

Student Name- GABRIELA BANDAC

Student ID-2014067

Supervisor: DR LAILA MAAZOUZ

**Research title- Strategic management in the luxury fashion
industry.**

Name of the university- University of Wales Trinity Saint David

Abstract

The present research examines strategic management in luxury fashion to inform practitioners, researchers, and stakeholders. The research starts by emphasising the need for strategic management in the complicated luxury apparel industry. A thorough literature examines strategic management ideas, models, and trends reveals gaps in sustainability, ethics, digital transformation, and tradition-innovation literature.

Quantitative and qualitative data gathering and analysis are used to fill these gaps. Hypotheses based on ideas and concepts are examined using actual facts using the deductive technique. Luxury fashion stakeholders are surveyed and interviewed to get quantitative and qualitative information. The positivist research philosophy emphasises careful observation and unbiased analysis. This research seeks to improve strategic management in the luxury fashion business by providing evidence-based insights to improve decision-making, competitiveness, and sustainable and responsible practices.

Table of Contents

Chapter 1: Introduction	5
1.1 Background of the Research	5
1.2 Significance of the research	5
1.3 Research Aim and Objectives	6
1.4 Research Questions	6
1.5 Rationale of the study:	6
Chapter 2: Literature Review	7
2.1 Introduction	7
2.2 Definition of Strategic Management.....	7
2.3 Importance of Strategic Management in the Luxury Fashion Industry	7
2.4 The Significance of Sustainable and Ethical Strategic Management in Luxury Fashion	7
2.5 Challenges of Strategic Management in the Luxury Fashion Industry:	8
2.6 Future Trends in Strategic Management for Luxury Fashion Companies:.....	8
2.7 Theoretical Framework of Strategic Management in Luxury Fashion:	9
Chapter 3: Research Methodology	10
3.1 Introduction	10
3.2 Research Philosophy	14
3.3 Research Paradigm.....	15
3.4 Research Approach	16
3.5 Research Strategy.....	10
3.6 Data Collection Methods and Tools	17
3.7 Sampling	17
3.8 Data Interpretation	17
3.9 Ethical Consideration.....	18

3.10 Data Validity and Reliability	10
Reference:	24
Appendix.....	28
Interview Questions	28
Survey Questionnaire	30

Chapter 1: Introduction

1.1 Background of the Research

Luxury fashion caters to rich people who want high-end items. Luxury fashion companies' legacy, workmanship, and classic designs fetch high prices and inspire ambition. However, a fast-shifting global scene affects premium fashion. Luxury fashion firms must use strategic management practices that match their brand, capitalise on market possibilities, and handle evolving trends to negotiate these challenges.

Luxury fashion has changed significantly. Luxury brands now reach developing countries thanks to globalisation and digitalisation. E-commerce and social media have revolutionised retail paradigms, changing customer behaviour and expectations (McKinsey, 2022). Luxury fashion firms must also include responsible and transparent business practices due to customer knowledge of sustainability and ethics.

Luxury fashion firms depend on strategic management. Strategic management involves creating, executing, and assessing long-term strategies to meet organisational objectives. Strategic management in luxury fashion includes brand positioning, product creation, supply chain management, market growth, and consumer engagement choices.

Despite its importance, researchers, industry experts, and practitioners continue to argue about strategic management's effect on luxury fashion. Luxury fashion executives and stakeholders must understand how strategic choices affect performance and competitive advantage (Tiep Le *et al.*, 2021). Thus, this research examines strategic management in luxury clothes.

1.2 Significance of the research

This research hopes to advance the fashion industry and academic understanding. Understanding how strategic management tactics affect the high-end clothing industry is important for several reasons. High-end fashion is always competitive and changing. The research's findings on how strategic management may boost a brand's competitiveness, resilience, and market adaptability have impact industry leaders and stakeholders (Sarker *et al.*, 2022). As customer awareness of environmental and ethical issues rises, luxury fashion manufacturers are pressured to take programmes seriously and act responsibly and transparently. This research analyse how strategic management may better combine sustainability and ethics to meet ethical customer needs.

