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Student Name: Mikel Shil

ID: 2434307

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Lecturer: Tushara Balendran

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1. Introduction

International brands in the luxury industry face a special challenge in the global market. Luxury products have to be exclusive and desirable yet at the same time the companies require expansion of other markets worldwide. This poses a conflict between the need to have a uniform global brand image and adjusting to the local market environment. One of the most expensive luxury brands globally, Louis Vuitton (LV), has its direct operations in this challenge.

In this report, the global marketing of Louis Vuitton in the two main markets, the United States and China, is analyzed. The two nations are at highly contrasting levels of luxury market development. The US is a full-grown and very competitive high-end market, in which people appreciate personal expression and brand equity. Conversely, China is a luxury market that is swiftly expanding, and the consumption is heavily driven by social status, cultural ethos, and online platforms (Kapferer and Bastien, 2012; Bain & Company, 2023).

The primary goal of this report will be to analyse the way Louis Vuitton strikes the balance between standardisation and adaptation in these two markets. The report is designed around a single question: in which places should Louis Vuitton keep its global identity, and in which places should it localize its marketing approach?

In answering this question, the report will analyse the macro-environment by first using PESTEL framework. It will be then succeeded by a further discussion of social and cultural aspects, such as cultural dimensions offered by Hofstede. The report will then analyze the Segmentation, Targeting, and Positioning (STP) strategies of Louis Vuitton and then a close comparison of the marketing mix (7ps) done in the two countries. Lastly, the report will evaluate directional growth strategy, and ethical issues, and give future development recommendations.

2. Company Background

Louis Vuitton is a luxury brand that is among the most well known in the world and is under the LVMH (Moët Hennessy Louis Vuitton) group, the largest luxury conglomerate in the world. Louis Vuitton, a trunk-maker, initially produced strong and waterproof travelling luggage to attract the rich clientele in the year 1854, in Paris. This prioritization of utility and the use of craftsmanship is still a fundamental element of the brand today (Kapferer, 2015).

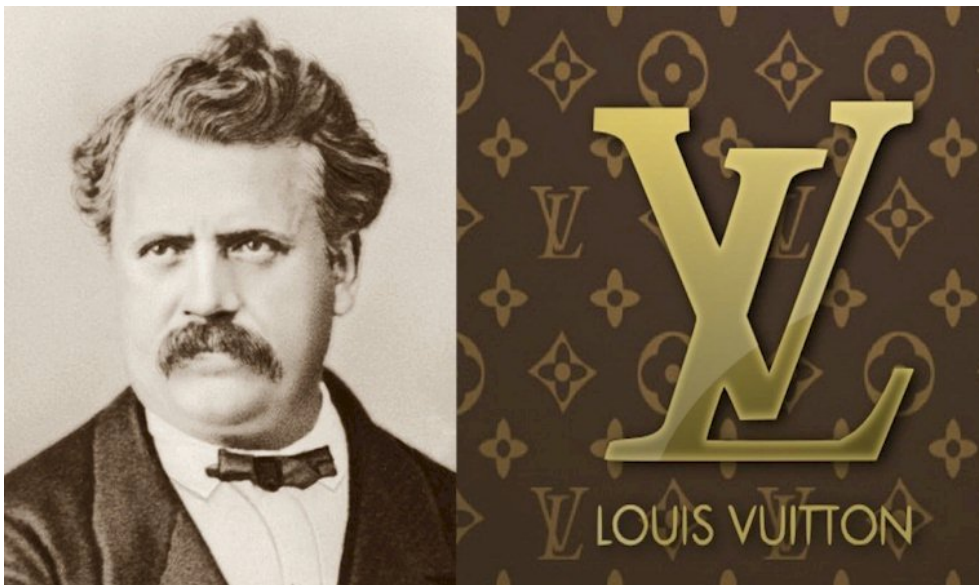


Figure 1: The Louis Vuitton Logo and its History (Lgomyway, 2025)

With time, Louis Vuitton has diversified its product line to include ready-to-wear fashion, leather goods, footwear, watches, jewellery and accessories. With this growth, the brand has continued to have a stable positioning based on craftsmanship, exclusivity, and high quality. It relies on the global approach to providing the products that are characterized by both heritage and modern design, and which are aimed at customers with high income and a need to have both status and genuineness (Okonkwo, 2016).

Louis Vuitton mission is closely connected with its heritage that is oriented on providing the high-quality products which symbolize the innovation, creativity and the luxury craftsmanship. Although the company does not have formal mission statement publicly, its strategy alignment shows that the company is determined to uphold brand exclusivity and yet attain global growth. Its vision can be interpreted as reinforcing

itself as one of the world leading luxury brands and entering new market and consumer groups (Chevalier and Mazzalovo, 2012).

Internationalization of Louis Vuitton has been done in a well-planned manner. The United States is one of its oldest foreign markets, existing since the late 19th century. It is now among the biggest luxury market in the world offering stable income and high brand recognition. China, on the other hand, is a newer and fast emerging market. The brand started its operations in China in 1992 when the luxury market was still emerging. This gave Louis Vuitton the ability to influence consumer expectation and build a solid brand awareness as early as possible (D'Arpizio et al., 2018).

As at 2023, LVMH had revenues in excess of €80 billion, of which the Fashion and Leather Goods division, which included Louis Vuitton, made up the highest percentage. This underscores the importance of the brand as a major driver of growth in the group (LVMH, 2023).

3. Macro Environment Analysis (PESTEL)

The macro-environment is the external forces that affect operations of a company but are beyond the control of a company. These factors are usually analysed using the PESTEL framework which encompasses Political, Economic, Social, Technological, Environmental, and Legal factors (Kotler and Keller, 2016).

In the case of a global luxury brand such as Louis Vuitton, it is important to be aware of the macro-environment since the behaviour of consumers, regulations, and market conditions vary greatly amongst nations. The section gives a comparison of the macro-environment of the United States and China and analyzes the impact of the factors on the activities of Louis Vuitton in the two markets.

