

**Marketing Plan for the Internationalisation from Germany to India**

**Louis Vuitton Fragrances**

## **Executive Summary**

The Louis Vuitton fragrance is motivated to internationalise the presence of its brand in India. Louis Vuitton Fragrance adopts a multinational strategy by capitalising on its strong brand identity. As a world leader in luxury products, Louis Vuitton Fragrance possesses a competitive advantage by boasting of strong product image and global reputation. The rationale behind the target market is primarily vested in the ambitious goal of Louis Vuitton Fragrance to expand its international presence through its superior brand image. The SWOT Analysis, Porter's Five Forces, and Solberg's Nine Windows Model are performed to evaluate several factors that will influence the decision-making process of the Louis Vuitton fragrance in entering the market. The cultural difference that exists between the French culture is recognized to be quite different from the Indian culture, in particular the high context culture. As such, Louis Vuitton Fragrance aims to tailor their marketing program that will play a significant role in creating an awareness of the French fragrance to the Indian consumers. Successful internationalization means that the company should have a comprehensive understanding of local market dynamics, regulatory framework, consumer tastes, distribution patterns and the competitive landscape. Employees are required to take cross-cultural training and developmental programs to boost their knowledge about Indian culture and the Indian fragrance market.

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## **Introduction**

Louis Vuitton, a popular fashion and accessories label, plans on introducing their exclusive range of fragrances into India, a country known for their cultural background, economy and growing interest in using luxury goods. The ultimate goal of this assignment is to come up with a substantial international market plan for the brand "Louis Vuitton Fragrance" to successfully enter the Indian market (Nylund, 2020).

In the following chapters, we will discuss the decision-making factors involved in internationalization as we assess and analyse Louis Vuitton's fragrance line endeavour while we assess the attractiveness of the Indian market. In addition, we will analyse environmental factors, market size, and growth potential. Next, we will discuss the Indian political landscape the Indian economy, and cultural factors to consider for Louis Vuitton's marketing strategy. Lastly, the proposed mode of entry, the adaptation of marketing programs to fit local tastes, communication and consumer engagement in low-context and high-context cultures will also be discussed (Armitage, 2024).

### **Decision-making factors to Internationalise**

#### **Whether to Internationalise**

Louis Vuitton, a symbol of luxury and sophistication, aims to internationalise its fragrance line to expand its global presence and tap into new markets.

#### **The purpose of the organisation**

Louis Vuitton wants to utilize its brand reputation to increase the demand for luxury fragrances internationally (Alessandro Balossini Volpe, 2023). This expansion would make it possible to extend the brand's visibility and reach an even larger, diverse customer base. Louis

Vuitton would like to expand toward other countries such as India in order to make a drastic increase in revenue.

### **Brand Position**

Elegant, exclusive, timeless all the qualities that come to mind when one thinks of Louis Vuitton. Established in 1854, Louis Vuitton has made quite a name for itself and has been repeated throughout the years in fashionable and luxurious fragrance lines. The fragrance embodies the same core values as the brand. Offering premium scents and the finest ingredients from the Brand reflects elegance and taste, only the best for the customers, a leader in the luxury segment for fragrance (Yan, 2023).

### **Target Market Profile**

The target customers for Louis Vuitton Fragrance are ambitious people who want their fragrance to say something. These people like sophistication, quality, prestige and for people to know who they are by smell alone. Louis Vuitton's Fragrance also targets people who are in the higher classes and like to dress sharply. Specifically located in India, Louis Vuitton's fragrances are also for people who are friends with each other and may even be celebrities.

### **Competitive advantage**

The Louis Vuitton fragrance has several competitive advantages in the luxury fragrance market. Some of the large competitive advantages are the brand equity of Louis Vuitton, the Heritage and brand Legacy of Louis Vuitton, and the craftsmanship and provision associated with heritage to fulfil consumer needs. The brand being associated with luxury lifestyle and fashion makes Louis Vuitton furthermore alluring to its customers (Font Cuadras, 2020). The various dimensions of the brand and its competitive advantages are further analysed in the next paragraphs. The large distribution networks and exclusive boutiques of LV reinforce the

luxurious brand image and the customer's shopping experience with the brand along with personalized customer service at the stores.