1.3 Research Aim and Objectives

This specific research aims to portray the various impact of strategic management within the Luxury fashion industry.

The objective of the research

- To understand the meaning of strategic management.
- To understand the importance of strategic management in the luxury fashion industry.
- To portray the challenges related to strategic management faced by the luxury fashion industry.
- To develop recommendations to overcome the challenges.

1.4 Research Questions

- What is strategic management?
- What is the importance of strategic management in the luxury fashion industry?
- What are the challenges related to strategic management faced by the luxury fashion industry?
- What are the recommendations to overcome the challenges?

1.5 Rationale of the study:

The strategic management of a firm has a significant impact on the market position and competitiveness of a luxury fashion label (Gupta *et al.*, 2020). By examining the effect of strategic decisions on a brand's market presence, product offerings, and customer engagement, the research may unearth best practices that provide sustainable growth and profitability.

Research on the ways in which strategic management incorporates digital transformation may provide useful insights for improving e-commerce, making better use of data analytics, and coming up with novel approaches to marketing (McKinsey, 2019).

From a scholarly perspective, this research contributes to the understanding of strategic management in the luxury fashion industry. The research adds to the existing theoretical body of work and offers a comprehensive analysis of this one-of-a-kind enterprise by zeroing in on the interplay between managerial decisions, market dynamics, and consumer habits.

Chapter 2: Literature Review

2.1 Introduction

In the dynamic and competitive luxury fashion industry, strategic management is crucial for fashion houses and brands to succeed. The purpose of strategic management is to assist a company to achieve its long-term objectives and remain competitive in the market. This literature review delves into the meaning, application, and challenges of strategic management in the high-end clothing industry, and offers recommendations for overcoming these obstacles. The purpose of this literature review is to look into the many dimensions of strategic management in the luxury apparel industry.

2.2 Definition of Strategic Management

Strategic management is the process through which an organisation decides its long-term objectives, examines the internal and external factors that may affect them, and creates strategies to obtain a competitive advantage. Strategic management in the luxury fashion industry entails, among other things, the development of unique brand identities, the carving out of a niche in the premium market, and the steering of the whole value chain, from research and development to distribution and sales (SO, 2021).

2.3 Importance of Strategic Management in the Luxury Fashion Industry

Strategic management is very important in the high-end clothing industry because of its specific nature. The high-end fashion sector is in flux due to shifting consumer preferences, increased global competition, and technological advancements (McKinsey, 2022). According to Da Giau et al. (2020), effective strategic management enables fashion companies to adapt to changing market conditions without sacrificing their core values and brand identities.

2.4 The Significance of Sustainable and Ethical Strategic Management in Luxury Fashion

Sustainability is increasingly being recognised as a key factor in the strategic management practices of the high-end fashion industry. Rather than being limited to the beginning or conclusion of the value chain, sustainable business practices should be adopted everywhere in between. According to their findings, Dissanayake and Weerasinghe (2021) state that this may

be achieved by the adoption of circular fashion practises such as the use of sustainable materials, the reduction of waste, the adoption of more energy-efficient manufacturing processes, and the dissemination of information about these concepts. By integrating sustainability into their business strategies, luxury fashion firms may attract conscientious clients who care about the planet on which they live and the products they purchase.

Ethical and corporate social responsibility considerations are increasingly standard practice in luxury clothing strategic management. According to Sengupta & Sengupta (2020), companies have a responsibility to uphold ethical standards in their supply chains. This includes providing artisans and fashion workers with safe and compassionate working conditions. If they implement CSR initiatives, high-end fashion brands may be able to positively affect society, aid local communities, and advocate for crucial causes (McKinsey, 2020).

2.5 Challenges of Strategic Management in the Luxury Fashion Industry:

The luxury clothing industry has the challenge of ever-evolving consumer tastes. The preferences of high-end consumers may change rapidly, requiring a swift and reliable brand reaction, as suggested by Son et al. (2023). Striking a balance between the incessant need for new ideas and the desire for classic, lasting designs is the issue for long-term success that must be handled by strategic management.