3.1 PESTEL Comparison: USA vs China

Table 3.1: PESTEL Comparison (USA vs China)

Factor	United States	China	Impact on Louis Vuitton
Political	Stable political system with strong protection for businesses and intellectual property rights	Strong government control with regulatory restrictions, especially on foreign luxury brands	USA is favourable due to stability; China is moderately favourable but requires adaptation due to regulations (Hill, 2021)
Economic	Mature luxury market with high purchasing power and stable income levels	Rapidly growing economy with increasing middle and upper class	Both markets are favourable, but China offers higher growth potential (Bain & Company, 2023)
Social	Individualistic culture; consumers value personal identity and self-expression	Collectivist culture; luxury often used for social status and recognition	Requires different branding approaches in each country (Hofstede, 2011)

Technological	Advanced digital infrastructure; strong e-commerce and omnichannel retail	Highly digitalised market with dominant platforms like WeChat and Tmall	China is highly favourable for digital engagement; requires localisation (Chaffey, 2022)
Environmental	Strong awareness of sustainability; pressure on brands for ethical sourcing	Increasing environmental awareness but still developing regulations	Both markets require sustainability strategies (Peattie and Crane, 2005)
Legal	Strict consumer protection laws and intellectual property enforcement	Legal system evolving; issues with counterfeit products still exist	USA is more favourable; China presents risks but improving (WIPO, 2022)

Source: Compiled by the author from sources cited in the text (2026).

3.2 Analysis of Key Differences

PESTEL analysis reveals that the two markets are significant to Louis Vuitton but they pose various opportunities and threats.

Political and Legal Factors.

United States offers a predictable and stable business climate, which is very favourable to luxury brands. The protection of intellectual property is strong which minimises the threat of imitation. However, China is more controlled and has more stringent government regulations and has a greater level of control over foreign companies. Despite the improving conditions, there are challenges to luxury brands like counterfeit goods and changes in regulations (Hill, 2021).

Economic Factors

Both countries are appealing markets economically. The U.S is a well-developed luxury market that has steady demand. Growth is however quite slow.

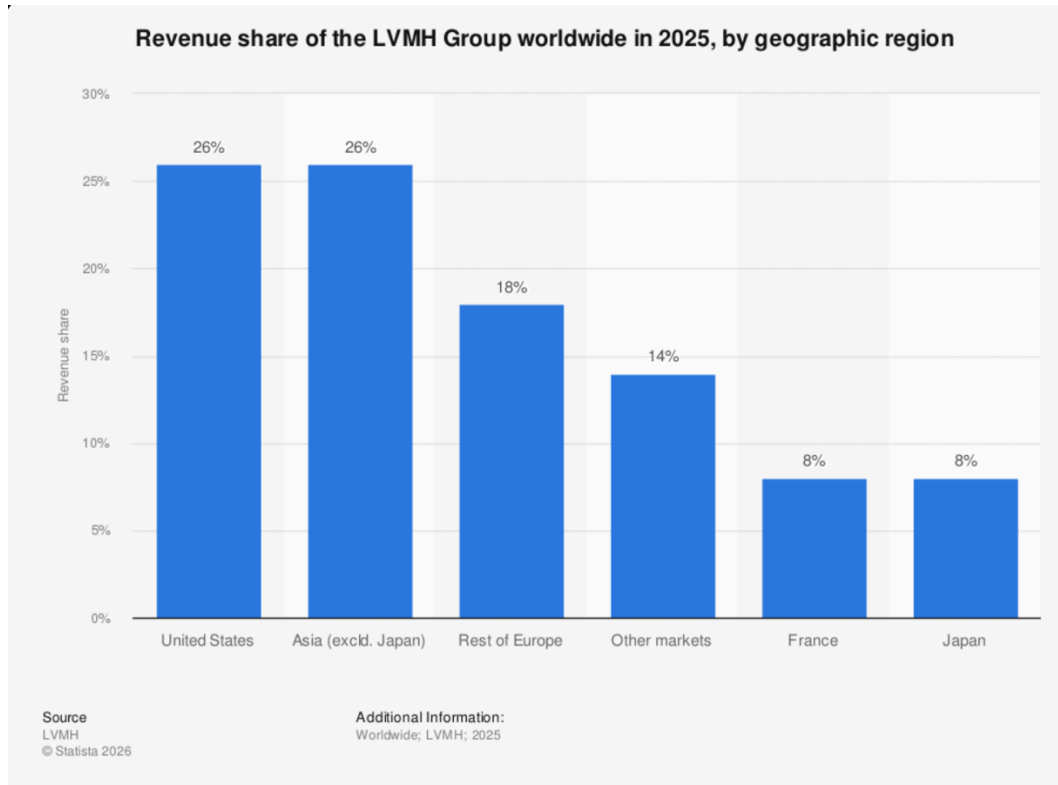


Figure 2: Revenue share of the LVMH Group by geographic region worldwide 2025 (Statista, 2025)

Conversely, China has great growth potential because of the fast growth of middle and upper-class consumers. This is what makes China an important source of revenue to Louis Vuitton in the future (D'Arpizio et al., 2023).

Technological Factors

China is now ranked among the most digitally sophisticated markets in the world particularly mobile commerce and integration of social media. Social media like WeChat and Tmall significantly affect consumer decision-making. Conversely, although the United States equally boasts of good digital infrastructure, it is more decentralized. It implies that Louis Vuitton will be required to use various digital marketing approaches within the markets (Chaffey, 2022).

Environmental Factors

In both markets, issues on the environment are becoming a major concern. The American consumers demand that brands should exercise sustainability and ethical behaviors. Awareness in China is on the rise but is not as mature as in the Western markets. This demands that Louis Vuitton is able to uphold international levels of sustainability, and localize communication approaches (Peattie and Crane, 2005).

3.3 Social Factors Analysis (USA vs China)

Social factors are the attitudes, lifestyles, values and behaviours of the consumers which affect buying decisions. In the case of luxury brands such as the Louis Vuitton, social factors play a crucial role due to the close relation of luxury consumption to identity, status, and cultural meaning (Kapferer and Bastien, 2012).

The social behaviour of United States and China have considerable differences and this has a direct impact on how Louis Vuitton positions and markets its products.

Table 3.3: Social Factors Comparison (USA vs China)

Social Factor	United States	China	Impact on Louis Vuitton
Consumer Motivation	Driven by self-expression and individuality; luxury seen as personal reward	Driven by social recognition and status signalling; luxury shows success and hierarchy	LV uses storytelling and heritage in the US, while emphasising status and prestige in China (Wiedmann et al., 2009)
Luxury Consumption Behaviour	More discreet consumption; preference for understated luxury ("quiet luxury")	More visible consumption; preference for logos and recognisable branding	LV adapts product design (e.g., logo visibility higher in China) (Han et al., 2010)

Income & Class Structure	Established upper and upper-middle class with stable consumption patterns	Rapidly growing middle and affluent class with aspirational buying behaviour	China offers high growth but more volatile demand (Deloitte, 2023)
Digital & Social Influence	Influenced by influencers, but traditional media still relevant	Highly influenced by social media (WeChat, Xiaohongshu, Douyin) and KOLs	LV invests heavily in local digital platforms in China (McKinsey, 2022)
Attitude Towards Brands	Brand loyalty based on heritage, quality, and craftsmanship	Brand loyalty linked to social image, trends, and peer influence	Requires stronger brand storytelling in US vs trend alignment in China

Source: Compiled by the author from sources cited in the text (2026).

