



## *Luxury Marketing*

### SECTION I: Course Overview

**Course Code:** MKT330FLR

**Subject Area(s):** Marketing

**Level:** 300

**Prerequisites:** See Below

**Language of Instruction:** English

**Additional Fees:** See Below

**Contact Hours:** 45

**Credits:** 3

### COURSE DESCRIPTION

The luxury industry is a multi-billion-dollar business which has been growing significantly since the 1990s. The rising demand has not just come from customers in emerging economies and in the affluent society, but also from people who can occasionally afford luxury products and service. Luxury is now everywhere and is no longer exclusively for the rich and the elite.

As part of the field of international marketing, this course reveals and studies the distinct marketing principles, strategies and practical techniques designed for top-market, up-scale products and services management. The major topics you will consider include: general management of the luxury good or service firm, luxury brand management, product policy and portfolio development in the luxury sector, distribution factors affecting the luxury product, and the communication, advertising and promotion of the goods, marketing tools and strategies.

While you will both review basic marketing principles and engage in theoretical lectures in the traditional class setting, important stages in the process of discovery and learning will take place inside the luxury boutiques, elite stores and secret dens located, and often hidden, in Florence. By visiting top-line retailers and vendors and by analyzing their unique, ingenious, and targeted strategies as well as the distinctive, discrete and ego-flattering messages they send out to the privileged few, you will learn the secret of how these companies and merchants sell their wares at the most outrageous of prices.

## LEARNING OBJECTIVES

Upon successful completion of this course, you will be able to:

- Outline the many nuances of the concept of luxury.
- Identify the different steps of a luxury marketing plan.
- Assess what a luxury brand must do to stay relevant.
- Identify the intricate network of business skills and decision-making abilities underpinning the management of luxury goods and services.
- Apply basic marketing research skills, tools, and methodologies to contemporary luxury companies, their products, and consumers.

## PREREQUISITES

While no prerequisites are required for the course, a basic course in principles of marketing is advised.

## ADDITIONAL COURSE FEES

This course requires payment of an additional fee to cover active learning components that are above and beyond typical course costs, such as site visits, entrance fees and other expenses. Please see the Course Overview online for further information.

## SECTION II: Instructor & Course DETAILS

### INSTRUCTOR DETAILS

<b>Name:</b>	TBA
<b>Contact Information:</b>	TBA
<b>Term:</b>	SEMESTER

### ATTENDANCE POLICY

This class will meet twice a week for 90 minutes each session. All students are expected to arrive on time and prepared for the day's class session.

CEA enforces a mandatory attendance policy. You are therefore expected to attend all regularly scheduled class sessions, including any field trips, site visits, guest lectures, etc. that are assigned by the instructor. The table below shows the number of class sessions you may miss before receiving a grade penalty.

ALLOWED ABSENCES – SEMESTER		
Courses Meeting X day(s) Per Week	Allowed Absence(s)	Automatic Failing Grade at X <sup>th</sup> absence
Courses meeting 2 days per week	2 Absences	8 <sup>th</sup> Absence

For every additional absence beyond the allowed number, your final course grade will drop down to the subsequent letter grade (ex: A+ to A). As a student, you should understand that the grade penalties will apply if you are marked absent due to tardiness or leaving class early. In the table below, you will find the grade penalty associated with each excessive absence up to and including automatic course failure.

*The instructor reserves the right to make changes or modification to this syllabus as needed*

ATTENDANCE DOCKING PENALTIES								
Absence	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	5 <sup>th</sup>	6 <sup>th</sup>	7 <sup>th</sup>	8 <sup>th</sup>
Penalty	No Penalty	No Penalty	0.5 Grade Docked	1 Grade Docked	1.5 Grades Docked	2 Grades Docked	2.5 Grades Docked	Automatic Failure
HIGHEST POSSIBLE GRADE AFTER ATTENDANCE PENALTIES								
Grade	A+	A+	A	A-	B+	B	B-	F

CEA does not distinguish between excused and unexcused absences. As such, no documentation is required for missing class. Similarly, excessive absences, and the grade penalty associated with each, will not be excused even if you are able to provide documentation that shows the absence was beyond your control. You should therefore only miss class when truly needed as illness or other unavoidable factors may force you to miss a class session later on in the term.

## GRADING & ASSESSMENT

The instructor will assess your progress towards the above-listed learning objectives by using the forms of assessment below. Each of these assessments is weighted and will count towards your final grade. The following section (Assessment Overview) will provide further details for each.

<b>Class Participation</b>	<b>10%</b>
<b>Midterm Exam</b>	<b>30%</b>
<b>Brand Portfolio Project</b>	<b>20%</b>
<b>Individual Presentation</b>	<b>10%</b>
<b>Final Exam</b>	<b>30%</b>

The instructor will calculate your course grades using the CEA Grading Scale shown below. As a CEA student, you should understand that credit transfer decisions—including earned grades for courses taken abroad—are ultimately made by your home institution.