### SWOT Analysis

Strengths	Weaknesses
Strong brand image	Limited fragrance variety
Established global presence	Relatively high pricing
High-quality products	Limited market penetration
Exclusivity and luxury appeal	Dependence on brand reputation

Opportunities	Threats
Expansion into emerging markets	Intense competition from other luxury brands
Introduction of new fragrance lines	Counterfeiting and brand imitation
Collaboration with influencers and celebrities	Economic downturn affecting luxury spending
Growing demand for luxury goods	Changing consumer preferences and trends

### Porter's Five Forces Analysis

Factors	Description
Threat of New Entrants	High barriers to entry due to brand reputation, capital requirements, and distribution networks.
Bargaining Power of Buyers	Moderate to high due to the availability of alternative luxury fragrances and the price sensitivity of buyers.
Threat of Substitutes	Moderate due to the availability of other luxury fragrance brands and designer perfumes.
Bargaining Power of Suppliers	Moderate due to the availability of premium ingredients and packaging materials from suppliers.
Intensity of Rivalry	High competition among luxury fragrance brands, leads to aggressive marketing and pricing strategies.

### Solberg's Nine Windows Model

The Nine Windows Model is a useful tool in assessing how different aspects of internationalization such as market attractiveness, market growth, the level of competitive intensity, and the risks involved may encourage or dissuade an organization from choosing a specific internationalization process (Uski, 2020).



		Industry globalism		
		Local	Potentially global	Global
Preparedness for internationalization	Mature	3. Enter new business	6. Prepare for globalization	9. Strengthen your global position
	Adolescent	2. Consolidate your export markets	5. Consider expansion in international markets	8. Seek global alliances
	Immature	1. Stay at home	4. Seek niches in international markets	7. Prepare for a buyout

### Where to Internationalise

Louis Vuitton Fragrance is looking to grow strategically in international markets. There are many factors the company needs to research before it decides to enter into other countries' markets.

### Firm's Environmental Factors

The luxury fragrance industry is an industry which is highly competitive and is controlled by established luxury fragrance brands. The market is highly internationalized with many market players having a global preference (Figueiredo and Eiriz, 2020). The company thus needs a high level of international knowledge, international networks and distribution channels and in the position of the company, it states that the company has a large amount of experience in the international market.

### Market Attractiveness

Data on India's new international hosting economy shows India to have an emerging luxury goods market with an ever-growing affluent segment of consumers. Recent data provides a location CAGR of strong growth in luxury goods expected over the forecast period, driven by increasing disposable income and evolving consumer lifestyles.

## **Market Size and Growth**

In India, a large population with a rising middle class and increasing buying power could lead to increased demand for fragrances within this strong market. Competitive factors within India are favourable with room for brand differentiation, positioning, and public relations tactics within the luxury fragrance market (Lavuri et al., 2022).

## **Political Factors**

A stable political environment in India is a factor in favour of doing business in India. India also has bilateral trade agreements with several other countries, which can facilitate trade and investment. As a global luxury brand, it is important the company monitor any changes in regulation or political landscape which will have an impact on the company.

## **Economic Factors**

If we just look at India in itself, we can see that the GDP growth rate has been strong, which means people have money to spend and can create a market for luxury goods (Jakob et al., 2020). This is seen with a slight up and down motion but the general trend is that luxury goods consumed within India will rise.

## **Cultural Factors**

India is a culture rich in history India has to be sure to adjust to cultural nuances because it can affect the consumer's taste in luxury, product offerings and purchase behaviour. When purchasing a luxury product such as Louis Vuitton they must adjust the marketing strategy to the Indian cultural traits and needs, because it may affect the acceptance of the brand.