Analysis

Luxury consumption in the United States is more personal and individualistic. Luxury goods are commonly bought as a reward to the consumer or identity. Quiet luxury is also increasingly becoming a trend as buyers are more interested in branding that is subtle as opposed to logo-based branding. This implies that Louis Vuitton should prioritize craftsmanship, heritage and exclusivity in its marketing strategy (Han et al., 2010).

Conversely, social recognition and group perception are more dominant factors to the Chinese consumers. Luxury products are frequently employed to demonstrate achievement, riches and social position. Consequently, branding and identifiable designs are more popular. Moreover, Chinese buyers are very digital and the consumption decision making heavily relies on social media and key opinion leaders (KOLs). That means that Louis Vuitton will have to change its communication approach and become more trend-oriented and digital (McKinsey, 2022).

On the whole, social aspects indicate that Louis Vuitton will have to employ various marketing strategies in every market. Whereas the United States needs an accent on

individualization and heritage, China needs a greater accent on social status, visibility and digital interaction.

3.4 Cultural Analysis using Hofstede's Dimensions

The dimensions of culture by Hofstede offer a guideline with which one can examine the variation in consumer behaviour based on cultural values in different countries. But this model should be used with caution because it generalises cultures of nations and might not represent everyone (Hofstede, 2011).

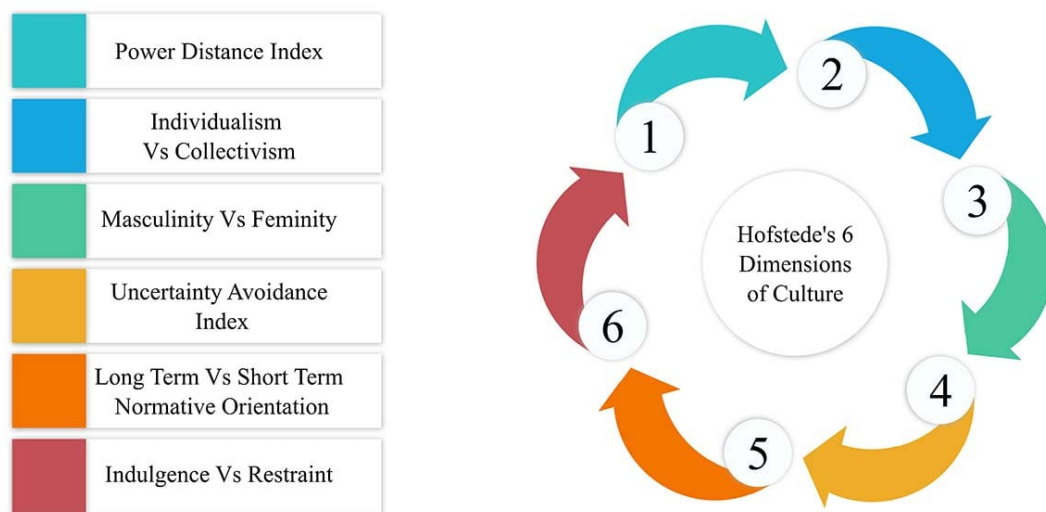


Figure 3: Hofstede's Cultural Dimensions Theory (Nickerson, 2025)

Table 3.4: Hofstede Cultural Comparison (USA vs China)

Dimension	United States	China	Impact on Louis Vuitton
Individualism vs Collectivism	Highly individualistic (score ~91)	Collectivist society (score ~20)	US consumers buy for personal identity; Chinese consumers buy for social approval (Hofstede, 2011)
Power Distance	Low power distance; equality valued	High power distance; hierarchy accepted	Luxury in China reflects social status more strongly
Masculinity	Moderately high; success and achievement valued	High masculinity; strong focus on success and material achievement	Luxury products symbolise success in both, but stronger in China
Uncertainty Avoidance	Moderate; open to new ideas	Low; more flexible and adaptable	Chinese consumers more open to new luxury trends
Long-Term Orientation	Short-term orientation; focus on quick results	Strong long-term orientation; focus on future and investment	Luxury seen as long-term value in China
Indulgence vs Restraint	High indulgence; spending for enjoyment is accepted	More restrained; spending linked to purpose and status	US consumers buy for pleasure; Chinese consumers buy with social intention

Source: Compiled by the author from sources cited in the text (2026).

Analysis

The cultural aspect between the United States and China has a strong impact on the patterns of luxury consumption. The American society is a highly individualistic one, with consumers being preoccupied with personal identity and self-expression. This is in line with luxury consumption as a personal pleasure and style of living.

China, on the other hand, is a collectivist society where social hierarchy and value of the group are more significant. Consumption involving luxury is usually associated with social status and recognition. This is the reason why Chinese consumers are more attracted to more visible luxury products that effectively reflect an impressive and successful message (Hofstede, 2011).

Long-term orientation is another significant dissimilarity. The Chinese consumers are more future oriented and luxury consumption may be viewed as a long term investment in social capital. American consumers, on the contrary, are more concerned with immediate gratification and personal enjoyment.

It should be noted though that there are shortcomings to the Hofstede model. It fails to adequately reflect regional variations among countries or variations over time. Indicatively, in the two markets, younger consumers might not act according to the traditional cultural trends. Thus, Louis Vuitton should exercise caution when relying on cultural knowledge and mix it with actual market information.

4. STP Analysis (Segmentation, Targeting, Positioning)

STP (Segmentation, Targeting, and Positioning) is a general marketing model that is applied to segment customers, pick the most appealing segments, and form a strong brand image in the minds of consumers (Kotler and Keller, 2016). In the case of a global luxury brand such as Louis Vuitton, STP is a very important tool as consumer behaviours and expectations differ greatly among countries.

4.1 Segmentation

Segmentation means splitting a market into specific groups of consumers who have similar characteristics in terms of demographic, geographic, psychographic and behavioural features (Wedel and Kamakura, 2012).

Louis Vuitton uses a multi-dimensional approach to segmentation, yet the significance of different factors varies between China and the United States.