CEA GRADING SCALE			
Letter Grade	Numerical Grade	Percentage Range	Quality Points
A+	9.70 – 10.0	97.0 – 100%	4.00
A	9.40 – 9.69	94.0 – 96.9%	4.00
A-	9.00 – 9.39	90.0 – 93.9%	3.70
B+	8.70 – 8.99	87.0 – 89.9%	3.30
B	8.40 – 8.69	84.0 – 86.9%	3.00
B-	8.00 – 8.39	80.0 – 83.9%	2.70
C+	7.70 – 7.99	77.0 – 79.9%	2.30
C	7.40 – 7.69	74.0 – 76.9%	2.00
C-	7.00 – 7.39	70.0 – 73.9%	1.70
D	6.00 – 6.99	60.0 – 69.9%	1.00
F	0.00 – 5.99	0.00 – 59.9%	0.00

*The instructor reserves the right to make changes or modification to this syllabus as needed*

W	Withdrawal	N/A	0.00
INC	Incomplete	N/A	0.00

## ASSESSMENT OVERVIEW

This section provides a brief description of each form of assessment listed above. Your course instructor will provide further details and instructions during class time.

**Class Participation (10%):** Student participation is mandatory for all courses taken at a CEA Study Center. The instructor will use the rubric below when determining your participation grade. All students should understand that attendance and punctuality are expected and will not count positively toward the participation grade.

CLASS PARTICIPATION GRADING RUBRIC	
Student Participation Level	Grade
You make major & original contributions that spark discussion, offering critical comments clearly based on readings, research, & theoretical course topics.	<b>A+</b> (10.0 – 9.70)
You make significant contributions that demonstrate insight as well as knowledge of required readings & independent research.	<b>A/A-</b> (9.69 – 9.00)
You participate voluntarily and make useful contributions that are usually based upon some reflection and familiarity with required readings.	<b>B+/B</b> (8.99 – 8.40)
You make voluntary but infrequent comments that generally reiterate the basic points of the required readings.	<b>B-/C+</b> (8.39 – 7.70)
You make limited comments only when prompted and do not initiate debate or show a clear awareness of the importance of the readings.	<b>C/C-</b> (7.69 – 7.00)
You very rarely make comments and resist engagement with the subject. You are not prepared for class and/or discussion of course readings.	<b>D</b> (6.99 – 6.00)
You make irrelevant and tangential comments disruptive to class discussion. You are consistently unprepared for class and/or discussion of the course readings.	<b>F</b> (5.99 – 0.00)

**Midterm Exam (30%):** There will be a midterm exam on material covered in the lectures, required readings, field studies, guest lecturers, videos viewed in class, and class discussions. The midterm exam will consist of multiple-choice questions and short essay questions.

**Brand Portfolio Project (20%):** This exercise will help focus your overall understanding of luxury business management as well as, introduce you to the critical thinking required in this class. This group assignment will require preparation out-of-class. The exercise will be presented orally and accompanied by presentation slides, visual aids, and written summaries. Use of proper luxury marketing vocabulary will be required and a better-than-average professional attitude. The assignment presentation should be within 15-20 minutes of class time (writing guidelines will be provided).

**Individual Presentations (10%):** This exercise will focus on a luxury brand of your choice. You will present its value proposition and the factors that make for its success. Further instructions and resources for this assignment will be provided during class.

**Final Exam (30%):** There will also be a final exam focusing on material covered in the lectures, required readings, class discussions, guest lecturers, videos, and field study. The final exam will consist of multiple-choice questions and short essay questions.

## REQUIRED READINGS

Reading assignments for this course will come from the required text(s) and/or the selected reading(s) listed below. All required readings—whether assigned from the text or assigned as a selected reading—must be completed according to the due date assigned by the course instructor.

- I. REQUIRED TEXT(S):** You may purchase the required text(s) prior to departure or upon program arrival. The required text(s) are listed below:

Kapferer, J.N. and Bastien, V., *The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands*, Kogan Page, 2012, 395pp.

- Available for purchase at a local bookstore in Florence

- II. SELECTED READING(S):** The selected readings for this course are listed below. You will not need to purchase these readings; the instructor will provide these selected readings to you in class (either in paper or electronic format).

Batat, W., *Digital Luxury: Transforming Brands and Consumer Experiences*, Sage Publication, 2019, 280pp.

Chevalier, M. & Mazzalovo G., *Luxury Brand Management: A World of Privilege*, J. Wiley & Sons, 2012, 316pp.

