" means the Customer submitting an order for Goods;
1.1.3 "Goods" means the Goods to be supplied under these Conditions;
1.1.4 "Party" means either you or us; "Parties" means you and us;
1.1.5 "Writing" means letter, fax or email.
1.2 The contract of supply of Goods ("Contract") will be formed when we accept your order. An acceptance of your order by us can only be made in Writing. In the event that Goods are ordered over the telephone, the Contract is formed with you when you are informed in writing or by telephone from us that the Goods you have ordered are available. In case of any dispute, the original writing or telephone call will be evidence of the contract. You will receive written or telephone confirmation of your order. You should therefore retain a copy of your original order confirmation or your telephone call in order to facilitate any future reference to the Contract.
1.3 Orders may only be placed by Customers aged 18 and over.
1.4 In deciding whether to accept your order, we may carry out a credit check and will only accept your order if we are satisfied with the results of such a check. You confirm that you agree to us carrying out such a check.
1.5 These Conditions may only be changed in a document signed by one of our directors.
1.6 These Conditions and any matters referred to in them are intended by the Parties to represent their full understanding between you and us and supersede any prior promises, representations (whether fraudulent) or undertakings.
1.7 Any omissions or errors in any sales literature, or in any advertisement whether in newspapers, magazines, on the Internet or otherwise or in any invoice or other document issued by us may be corrected by us without liability.
1.8 By accepting the Contract you confirm that you are a Consumer in the United Kingdom.
1.9 The provisions of the Contracts (Rights of Third Parties) Act 1999 are expressly excluded from the Contract so that no third party may claim any rights under this Contract.
1.10 These Conditions apply to all aspects of the Consumer Protection (Distance Selling) Regulations 2000 (as amended) and the EC Directive on Consumer Distance Transaction (EC Directive) Regulations 2002, 2005.
1.11 Clause headings are for convenience only and do not affect the interpretation of these conditions. Words in the singular include the plural and vice versa.

2. Identification of the offerer:

Louis Vuitton UK Limited, whose registered office is c/o Bruno Jacobson, 8/10 St. Martin's Lane, London WC2N 4HR (registered in England and Wales under number 01633050 - VAT No 240 957 036) (referred to in these terms as "we" or "us").

3. Information relating to Goods

Information on the range of Goods sold via our telephone order service or via our Website is available, with product references, to all Louis Vuitton stores and on our Website. All orders are subject to availability.
4. Orders

4.1 Orders by telephone
Orders can be placed in English with our Customer Service team by calling tel. no. 0207 999 4000 (local rate), Monday to Saturday from 9:30 am to 6 pm, Sunday from 12 noon to 5 pm, excluding public holidays.

4.2 Orders via our Website
4.2.1 Orders can be placed through the UK section of our Website. You will be responsible for paying any costs of connection to our Website.
4.2.2 Whilst we take reasonable care in ensuring that all material contained in our Website is accurate and up-to-date, at the time it is posted, we cannot guarantee that material contained in our Website is to be relied upon as a statement or representation of fact. All images, illustrations and descriptions of the goods are for information only and you are advised to contact our Customer Service team for further information about the goods.
4.2.3 Whilst we try to ensure that our Website is reliable and available at all times, the Internet is not an inherently stable medium, and errors, omissions, interruptions of service and delays may occur at any time. We do not give any warranty for the accuracy, reliability, completeness, performance, fitness from viruses or timeliness of the content or services contained on our Website.
4.2.4 We will not be liable for any damages (including without limitation loss of profit or loss of use) arising out of your use or delay or inability to use our Website, its content or any link to another website arising in contract, tort (including negligence) or otherwise, except in the case of death or personal injury caused by our negligence.
4.2.5 When placing an order for the first time, you will be required to open an account with us and complete certain required fields on an order form. All steps necessary for placing an order are detailed on our Website.
4.2.6 In the event that your connection to our Website is lost, in such case, you will be required to re-enter your selection.
4.2.7 When using our personalisation services (“Monogram”, hot stamping etc.) any designs created by you will only be retained whilst your order is in progress. If you log out before completing an order, we will recreate your designs when you next log in.
4.2.8 Before you submit your order, you will be given the opportunity to review your selection, check the total price of your order and correct any input errors. All information on our Website is an invitation to treat only and is not an offer or unilateral contract. Your order represents an offer by you to purchase the goods. We will acknowledge receipt of your order without delay by sending a confirmation email. Please note however that such confirmation email does not constitute acceptance of your order.
4.2.9 You will be charged for goods which have been dispatched to you (together with relevant delivery charges). In the case of Personalised Goods only, once you have submitted your order and it has been confirmed by us, your customer service team will contact you regarding the progress of your order. We will inform you by email once the Personalised Goods have been dispatched.
4.2.10 The sale will only be binding on us once we have notified you that the order is accepted and the goods have been dispatched by us. This means that if Goods are shown on our Website but are not available or are incorrectly priced or otherwise incorrectly described, we shall not be obliged to sell you such Goods.
4.2.11 You will only be charged for Goods which have been dispatched to you.