Table 4.1: Segmentation Comparison (USA vs China)

Segmentation Type	United States	China	Strategic Implication
Demographic	Affluent consumers aged 30–55 with stable income and established careers	Younger consumers aged 20–40 with rising income and strong aspirations	LV targets mature luxury buyers in the US vs younger growth segment in China
Geographic	Concentrated in luxury cities such as New York, Los Angeles, and Miami	Expanding across Tier-1 and Tier-2 cities such as Shanghai, Beijing, and Chengdu	China requires faster retail expansion strategy
Psychographic	Value individuality, craftsmanship, and timeless design	Value social status, prestige, and trend alignment	LV emphasises heritage in US vs status appeal in China

Behavioural	High brand loyalty, repeat purchasing behaviour, preference for subtle branding	Trend-driven purchasing, influenced by social media and peer groups	China requires continuous engagement and digital activation
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Source: Compiled by the author from sources cited in the text (2026).

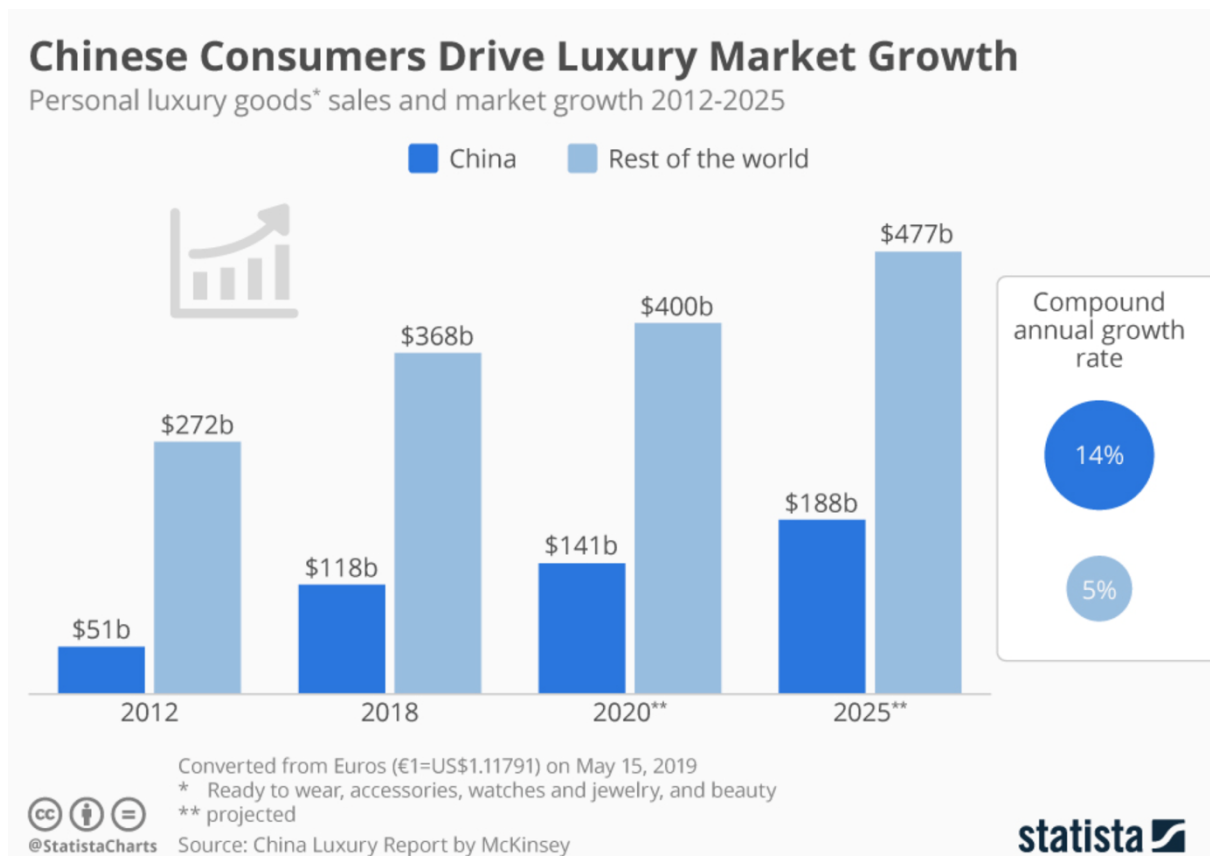


Figure 4: Chinese Consumers Drive Global Luxury Market Growth (Statista, 2019)

Louis Vuitton targets a stable, high-income market that has a high brand loyalty in the US. China, on the contrary, has a more dynamic segmentation, having a younger and aspirational consumer base. This makes marketing more flexibility and responsive in China necessary.

4.2 Targeting

Targeting is the process of identifying certain segments to concentrate on and creating marketing strategies that would serve the needs of these segments (Kotler and Armstrong, 2018).

Table 4.2: Targeting Strategy Comparison

Element	United States	China	Strategic Implication
Targeting Strategy	Differentiated targeting focused on high-income niche consumers	Differentiated targeting across both elite and aspirational consumers	China strategy is broader for growth
Primary Target	Established affluent consumers seeking quality and exclusivity	Young affluent consumers seeking status and recognition	Messaging differs significantly
Secondary Target	Limited younger fashion-conscious segment	Strong aspirational middle class influenced by KOLs and social media	China has wider market reach
Strategic Focus	Brand preservation and exclusivity	Market expansion and customer acquisition	Different growth priorities

Source: Compiled by the author from sources cited in the text (2026).

The differentiated targeting strategy adopted by Louis Vuitton applies in both markets. But the United States is interested in keeping a monopoly in a mature market and China is interested in increasing its customer base without losing its high-value status.

4.3 Positioning

Positioning refers to the perception of a brand in the minds of the consumers as compared to the competitors (Ries and Trout, 2001).

Louis Vuitton has a global heritage, craft, and exclusivity positioning as a high-end luxury brand, although it varies its focus depending on markets.

Table 4.3: Positioning Comparison

Positioning Element	United States	China	Strategic Impact
Core Positioning	Heritage-focused luxury brand	Status-driven luxury brand	Same core, different emphasis
Brand Image	Subtle, refined, “quiet luxury”	Visible, bold, aspirational luxury	Product visibility differs
Emotional Appeal	Personal identity and authenticity	Social recognition and prestige	Messaging adaptation required
Competitive Position	Competes in a mature, saturated luxury market	Strong aspirational leader in a high-growth market	LV stronger growth position in China

Source: Compiled by the author from sources cited in the text (2026).