## **How to Internationalise**

Louis Vuitton Fragrance aims to enter the foreign market strategically, considering various critical factors to ensure a successful entry and sustained growth.

Factors	Approach
Consumer Behaviour	Gathering in-depth market information to determine consumer choices, purchasing pattern and cultural aspects. Align your marketing strategies and product offers with the particular customer group.
Nature of the Product	Characteristics of the product Position Louis Vuitton Fragrance as a high-end luxury product while emphasising its exclusivity, artisanal approach and brand particulars. Modify the offerings, in line with the local tastes and regulations.
Size of the Market / Segments	Target Audiences Discover the main market segments, along with demographic data such as income and lifestyle preferences using the inclusion. Target market segments with customized marketing campaigns and variations to satisfy different consumer tastes.
Available Logistics	Establish seamless logistics and distribution services by forming partnerships with local retailers, e-commerce platforms, and luxury boutiques. Timely deliveries and stock management need to be provided.
Transport Cost	Logistic Cost Assess transportation alternatives and WLOG, as it depends on several factors including shipping, customs duties, and tariffs. Develop routes optimal in terms of logistics and in supply chain management so as to minimize costs and maximize efficiency.

Media and Promotional Channels	Media and Promotional Channels Make a use of a combined mix of traditional and digital platforms for advertising and promotional purposes. Partner up with influencers, luxury publications, and social media niches to boost brand visibility and interaction.
Potential Intermediaries	The Potential Intermediaries Seek and deal with the local reliable intermediaries including distributors, agents and franchise partners having a good knowledge of the market and have already developed connections. Find a kind of cooperation that benefits both teams and open more sales channels.
The behaviour of Local Competition	. Carry out an effective competitive analysis to define the scenario and the action's strategies of players on the local market. Create Louis Vuitton Fragrance standout by using exclusive value benefits, impeccable quality, and creative marketing strategies.
Government Requirements	Meet all applicable licensing requirements, import/export laws and government regulations. Keep track of the compliance with product safety standards, labelling rules, and taxation laws. Set up communication channels that are transparent with government regulators in order to solve regulatory issues well in advance.

To meet the challenges and opportunities of the foreign market, we will adopt a comprehensive approach at Louis Vuitton Fragrance. This approach will include market insights, strategic partnerships, and meticulous planning.

## Adaption of the Localised Marketing Programme

Louis Vuitton Fragrance acknowledges the significance of adjusting the current marketing campaign to fit the local market dynamics and consumer behaviours (Sharath, 2021).

The foundation upon which the adopted localisation strategy shall stand will be the 7Ps framework.

### Summary Table

7Ps	Approach
Product	Localised scent offerings to cater to individual taste and choice. Create limited-edition aromas based on ethnic patterns & places of interest of the host country.
Price	Carry out extensive research on pricing impacting by local income levels, competition and price sensitivity of consumers. Devise dynamic pricing techniques to provide for the changes that occur in the currency exchange rates and the economic environment.
Promotion	Take a tailored approach to promotion that is in line with local cultural norms and values. Employ the use of culturally relevant imagery, themes, and storytelling in the advertising and marketing content materials.
Place	Expand the distribution on top locations where the audience lives and buy products, such as high-end department stores, malls, and boutiques.

People	Train local sales crew to exhibit supreme customer service and keep up the brand's prestige as luxury and elegance. Adopt a customer-centric philosophy based on creating prospective long-term relationships and adding personal edges.
Process	Redesign the purchase process for wider availability and easier operation. Bring in digital tools for website ordering, appointment scheduling, virtual consultations, and others. Coordinate the processes and deliveries of goods on time.
Physical Evidence	To ensure an authentic retail experience, feature the brand's history and craftsmanship in the store's design. Design the flagship stores, which will have stunning interiors and breath-taking décor to create an aura of luxury and exclusivity. Through the use of premium materials and finishes, the brand is made more visible and eye-catching.

