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Luxury branding for Asia

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Asian brands must aim to be aspirational; having employees who really understand the brand is crucial

Coco Chanel once said, “In order to be irreplaceable one must always be different.” When viewed through that paradigm it is perhaps unsurprising that the unconventional Chanel and her eponymous fashion label became synonymous with fashion and luxury. While the quintessential French fashion label declined following her death and was subsequently revived by Karl Lagerfeld, its appeal has as much to do with its founder’s personality as its cultural cachet.

“When it comes to luxury brands it’s all about heritage,” explains **Martin Roll**, author of the bestselling “Asia Brand Strategy”. “The question is: Can you fast track it?”

Speaking at a recent SMU Centre for Marketing Excellence seminar “A Global Perspective on Luxury Branding”, Roll articulated the brand premium associated with certain countries such as Italy (leather goods), France (fashion and perfumes), and automobiles (Germany). But where Europe is easily associated with notions of creating brand value by being ‘different’, Roll pointed to Asian companies doing the opposite and focusing on “getting better”.

One way to address that, Roll asserts, is for national governments to invest in a country’s brand value, much like what Korea has done with *Hallyu*.

“It’s like a public-private partnership,” Roll explains. “The Korean government has taken very bold decisions to promote Korean popular culture, which helped the image of companies such as LG and Samsung. If you ask the question ‘Can you trust the quality of Korean products?’ now, the answer is ‘yes’; it was different 20 years ago.

“These days nobody will question a Korean car, a Korean ship, Korean chemicals and cosmetics, and the list goes on.”

A beneficiary of that is AmorePacific, whose brands include Laneige, Sulwhasoo, Mamonde, Innisfree and Etude House. Roll elaborates: “How can a company like AmorePacific stand up to the world of cosmetics and skincare that is governed by L’Oréal, Estee Lauder, and Shiseido? They were riding on the popular culture of Korea.

“The price point of AmorePacific has gone up. That’s a feat for a brand from Korea, a country which up until recently had competed on technology for fridges and aircons and shipyards. Then comes along a product that’s different from the usual Korean product.”

And crucially: “You have to be aspirational.”

Do you care why?

With the global economy running at internet speed, the need to constantly adapt is crucial for premium brands where “you have a high price point and customers expect a lot”. Instead of setting cast-iron rules for customer service, Roll emphasized the importance of instilling the right culture and producing ‘care-why’ employees.

“Care-whys are people that go out of the ordinary to deliver on a promise,” Roll explains. “The problem is: I cannot ask you to be a care-why because it’s something people need to want to do. Care-whys are people who care about the customer.”

To illustrate, he recounted a positive experience with Singapore Airlines:

“I flew some years back from Beijing to Singapore on the last flight out of Beijing, a 7pm flight. I never travel in a suit, I was in a T-shirt and jeans. I showed up at the gate before they were ready to board the passengers. I wasn’t supposed to get on board because they were still refueling but they said, ‘Mr. Roll, go right in. It’s fine.’

“I got to my seat in Business Class and one of the stewards came up to me and say, ‘Mr. Roll, fantastic to see you again.’ I was a little surprised he knew my name but I sat down while he disappeared for a little while. He then returned with some magazine and a copy of the newspaper with a handwritten note: ‘For Mr. Roll... Welcome back’.

“I was really stunned. I’ve had great experiences with SQ throughout the years but I’d never seen this before. Where did that come from? The steward was a care-why.”

He concludes: “You can’t train to produce such behaviour. You need people to understand your brand so well that they will deliver on the promise when the time comes.”

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