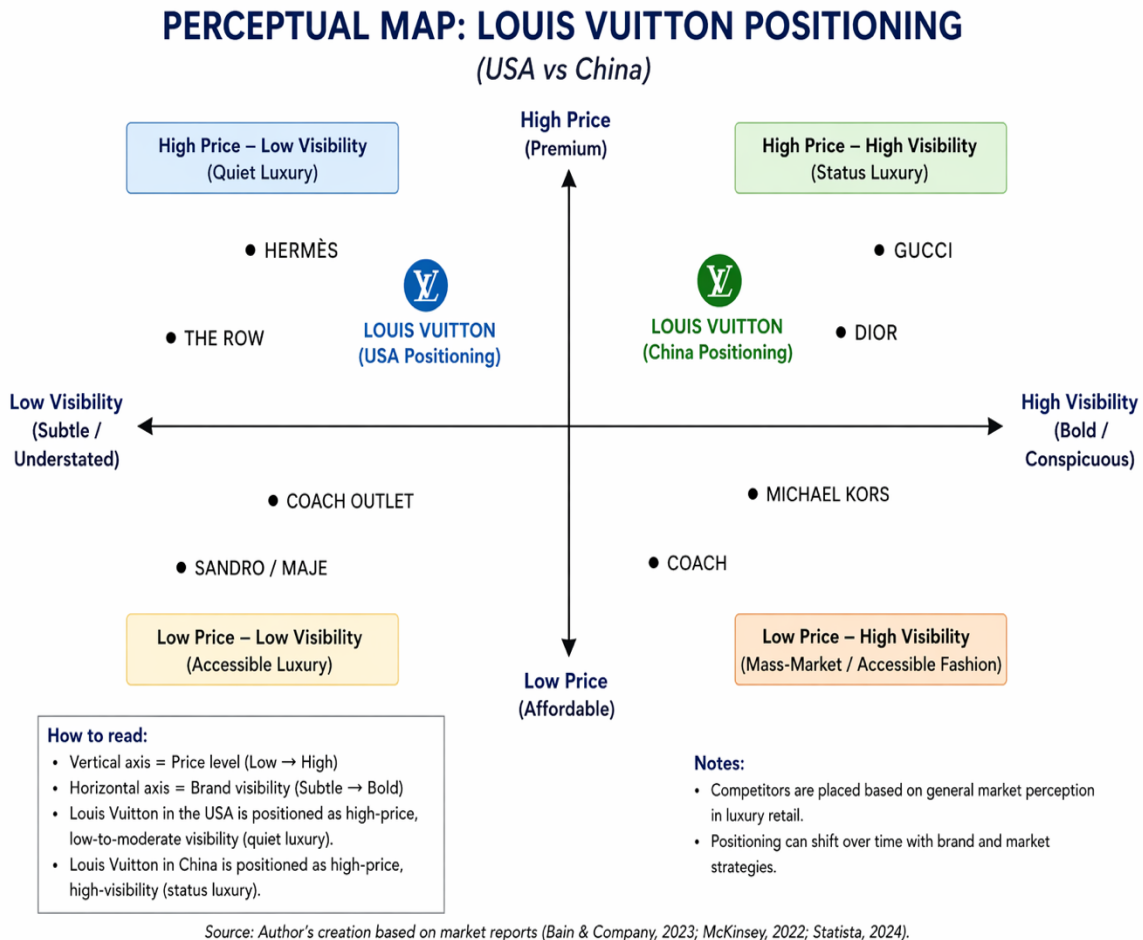


Figure 5: Perceptual map- Positioning of Louis Vuitton (Author's Creation on market reports)

The perceptual map shows the positioning of Louis Vuitton on the basis of two dimensions, namely the level of price and the visibility of the brand. Louis Vuitton is a high-price brand in the United States with low to medium visibility, and is indicative of the quiet luxury trend in which consumers choose brands that are less overt. In contrast, in China, Louis Vuitton is positioned as a high-price and high-visibility brand, where luxury products are used as a symbol of social status and prestige. This shows that the same brand positioning can be modified to suit various cultural and social expectations of each market.

5. Marketing Mix (7Ps) Analysis

Marketing mix (7Ps) is the description of how a company can bring its value in terms of product, price, place, promotion, people, process and physical evidence (Booms and Bitner, 1981). In the case of Louis Vuitton, the issue is not whether to standardise or adapt, but where and to what extent to adapt between markets having very different consumer behaviours, like the United States and China.

Table 5.0: Comparative 7Ps Analysis (USA vs China)

Element	United States (Mature Market)	China (Growth Market)	Strategic Interpretation
Product	Higher demand for classic lines (e.g., Capucines, low-logo leather goods); slower product turnover	Strong demand for monogram canvas, seasonal drops, collaborations (e.g., Yayoi Kusama, streetwear capsules)	LV shifts from heritage-led assortment in US to trend-responsive portfolio in China
Price	Relatively harmonised global pricing; lower sensitivity to price differences due to stable luxury consumption	Higher retail prices due to import duties and taxes; narrowing price gap with Europe to reduce grey market	Pricing is consistent for positioning, but adjusted to control parallel imports in China
Place	Flagship-led retail in cities like New York (5th Avenue), LA; strong direct-to-consumer e-commerce	Aggressive expansion in Tier-1 and Tier-2 cities; presence on Tmall Luxury Pavilion; integration with WeChat mini-programs	China requires wider physical reach plus platform-based distribution

Promotion	Focus on brand heritage, runway shows, global ambassadors (e.g., actors, athletes); controlled communication	Heavy use of KOLs, livestreaming, platform campaigns (WeChat, Xiaohongshu, Douyin); localised content	Promotion shifts from controlled storytelling (US) to platform-driven engagement (China)
People	Client advisors focus on relationship-building and long-term customer value (clienteling)	Staff trained for higher transaction volume and digitally informed customers; integration with online leads	Service model adapts to speed and scale in China
Process	Store-led experience; slower, personalised purchase journey; emphasis on exclusivity	O2O model: online discovery → offline purchase or direct mobile checkout; fast decision cycles	China requires frictionless and digitally integrated buying process
Physical Evidence	Minimalist store design, heritage storytelling, emphasis on craftsmanship	Visually impactful stores, large façades, interactive installations, “Instagrammable” spaces	Physical environment adapted to attract younger and social-media-driven consumers

Source: Compiled by the author from sources cited in the text (2026).