Danziger, P. N., *Let Them Eat Cake: Marketing Luxury to the Masses - As Well as the Classes*, Kaplan Business. 2005, 352pp.

Elberse, A., Ferrer J., Gough E., and Katsarou V. “Vogue: Defining the Culture of Fashion” Harvard Business School Case 514-036, September 2013.

Jarosinski M. and Cotte J., “Kering: Luxury in the digital world?” Harvard Business Publishing, August 2014.

Kapferer, J.N., *Kapferer on Luxury: How Luxury Brands Can Grow Yet Remain Rare*, Kogan Page, 2015, 228pp.

Keinan, A., Masluskaiten k., Crener, S. and Dessain V., “The Blonde Salad.” Harvard Business School Case 515-074, January 2015.

Veblen, T., *The Theory of the Leisure Class*, CreateSpace Independent Publishing Platform, 2016, 194pp.

## RECOMMENDED READINGS

The recommended reading(s) and/or text(s) for this course are below. These recommended readings are not mandatory, but they will assist you with research and understanding course content.

Kapferer, J.-N., “The artification of luxury: From artisans to artists”, *Business Horizons*, Vol. 57(3), 2014, 371–380pp.

Michman, R. D., Mazze E.M. (2006), *The Affluent Consumer: Marketing and Selling the Luxury Lifestyle*, Praeger Publishers, 2006, 194pp.

Silverstein, M. J., & Fiske, N., *Trading Up: Why Consumers Want Luxury Goods & How Companies Create Them*, Portfolio, 2008, 320pp.

Tungate, M., *Luxury World: The Past, Present; and Future of Luxury Brand*, Kogan Page, 2009, 260pp.

## ADDITIONAL RESOURCES

In order to ensure your success abroad, CEA has provided the academic resources listed below. In addition to these resources, each CEA Study Center provides students with a physical library and study areas for group work. The Academic Affairs Office at each CEA Study Center also compiles a bank of detailed information regarding libraries, documentation centers, research institutes, and archival materials located in the host city.

- **UNH Online Library:** As a CEA student, you will be given access to the online library of CEA's School of Record, the University of New Haven (UNH). You can use this online library to access databases and additional resources while performing research abroad. You may access the UNH online library [here](#) or through your MyCEA Account. You must comply with UNH Policies regarding library usage.
- **CEAClassroom – Moodle:** CEA instructors use Moodle, an interactive virtual learning environment. This web-based platform provides you with constant and direct access to the course syllabus, daily schedule of class lectures and assignments, non-textbook required readings, and additional resources. Moodle includes the normal array of forums, up-loadable and downloadable databases, wikis, and related academic support designed for helping you achieve the learning objectives listed in this syllabus.

During the first week of class, CEA academic staff and/or faculty will help you navigate through the many functions and resources Moodle provides. While you may print a hard copy version of the syllabus, you should always check Moodle for the most up-to-date information regarding this course. The instructor will use Moodle to make announcements and updates to the course and/or syllabus. It is your responsibility to ensure that you have access to all Moodle materials and that you monitor Moodle on a daily basis in case there are any changes made to course assignments or scheduling.

To access Moodle: Please log-in to your MyCEA account using your normal username and password. Click on the "While You're Abroad Tab" and make sure you are under the "Academics" sub-menu. There you will see a link above your schedule that says "View Online Courses" select this link to be taken to your Moodle environment.

- **Online Reference & Research Tools:** The course instructor has identified the resources below to assist you with understanding course topics. You are encouraged to explore these and other avenues of research including the databases available via the UNH online library.

Armani: [www.armani.com](http://www.armani.com)

Boucheron: [www.boucheron.com](http://www.boucheron.com)

Cartier: [www.cartier.com](http://www.cartier.com)

Chanel : [www.chanel.com](http://www.chanel.com)

Dior: [www.dior.com](http://www.dior.com)

Fauchon: [www.fauchon.com](http://www.fauchon.com)

Ferrari <https://www.ferrari.com/it-IT>

Four Seasons: [www.fourseasons.com](http://www.fourseasons.com)

Franciacorta <https://www.franciacorta.net/en/>

Gucci: [www.guccigroup.com](http://www.guccigroup.com)

Lamborghini <https://www.lamborghini.com/en-en>

*The instructor reserves the right to make changes or modification to this syllabus as needed*

Louis Vuitton: [www.louisvuitton.com](http://www.louisvuitton.com)  
Montblanc: [www.montblanc.com](http://www.montblanc.com)  
Parenti <https://www.parentifirenze.it/bazar/>  
Piaget: [www.piaget.com](http://www.piaget.com)  
Veuve-Clicquot: [www.veuve-clicquot.com](http://www.veuve-clicquot.com)