In many ways, globalisation has been beneficial to the luxury fashion business by opening up new markets and opportunities. Cultural variety, varying regulatory environments, and individual customer tastes all contribute to the complexity of global marketplaces as per Pangarkar *et al.* (2021). Luxury fashion firms should portray a consistent image globally, but marketing efforts should also take into consideration regional tastes.

2.6 Future Trends in Strategic Management for Luxury Fashion Companies:

The high fashion industry will continue to feel the effects of emerging technology. According to a research by Su and Song (2021), current advancements in wearable technology, 3D printing, and smart materials make it feasible to create novel products and enhance user experiences. The wants of consumers may be predicted and satisfied more effectively by businesses that are fast to adapt and use new technology. Artificial intelligence will play an increasingly important part in the long-term planning of luxury fashion firms.

2.7 Theoretical Framework of Strategic Management in Luxury Fashion:

The discipline of strategic management in the high fashion industry is aided by a number of theories, concepts, and models that give a methodical approach to the creation and implementation of plans. These frameworks may be used to gain insight into the competitive dynamics of a sector, identify critical competencies, and connect business objectives with strategic decisions.

Porter's Five Forces Model and its Relevance in the Luxury Fashion Industry:

Michael Porter's Five Forces Model is widely used to assess the degree of rivalry and allure in any given industry. According to Khurram et al. (2020), the five main components that determine competition are industry rivalry, buyer negotiating power, supplier bargaining power, new entrant threat, and replacement risk.

It is impossible to exaggerate the value of Porter's Five Forces Model for understanding the high-end clothing industry. High-end fashion companies are in a fierce battle for the same affluent consumers. Customers have a lot of bargaining power since they may buy expensive clothes from a variety of retailers. Suppliers have a substantial advantage due to the scarcity of rare resources and specialised personnel. New entrants move at a snail's pace because of the dominance of well-known businesses and the lack of competition (Zoetis, 2019). Competition from more affordable luxury and fast-fashion companies is a problem for the premium fashion industry.

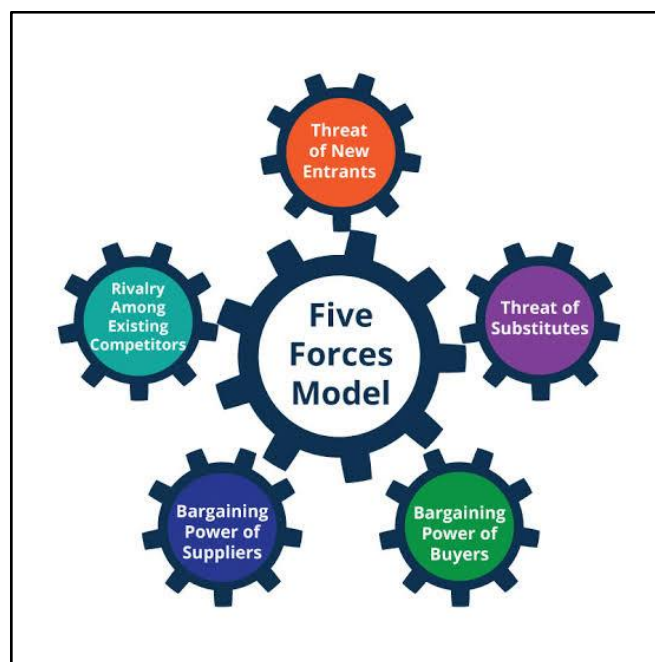


Figure 2.8.1: Porter's Five Forces Model

(Source: Zoetis, 2019)

Chapter 3: Research Methodology

3.1 Introduction

Methods and processes utilised to complete the research are discussed in detail in the research methodology chapter. This document describes the methods, resources, and processes used during data collection and analysis. The methodology used and the justification behind it is also discussed in depth. To investigate the impact of strategic management in the luxury fashion industry, this research used a mixed research approach, collecting quantitative and qualitative data.