5.1 Product

The fundamental product policy of Louis Vuitton is the same across the world in terms of quality, materials and craftsmanship. The product mix composition however, varies greatly between China and the United States.

The needs of the United States are focused on non-logo and more ancient items especially those that are made of leather as in the Capucines and the Dauphine collections. These products are also in line with the increasing trend of more minimalistic luxury whereby the worth of a product lies in its workmanship other than its conspicuousness.

In China, however, monogram canvas products and very recognisable designs are still prevalent. These products enable consumers to put a clear signal on brand identity. Moreover, Louis Vuitton often rolls out collaborations in limited editions and seasonal collections in China to keep up with the younger generation, who demand endless newness (McKinsey, 2022). This represents a clear product strategy change of legacy stability in the US to mediated trend responsiveness in China.

5.2 Price

Louis Vuitton has a rigorous premium pricing policy, not compromised through discounts to protect brand equity. Nevertheless, there is a difference in pricing between the two markets.

In the United States, prices are fairly stable and matched with international standards. The consumers are not as price sensitive and are more concerned about brand value.

Elsewhere, in China, the prices were considerably higher because of import duties, which boosted purchases abroad. Over the past few years, Louis Vuitton has been modifying price arrangements to narrow down the pricing difference between China and Europe so as to minimize the use of grey markets and promote domestic sales (D'Arpizio et al., 2023).

Hence, the pricing in China is not merely high, but it is well-calibrated to regulate consumer buying behaviour at the regional level.

5.3 Place (Distribution)

Louis Vuitton operates a completely autonomous distribution network, offering its products only in its retail locations and official online sites.

The distribution strategy in the United States is directed towards flagship stores and selective locations which supports exclusivity. E-commerce is significant yet brand-controlled.

Distribution is more complicated in China. The brand has also penetrated the Tier-2 cities like Chengdu and Hangzhou, as a depiction of geographic distribution of wealth. Moreover, Louis Vuitton also has the Tmall Luxury Pavilion, among the limited licenced luxury online stores in China. It can be integrated with WeChat mini-programs to communicate and buy in the same ecosystem (Chaffey, 2022). This demonstrates that distribution in China is not only physically broad, but also digitally amalgamated, as compared to the more restrictive strategy in the United States..

5.4 Promotion

There is the greatest difference in promotion in the two markets. In the United States, Louis Vuitton is, in turn, guided by worldwide brand campaigns, fashion shows, and strictly chosen ambassadors. Communication is extremely regulated and storytelling, heritage, art direction.

Promotion in China is very much integrated into the online system. Louis Vuitton actively makes use of:

- WeChat to communicate with the brand directly.
- Xiaohongshu (RED) to discover a product and peer reviews.
- Douyin (Tik Tok China) in the case of short-form video content.
- Livestreaming with Key Opinion Leaders (KOLs).

Significant shopping activities like Singles' Day (11.11) are usually localised and timed to campaigns. This is indicative of a change in brand-controlled communication to platform-driven engagement (McKinsey, 2022).

5.5 People

Employees play a pivotal role in providing the brand experience in the practice of luxury retail. Louis Vuitton in the United States is a company that focuses on clienteling, meaning the employees establish long-term relationships with the customers. The service is more focused on experience, personalised and less fast. In China, the service model is modified to greater customer traffic and quicker decision-making. The employees are trained to meet digitally savvy consumers who might have prior product knowledge on online platforms before stepping into the store.

5.6 Process

The buying behavior in both markets varies greatly.

In the USA, it is store-centric, where the focus is on browsing, consultation, and personalised interaction. In China, it is an online-to-offline (O2O) type of business, where consumers usually:

1. Discover products online
2. Interact via social sites.
3. Purchase either online or in-store

This will result in a smoother and quicker buying experience, which demonstrates the highly developed online ecosystem in China.

5.7 Physical Evidence

The physical evidence is important in conveying luxury. The United States Louis Vuitton stores focus on heritage, craftsmanship, and subtle elegance, with a minimalistic design and restrained visuals.

The stores in China are meant to be aesthetically striking and social to share. Attention is attracted and social media is encouraged with large facades, digital screens and interactive displays. This is indicative of the change in experience-based environments within the US to visual based environments within China.

As analysis indicates, Louis Vuitton has a high standardisation in product quality and pricing philosophy, and has a great deal of adaptation in promotion, distribution, process and physical experience. The United States strategy is designed on the concept of stability, heritage, and exclusivity, and the China strategy is designed on the concept of growth, visibility, and digital integration. Such selective adaptation enables Louis Vuitton to be globally consistent and yet respond adequately to conditions of the local market.

6. Directional Development Strategy (Ansoff Matrix)

Ansoff Matrix is a strategic tool that is used to determine the growth opportunities using relationship between products (existing or new) and markets (existing or new). It describes four potential strategies, which are market penetration, product development, market development and diversification (Ansoff, 1957). In the case of Louis Vuitton, the Chinese market presents the most pertinent background to apply this framework. China is a rapidly growing market, unlike the United States which is a mature luxury market, and consumer behaviour is changing, as well as younger and aspirational consumers are demanding more and more. Thus, the Chinese need expansion and adaptation of the growth strategies.

6.1 Application of Ansoff Matrix to China

Table 6.1: Ansoff Matrix Application for Louis Vuitton in China

Strategy	Application in China	Example	Strategic Evaluation
Market Penetration	Increasing sales of existing products to existing customers	Expansion of stores in Tier-2 cities like Chengdu and Hangzhou	Low risk; strengthens brand presence but limited long-term growth
Product Development	Introducing new products to existing Chinese consumers	Limited-edition collections, collaborations (e.g., artist partnerships, seasonal capsules)	Medium risk; effective for attracting younger consumers
Market Development	Expanding into new customer segments within China	Targeting younger middle-class consumers through digital platforms	High potential; supports long-term market expansion
Diversification	Entering new product categories or experiences	Expansion into experiential retail, exhibitions, and lifestyle offerings	Higher risk; supports brand innovation and engagement

Source: Compiled by the author from sources cited in the text (2026).



Figure 6.1: Ansoff Matrix Applied to Louis Vuitton in China

Source: Created by the author based on analysis of sources cited in the text (2026).

The Ansoff Matrix can explain the strategic orientation of Louis Vuitton in the Chinese market. The brand is mainly in the market and product development quadrants where it continues to enter new customer groups and new product differentiation. Retail expansion is used to penetrate the market, and diversification supports the process by having experiential and lifestyle programs.