5. Price

5.1 The price of the goods you order will be notified to you by telephone before you place your order on the Website before you confirm your order and will be confirmed on the written confirmation that you will receive when the Goods are delivered. All prices are in pounds sterling (£) and inclusive of VAT and delivery.

5.2 If an error is found in the price of the Goods you have ordered, we will inform you as soon as possible and offer you the option of reconfirming your order at the correct price or cancelling your order. If you cancel, we will refund or re-credit you for any sum that has been paid by you or debited from your credit card for the Goods.

6. Payment

6.1 You must pay for the Goods prior to their dispatch to you by credit card (or bank transfer on Customer Service request). Payment must be in pounds sterling (£). The following credit cards are accepted: Visa, Eurocard, Mastercard, American Express, Switch, Solo, Delta, Carte Blanche and Maestro.
6.2 Your credit card will be debited at the time the order is prepared. You must confirm to us the name which appears on the credit card to be debited, give the 16-digit card number and the expiry date as shown on the front of the card, as well as the security code on the reverse of the card. We undertake to keep this information strictly confidential.
6.3 In order to counter Internet fraud, payments through our Website will be monitored on-line with the banking organisations concerned through the facilities offered by OSNTECH.
5.4 We have in hand all the necessary insurance policies and procedures required for handling and automated handling in a secure environment. The information relating to each order, including bankcard details.
5.5 We have contracted with Retail Decisions (Europe) Limited, a third party based in the UK, to put in place a screening system to detect credit card fraud. As a result, your personal data (including name, e-mail address, delivery details, telephone number, details of the order placed, credit card details) will be disclosed and used by Retail Decisions (Europe) Limited exclusively for the purposes of providing fraud screening services to us and to our own customers. Please refer to the Legal Notice for further details. We reserve the right to put in place additional or other payment security systems from time to time.
6.4 In the event that the sum due from you cannot be debited for whatever reason (including, without limitation, stopped payment or refusal by the issuer of the card), the sale will be cancelled immediately.
7. Delivery

7.1 The Goods you order will be delivered during normal business hours once payment has been confirmed to the address which you give us when you place your order. Delivery will be made by express courier. Please note that deliveries are not made outside the United Kingdom or care of or hotel or PO Box addresses.

7.2 If there is no one at the address given who is competent to accept delivery of the Goods, you will be asked to contact our customer service in order to arrange an alternative delivery date or a place to collect the Goods.

7.3 You may use our Gift Service to arrange for Goods to be delivered to a third party of your choice, provided always that the delivery address is in the United Kingdom.

7.4 No delivery will take place unless payment for the Goods has been received. Every effort will be made to deliver the Goods as soon as possible after your order has been accepted. Any delivery date or time specified by us is a best estimate only and we will not be liable for any loss or damage suffered by you through any reasonable or unavoidable delay in delivery. We will aim to deliver the Goods (other than Personalised Goods) within 30 days and Personalised Goods, within [56 days].

7.5 Please note that all packages containing Goods to be delivered to you will be weighed by us prior to their dispatch.

7.6 Ownership of the Goods and the risk for damage to the Goods passes to you upon delivery.

7.7 If, at the time of delivery, the packaging is damaged, you are required to open the package in the presence of the courier in order to verify the condition of the Goods. In the event of damage to the Goods, you should note the details on the delivery note and contact the Customer Service team (see clause 11 below).

8. Limitation of liability

8.1 We will not be liable to you by way of representation (unless fraudulent), common law duty or any express or implied term of the Contract for

8.1.1 any loss or damage which are not reasonably foreseeable by both Parties when the Contract is formed arising in connection with the supply of Goods and related services or their use by you;

8.1.2 any losses which are not caused by any breach by us;

8.1.3 business or trade losses.

8.2 Our entire liability in connection with the Contract will not exceed the purchase price of the Goods in question.

8.3 Nothing in this Contract means that our liability to you for death or personal injury resulting from our negligence or that of our employees, agents or sub-contractors is limited.

8.4 We shall repair or replace, free of charge, any Goods damaged or lost in transit where delivery has been made by our courier, provided that:

8.4.1 you give us written notification of such damage or loss within 24 hours of the delivery date in the case of damage and within 24 hours of the anticipated delivery date notified to you at the time you placed your order in the case of loss, in order that we may comply with our carrier's conditions of carriage;

8.4.2 you produce at our request or other documents relating to the Goods in question together with (in the case of a claim for damage) the original packaging for the Goods.

9. Your right of cancellation

9.1. [Except in the case of Personalised Goods, you have the right to cancel the Contract at any time up to the end of seven working days after you receive the Goods.] A working day is any day other than weekends and bank or other public holidays.

9.2 To exercise your right of cancellation before the Goods have been delivered to you, you must give written notice to us by hand or post to LV Customer Service, 6 Royal Exchange Buildings Cornhill LONDON EC3V 9NL or by email to contact@louisvuitton.com giving details of the Goods ordered and (where appropriate) their delivery.