3.2 Research Strategy

This research has used a primary quantitative research strategy. Several considerations point to the use of a primary quantitative research strategy for this investigation of strategic management's impact on the luxury fashion industry (Adam, 2014).

Quantitative surveys have shed light on strategic management practices in the high fashion business by revealing numerical insights and trends (Saunders, 2019). Strategic management and company outcomes may be better understood by in-depth analysis of key performance measures, market trends, and consumer behaviour made feasible by such data. In order to have a more holistic understanding of patterns and trends in the high fashion industry as a whole, quantitative data is required.

3.2 Data Validity and Reliability

Data validity and dependability provide consistent and accurate outcomes for every research. This strategic management research on high fashion addressed data validity and dependability.

Data validity: Data validity was improved by many research designs and data collection procedures. Since the questions were relevant and aligned with the research aims, content

validity improved (Scribbr, 2022). To reduce response biases, survey questions used simple language. To encourage truthfulness, participants were given privacy and anonymity.

Data Reliability: Data collection was made more reliable. To ensure accuracy, the research team learned standard survey and interview methodologies. Validated survey scales and interview methods improved data dependability (South *et al.*, 2022). The research used established methodologies for repeatability. Qualitative data inter-coder reliability was improved by many researchers. Regular meetings and coding methods were used to resolve qualitative data interpretation issues.

Chapter 4: Data analysis

Survey Results

Question 1: Is strategic management essential for long-term success in the luxury fashion industry?

The purpose of the survey question was to determine how crucial strategic management was thought to be for the long-term success of the luxury fashion sector. According to the findings, out of a total of 50 respondents, 44% (or 22 respondents) think that strategic management is actually essential for achieving long-term success in this sector. Strategic management may not be as crucial, according to 26% (13 respondents), who voiced scepticism. 15 more respondents, or 30%, were still undecided regarding its importance. These findings reveal a major difference in perspectives, with a sizable portion of people acknowledging its significance but a sizable portion expressing doubt or disagreement. Such discrepancy highlights the difficulty of making strategic decisions in the luxury goods industry and points to the need for additional research and discussion.



Figure 4.2.1: Survey Question 1

(Source: Self-made)

Question 2: Does strategic management help luxury fashion brands adapt to rapidly changing consumer preferences?

The poll examined how strategic management helps luxury fashion firms adapt to rapidly changing consumer tastes. The statistics show a predominance of respondents' beliefs, with 42% (21 respondents) claiming that strategic management significantly influences the ability to react to changing consumer preferences. Additionally, 10% of respondents (20%)

acknowledged its modest influence in this area. In contrast, 30% of respondents (15) believed that changing consumer preferences is not aided by strategic management. Only 8% of the sample, or 4 respondents, expressed uncertainty. These results highlight the perceived importance of strategic management in fostering adaptation for luxury fashion firms, despite the fact that some people are still dubious or uncertain about its specific role.