6.2 Strategic Analysis

The matrix sheds light on the fact that the expansion of Louis Vuitton in China is not founded on any one strategy but a set of strategies where market development and product development are the main drivers.

The market development is of special significance since the Chinese luxury market is not fully developed yet. Louis Vuitton has no longer been limited to the high-net-worth segment, but has now moved to younger and aspirational consumers. This can be justified by the fact that it has a robust presence in the digital space, including WeChat

and Tmall Luxury Pavilion, which enables the brand to access more people and impact their buying behaviour (McKinsey, 2025).

Simultaneously, product development is important in sustaining consumer interest. The Chinese consumers and particularly the younger age groups demand products with frequent updates and limited editions. Louis Vuitton reacts to this by introducing collaborations and seasonal collections, which generate urgency and develop brand desirability.

The market penetration can also be observed in that the brand has reached the Tier-2 cities and made it more physically accessible. Nonetheless, this approach primarily favors the short-term growth over the overall market development. Diversification is not extensive yet it is strategically significant. Louis Vuitton has also unveiled experiential retailing and brand exhibition which increases the engagement of customers and the emotional bond with the brand.

6.3 Strategic Conclusion

In general, the expansion policy of Louis Vuitton in China can be characterized as a controlled expansion policy, which is a combination of market development and product development. The strategy will enable the brand to gain new demand and still stay in the high-end segment.

Unlike in the United States, which is where emphasis is laid on brand stability, China needs constant adaptation and growth. The Ansoff Matrix shows that Louis Vuitton is already walking the fine line between growth potential and brand management, so that growth does not undermine its luxury status.

7. Ethical Issues

Marketing ethical issues are those practices that influence fairness and transparency, as well as social responsibility in business practice. In the case of luxury brands such as Louis Vuitton, ethical factors are especially significant since the brand targets consumers on a global scale and shapes their attitude towards value, sustainability, and status (Crane and Matten, 2016). This part analyses ethical and unethical activities of Louis Vuitton, directly associated with the aspects of the marketing mix (7Ps).

Table 7.0: Ethical and Unethical Practices Linked to 7Ps

Type	Practice	7P Link	Market Context	Critical Evaluation
Ethical	Long product lifespan and repair services (e.g., leather restoration, after-sales care)	Product / Process	Global (strong in US & Europe)	Encourages durability and reduces replacement cycles, aligning with sustainable consumption in luxury
Ethical	Strict control of distribution channels (no third-party discounting, official stores only)	Place	Global, including China digital channels (Tmall Luxury Pavilion)	Protects consumers from counterfeit products and ensures authenticity, especially important in China

Unethical	Price harmonisation strategy to control grey market rather than improve consumer value	Price	Particularly relevant in China and Asia	Price adjustments are driven by brand control rather than fairness, limiting accessibility without improving product value
Unethical	Heavy reliance on KOL-driven and status-based marketing in China	Promotion	China	Encourages aspirational consumption based on social pressure, particularly among younger consumers, raising concerns about responsible marketing
Unethical	Limited transparency in supply chain (e.g., sourcing of leather and labour conditions)	Product / Process	Global	Lack of full disclosure creates concerns about sustainability and ethical sourcing despite premium positioning

Source: Compiled by the author from sources cited in the text (2026).

The identified ethical issues are not hypothetical but are directly associated with the strategic decisions of Louis Vuitton in the areas of pricing, promoting, and distributing their goods, especially in the markets with high growth rates, like China. A major ethical asset of Louis Vuitton is its emphasis on quality and longevity of products. In contrast to fast fashion brands, Louis Vuitton products are constructed in a way that they can last many years. This is in line with sustainable consumption through lessening the rate of replacement purchases. Its other ethical behavior is its controlled distribution strategy, whereby its products are sold only via official stores and platforms. This

assists in upholding product authenticity, and this safeguards the consumers against fake products.

But ethical issues exist as well. The premium pricing strategy of the brand can be regarded as artificial scarcity. Although this contributes to the luxury positioning, it also promotes social inequality since only a small number of consumers can afford the products.

Also, the marketing efforts of Louis Vuitton, especially in China, tend to focus on social status and prestige. This is able to motivate consumers to buy products not out of necessity or value to themselves but influenced by the social pressures and the need to be considered special and thus gain status. This kind of practice questions the issue of responsible marketing.

8. Recommendations

Referring to the macro-environment analysis, STP strategy, marketing mix, ethical issues, one can make a number of recommendations that will help Louis Vuitton to enhance its performance in the United States and China.

8.1 Recommendations for the United States

1. Strengthen “quiet luxury” positioning

Louis Vuitton ought to concentrate more on less flashy, logo-minimal products in the United States. The analysis revealed that the American customers are turning to understated luxury and are valuing craftsmanship more than branding. Growing collections based on leather and lessening the use of logos in this market would make it more in line with consumer preferences.

2. Improve customised customer experience

The brand must also invest in clienteling techniques which include personalised recommendations, private appointments and exclusive product preview. The US market is a mature business and thus, long term customer relations are better than short term sales growth.

3. Become more transparent in sustainability

In the United States, ethical sourcing and sustainability are issues that are of greater concern to consumers. Louis Vuitton ought to give more detailed details regarding its supply chain, such as how it sources its leather and how it produces it. This would enhance trust and brand credibility.

8.2 Recommendations for China

1. Strike a balance between visibility and brand exclusivity

Although in China, products that are logo-driven are popular, too much visibility can undermine brand equity over time. Louis Vuitton must introduce more understated product lines progressively but without compromising status appeal by making sure that growth does not diminish exclusivity.

2. Enhance integration of digital ecosystem

Louis Vuitton needs to go further into the partnership with platforms like WeChat, Tmall, and Xiaohongshu through data-driven marketing and customised online experiences. This will involve specific campaigns, livestreaming plans, and interactive content to attract younger consumers.

3. Develop experiential retail strategy

The brand needs to keep investing in experiential retail format, including exhibitions, pop-up stores, and flagship stores that are immersive. Such experiences have been very successful in China where consumers cherish social sharing and interaction.

4. Promote responsible marketing practices

Due to the ethical issues associated with status-based promotion, Louis Vuitton ought to utilize a more balanced mode of communication. It is possible to concentrate more on craftsmanship, creativity, and brand heritage than only social status in campaigns, particularly when the campaign is aimed at younger audiences.