9.3 If you exercise your right of cancellation after the Goods have been delivered to you, you will be responsible for returning the Goods to us as soon as possible and at your own cost (unless on receipt of the goods we consider that the Goods are faulty, in which case we will refund or recredit you with the cost of returning the goods to us) in their original packaging, complete with any related accessories or instruction booklets, together with the duly completed Return Voucher and the original invoice, to the following address: LV Customer Service, 6 Royal Exchange Buildings Cornhill LONDON EC3V 9NL.

9.4. If you do not return the Goods as required under these Conditions, we will charge you a sum not exceeding the direct cost of recovering those Goods.

9.5. We will refund or recredit you after we have received the returned Goods and at the latest within 20 days of any sum that has been paid by you or debited from your credit card for the Goods. Alternatively, we are happy to exchange the Goods you have ordered.

9.6. No refund will be offered for Goods that are returned by the Customer incomplete, damaged or soiled.

9.7. When using our Gift Service, the right to cancel the Contract under this clause can only be exercised by you and cannot in any circumstances be exercised by the recipient of the gift.
10. Exchange of Goods

10.1 When you buy goods from any retailer, the goods must be:
- of satisfactory quality; fit for their purpose; and as described.
- If they do not meet these standards, you may be able to claim a refund, replacement, repair and/or compensation from the retailer. If there is a problem with your goods, please let us know.
- In addition to your legal rights, we operate an exchange policy for our customers in respect of items delivered (other than Personalised Goods), subject to the following conditions:
  - Within 30 days following the date of delivery, you may choose to:
  - Return the items in question, in their original packaging, complete with any related accessories or instruction booklets, together with the original invoice and the Return Voucher, to the following address: LV Customer Service, 6 Royal Exchange Buildings, Cornhill LONDON EC3V 3NL. It is your responsibility to obtain proof that the goods have been returned and that you are returning the items by registered post or by the same means which gives proof of date of postage and delivery. The cost of returning the goods shall be borne by you. Any new delivery can take place until we have received the returned goods from you.
  - Or visit one of our stores in mainland England (excluding our concessions within Selfridges and Harrods) with the items in question in their original packaging, complete with any related accessories or instruction booklets, together with the original invoice in order to exchange the goods.
  - In the event that Goods are exchanged, the initial sale will be cancelled. The new transaction payment will be set off against the amount of the preceding sale. Any credit balance will be either re-credited directly to your bank account or a credit note will be issued to you. Any additional payment will be deducted directly from your credit card.
  - In the event that Goods are exchanged by post, the new sale will be subject to these Conditions.

11. Further information

For further information relating to these Conditions, or the Goods themselves, you should contact our Customer Service team on: 0207 399 4090.

12. Intellectual property rights

The “Louis Vuitton” trade mark as well as all trade marks, whether they are figurative or not, and all other marks, illustrations, images, and logos which appear on our products, are protected by and are the exclusive property of Louis Vuitton Malletier, a company incorporated in France (registered at the Company Court of Paris under number 3185170664), whose registered office is at 2 Rue Pont-Neuf, Paris 75003 Cedex, France. Any reproduction, whether complete or partial, modification or use of these marks, illustrations, images and logos, for whatever reason and in whatever medium, without our written, express and prior agreement, is strictly prohibited, as in any combination or use in conjunction with any other mark, symbol, logo and more generally any distinctive sign intended to form a composite logo.

13. Delay or failure to perform

We shall not be liable to you if we are prevented or delayed in the performance of any of our obligations to you if this is due to any cause beyond our reasonable control including (without limitation): an act of God, explosion, fire or accident, war or civil disturbance, strike, industrial action or stoppages of work by any form of government intervention, a third party act or omission, failure of our supplier(s); failure by you to give us a correct delivery address or notify us of any change of access. We will inform you of any such unforeseen event or force majeure within seven days of its occurrence. Should this interruption continue beyond a period of two weeks, you will be entitled to cancel the order, and a refund will be made in accordance with clause 9 of these Conditions.

14. Use of your Information

The holding and using of personal information provided to Louis Vuitton Malletier SA or any other company of the Louis Vuitton group is governed by the Legal Notice posted on the Website. Please read this Legal Notice to understand how we use and protect the information that you provide to us. By placing an order on the Website, you consent to the collection, use and transfer of your information under the terms of the Legal Notice.

All comments, queries or requests relating to our use of your information are welcome and should be addressed to contact_on@louisvuitton.com.

15. Governing Law

15.1 The Contract is governed by the laws of England and the English Courts shall have the non-exclusive jurisdiction to resolve any disputes arising out of or under it.
15.2 No waiver by us of any breach of the Contract by you is considered as a waiver of any subsequent breach of the same or any other provision.
8. References

8.1 Literature


Korper S. and Ellis J. (2000). *The E-Commerce book: building the e-empire*

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Compario (2009). *Le livre blanc : les nouvelles clés pour vendre plus et mieux*


**Ritson, M.** (2003), *Heinz passes memory test, but to know a brand isn’t to love it.* Marketing 4th September


### 8.2 Internet website

**L’express** (2010). Found on the Internet: www.lexpress.fr/styles/mode-beaute/mode/fashion-week/comment-suivre-la-fashion-week-sur-internet_849058.html on the 2010/05/01, site information: updated on: 2010/03/05