Including demographic information about traits including age, gender, income, occupation, education and Geographic characteristics such as where the prospects live, their respective regions as well social class (Gryshchenko and Shkoda, 2023). Louis Vuitton Fragrance integrated these strategies in building the marketing program we created to appeal to their needs, which would in turn increase sales. These marketing programs needed to resonate with our target audience and also strongly enforce our brand's premium positioning.

### Difference between Low-Context Culture and High-Context Culture

Content of Comparison	France (Low-Context Culture)	India (High-Context Culture)
Cultural Aspect	Emphasizes direct communication, explicit language, and reliance on verbal expression. Cultural norms are clearly defined and articulated.	Relies on implicit communication, subtle cues, and non-verbal cues. Cultural norms are deeply ingrained and understood through context and shared history.
Customer Perspective	Customers value efficiency, transparency, and clarity in interactions. Preference for concise information and direct communication styles.	Customers value relationships, trust, and personal connections. Preference for indirect communication and building rapport over time.
Religion Perspective	A secular state with a strong emphasis on individual rights and freedoms. Religion is considered a private matter, and public displays of religious affiliation are rare.	Diverse religious landscape with a significant influence on daily life and social interactions. Religion plays a central role in festivals, ceremonies, and social norms.
Marketing and Promotion	Focuses on product features, benefits, and rational appeals. Marketing messages are straightforward and fact-based.	Relies on storytelling, symbolism, and emotional appeals. Marketing messages emphasize cultural values, traditions, and social aspirations.

Customer Engagement	Interaction with customers is transactional, focused on meeting immediate needs or resolving issues efficiently. Limited emphasis on building long-term relationships.	Interaction with customers is relational, aimed at nurturing trust and loyalty over time. Emphasis on personalized service and understanding individual preferences.
Regulatory and Compliance Considerations	Adherence to regulations and standards is strictly enforced. Compliance with legal requirements is essential for business operations.	Regulatory frameworks are often complex and bureaucratic. Compliance may vary based on personal connections, influence, and informal networks.
Adaptability to Local Context	Tends to prioritize standardized processes and procedures. Limited flexibility in adapting to local customs and practices.	Values flexibility and adaptability in response to local customs, traditions, and social norms. Willingness to modify strategies based on cultural insights and feedback.
Negotiations and Partnerships	Negotiations are typically straightforward, focusing on specific terms, conditions, and outcomes. Formal contracts and agreements are common.	Negotiations involve building trust, establishing rapport, and understanding underlying interests. Informal agreements and relationships play a significant role in business dealings.



On the other hand, France which is regarded as a low-context culture is similar to India in many differences such as their communication style, customer services, integrating regulations, negotiation styles, etc. These cultural dimensions are among many other cultures distinguish majorly from one another thus it holds more importance and significance to know these cultural dimensions for Louis Vuitton Fragrance, which is trying to expand its market operations in India beyond its base in France. Therefore, it would have a strategic value in the formation of the marketing campaign and strategy, customer relation strategy and overall business practices (Yang, Hou and Arth, 2020).

### **Conclusion**

I elaborated on the factors in the decision-making of Louis Vuitton Fragrance's internationalization strategy for example; the purpose of internationalisation, career paths, the position of the brand, target market profile (Demographics), competitive advantage, SWOT analysis, Porter Five analysis, Solberg's nine windows Model and last but not least I considered where, how, how much to adapt the marketing programme. I then explained about the cultural differences between France and India-High context and low context culture on various parameters for instance case; communication style, customer perspective, religion, marketing approaches, customer engagement, regulatory compliance, adaptability and negotiation strategies. Louis Vuitton Fragrances wants to internationalise in order to pursue market expansion and leverage its strong brand positioning and competitive advantage. However, internationalization undertook carefully to observe market dynamics, cultures and regulatory environment. For instance, in France, there is the importance of direct and short meetings while in India, the importance is to have a relationship, symbolism and prolonged engagement.

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