9. Reflection (Gibbs Reflective Cycle)

Reflection is a valuable component of academic learning because it enables students to assess their process, recognize strengths and weaknesses, and become better learners. This reflection is informed by the Reflective Cycle by Gibbs that consists of six steps: description, feelings, evaluation, analysis, conclusion and action plan (Gibbs, 1988).

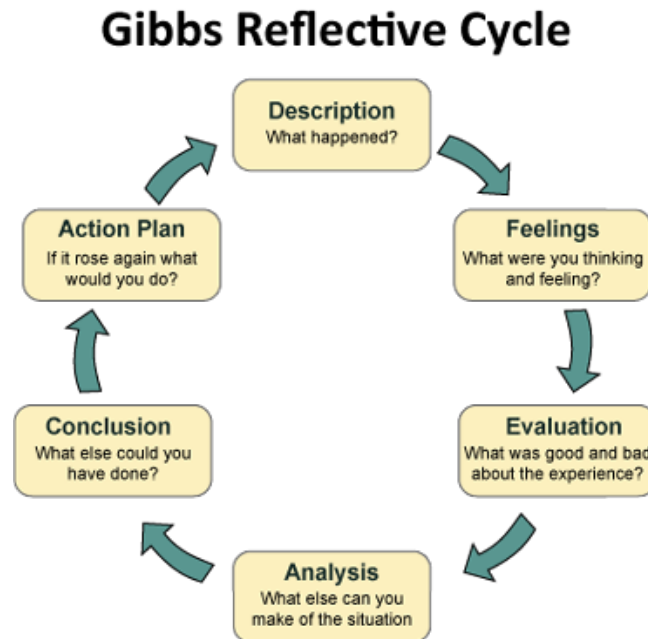


Figure 7: Gibbs Reflective cycle (Crowe Associates Ltd, 2023)

9.1 Description

The assignment aimed to review the international marketing approach of Louis Vuitton in two markets; the United States and China. The assignment involved applying several frameworks, such as PESTEL, cultural dimensions developed by Hofstede, STP (Segmentation, Targeting, Positioning), 7Ps marketing mix, and Ansoff Matrix.

The first step involved the selection of the brand and countries, after which, the secondary data was gathered based on academic sources, industry reports, and sources related to the company. The task has been organized following the guidelines, beginning with the macro-environment analysis and proceeding to more specific strategic analysis. I also checked my previous draft during the writing process on the basis of tutor feedback. This involved the enhancement of structure, application of clearer framework, application of tables and enhancement of level of analysis. The

objective of the final report was to give a clear comparison of the two markets and give strategic recommendations.

9.2 Feelings

Initially, I was sure that I was going to pick Louis Vuitton as it is a very famous and international brand that has a good presence in the United States and China. Nevertheless, I was also not sure how to use the frameworks properly on a higher educational level.

Having been provided with feedback on my first draft, I noticed that I was overly descriptive and did not organize my work in the way it should be done in academia. This concerned me about my performance, and I understood what I had to improve. I developed the ability to apply the frameworks in a more competent way and connect them with real-world examples as I moved forward. By completion of the assignment, I was more at ease with academic writing and strategic analysis.

9.3 Evaluation

The possibility to choose the appropriate frameworks and apply them to a real firm was one of the strengths of my work. The analysis of the United States and China helped to gain some insight on the difference in marketing strategies in different markets.

The other strength was the post-feedback improvement. I could reorganize the assignment, better utilize tables and give clearer comparisons. This enhanced the organisation and comprehension of the report.

Nevertheless, it also had weaknesses. The first draft lacked a clear division of various levels of analysis, like macro-environment and cultural factors. I also failed to specify frameworks prior to their use and this lowered the academic standards of the work. Moreover, certain sections of the analysis were overly broad and not detailed.

9.4 Analysis

The issues encountered during this assignment were primarily connected with how to use theoretical frameworks in a practical and critical manner. First, I was more concerned with describing than analysing concepts. This is a typical problem with academic writing where students can grasp the theories but are unable to use them to practice what they have learned.

The critiques made me understand the need of structure and logical flow. To illustrate, the division of PESTEL and cultural analysis and their correlation with STP and marketing mix were more informative. The next valuable lesson was the necessity to back up the arguments with evidence. The analysis and conclusions were reinforced by the use of data presented in reports like Bain and Company and McKinsey and therefore became more credible. I also got to know that there are various markets that need various strategies. The analysis of the United States and China revealed that cultural, social and technological considerations are highly influential on the marketing decisions. This made me realize that it is important to change strategies when conducting international marketing.

9.5 Conclusion

On the whole, this assignment has enabled me to enhance my academic writing and analytical skills. I got to know how to use marketing frameworks more efficiently and how to organize a report in a rational and coherent manner.

This was greatly improved by the feedback which pointed out certain areas that had to be rectified. These issues were resolved, so I could create a more organized and better quality report. The experience has enhanced my knowledge on international marketing and necessity of changing strategies in various markets.

9.6 Action Plan

When I do my assignments in the future, I will pay more attention to the structure that I would plan and then start to write. This will assist me in preventing problems associated with organisation and make sure that all the frameworks are implemented properly. I will also strive to start with more scholarly sources and not use general information. This will enhance my work quality and credibility.

Besides, I will be more attentive to the feedback provided by tutors and will implement it during the writing process earlier. This will enable me to make small steps that will enable me to change my work rather than making big changes at the final stage. Lastly, I will keep on practicing critical analysis whereby I will not be asked about what a strategy is, but rather why it is applied and how it impacts the business performance.

10. Conclusion

This report examined the international marketing approach of Louis Vuitton through the comparison of its operations in the United States and China in the light of major theories like PESTEL, cultural dimensions as defined by Hofstede, STP marketing mix, 7Ps marketing mix and the Ansoff Matrix.

The findings show that Louis Vuitton follows a global standardisation with local adaptation strategy. Although the brand has a market-specific and consistent luxury identity based on heritage, craftsmanship and exclusivity, the marketing strategies are adjusted to the local circumstances of the respective markets. In the US, emphasis is placed on brand stability by discreet quiet luxury brand positioning and close customer relationships. Conversely, the brand focuses on expanding the business opportunities in China via online interaction, aspirational positioning, and targeting new market segments. The critical ethical issues, especially the pricing policies and promotion based on status, and positive ones, such as the durability of product and the control of distribution, were also pointed in the analysis.

All in all, the capability of Louis Vuitton to achieve global uniformity and local responsiveness is one of the main reasons of its success. But, the future growth will be tied to the ability to balance this and deal with ethical issues and changing consumer demands in the mature and emerging markets.

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