**COURSE CALENDAR**  
*Luxury Marketing*

SESSION	TOPICS	ACTIVITY	READINGS & ASSIGNMENTS
1	<b>Introduction to Luxury Management:</b> A framework for analysis Key concepts & processes Definitions: brand, identity, image	Introductions Presentation of Syllabus and assessments  Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 1  <b>Video:</b> Importance of history - Kapferer - <a href="https://www.youtube.com/watch?v=uEKikAflGqk">https://www.youtube.com/watch?v=uEKikAflGqk</a>
2	<b>Origins, History &amp; Evolution:</b> A brief history of luxury Keys to Successful luxury marketing The Major Operators: USA, Europe & Italy	Group Formation  Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 1  <b>Video:</b> Benjamin Wallace, The Price of Happiness <a href="https://www.youtube.com/watch?v=7_XAMm_TBjk">https://www.youtube.com/watch?v=7_XAMm_TBjk</a>
3	<b>Characteristics of Luxury:</b> Differences between luxury & prestige	<b>Field Study:</b> Stefano Ricci (Italian luxury lifestyle brand) <a href="https://www.stefanoricci.com/IT/">https://www.stefanoricci.com/IT/</a>  Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 2
4	<b>Luxury Branding:</b> The anti-laws of marketing: specific marketing and sales rules to be applied to luxury brands and services Value & Characteristics of a Luxury Brand Defending & Protecting the brand	Lecture & Discussion <b>Individual presentations</b>	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 3 Chevalier & Mazzalovo <i>Luxury Brand Management</i>
5	<b>Luxury Brand Strategies:</b> Facets of luxury today	<b>Field Study:</b> Gucci Garden  Lecture & Discussion <b>Individual presentations</b>	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 4 Kapferer, J.N., <i>Kapferer on Luxury</i>
6	<b>Culture &amp; Consumer Behavior:</b> Who is the luxury client Cross-cultural considerations Luxury market research  <b>Targeting, Segmentation &amp; Positioning:</b> Segmentation, targeting & positioning Brand ethics & aesthetics	<b>Field Study:</b> Parenti Luxury table wear retailer  Lecture & Discussion <b>Individual presentations</b>	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 5 Danziger, P.N., <i>Let Them Eat Cake</i> Veblen, T., <i>The Theory of the Leisure Class</i>

*The instructor reserves the right to make changes or modification to this syllabus as needed*



	Brand identity & consumer identity Gendered & ethnic segments		
7	<b>REVIEW &amp; MIDTERM EXAM</b>		
8	<b>Product Life Cycles:</b> Brand strength The birth & maturity of brands Local & global strategies <b>Luxury Product Development:</b> Managing luxury creativity Setting the product policy Managing the product	Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 6 & 7
9	<b>Qualifying a Product as a Luxury:</b> Innovating through a new product lines Product portfolio & product line extensions	Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 8
10	<b>Communication Strategies for Premium Brands:</b> Integrated advertising/marketing communications Understanding consumer-product relations Use of websites & promotion	Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 11 Batat, W., <i>Digital Luxury</i> <b>Case study:</b> Keinan & al., “The Blonde Salad”
11	<b>Distribution Channels:</b> Designing & managing marketing channels Different distribution systems	Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 10
12	<b>Pricing Strategies &amp; Structures:</b> Pricing in luxury markets Duty-Free operations The parallel market	<b>Field Study:</b> Pagani, luxury car manufacturer <a href="https://www.pagani.com/it/">https://www.pagani.com/it/</a> Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 9
13	<b>Financial &amp; HR Management of Luxury Firm:</b> Keys to financial profitability in luxury markets	<b>Field Study:</b> The Four Seasons <a href="https://www.fourseasons.com/florence/">https://www.fourseasons.com/florence/</a> Lecture & Discussion	<b>Readings:</b> Kapferer, J.N, and Bastien, V. Chapter 12
14	<b>Case Studies in Luxury Marketing Course Conclusions</b>	<b>Brand Portfolio Project-Presentations</b> Student Presentations	<b>Case studies:</b> Elberse & al, “Vogue, Defining the Culture of Fashion” Jarosinski & Cotte, “Kering: Luxury in the Digital World”

*The instructor reserves the right to make changes or modification to this syllabus as needed*



## SECTION III: CEA Academic Policies

The policies listed in this section outline general expectations for CEA students. You should carefully review these policies to ensure success in your courses and during your time abroad. Furthermore, as a participant in the CEA program, you are expected to review and understand all CEA Student Policies, including the academic policies outlined on our website. CEA reserves the right to change, update, revise, or amend existing policies and/or procedures at any time. For the most up to date policies, please review the policies on our website.

Class & Instructor Policies can be found [here](#)

General Academic Policies can be found [here](#)