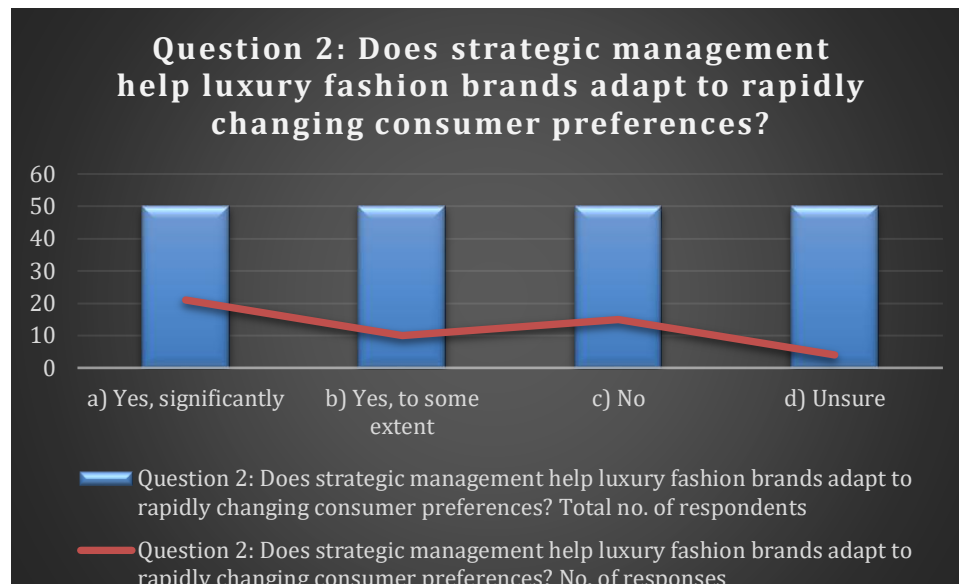


Figure 4.2.2: Survey Question 2

(Source: Self-made)

Question 3: Are luxury fashion companies that effectively implement strategic management more likely to achieve higher profitability?

The survey looked into whether successful strategic management implementation and increased profitability for luxury fashion businesses are related. The study's findings show that 44% (22 respondents) of participants genuinely believe that luxury fashion businesses who successfully employ strategic management practices are in fact well-positioned for increased profitability. On the other hand, 18% (9 respondents) expressed the opposing opinion, arguing that such implementation does not always result in higher profitability. Notably, 15% of respondents (30%) expressed doubt about this connection. These findings highlight a significant divergence in viewpoints, indicating that while a sizable portion acknowledges the potential relationship between strategic management and profitability, a sizable portion is still skeptical or doubtful about the direct causal relationship between the two factors.

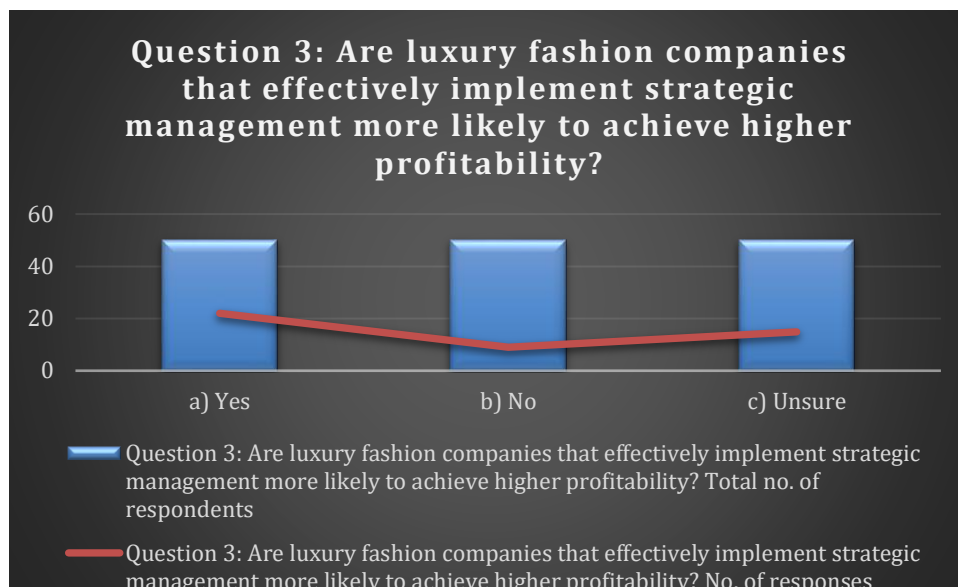


Figure 4.2.3: Survey Question 3

(Source: Self-made)

Question 4: Can strategic management help luxury fashion brands differentiate themselves from competitors?

The purpose of the poll was to determine whether strategic management enhances luxury fashion firms' competitive differentiation. According to the statistics, 10% of respondents (20%) strongly agree that strategic management is a key driver for distinction. Additionally, 15% of respondents (30%) acknowledged its limited contribution to individuality. On the other hand, 22% of respondents (11 in total) believed that distinction is not facilitated by strategic management. Notably, 28% of respondents (14 in total) voiced skepticism regarding this connection. These results highlight the nuanced perception of strategic management's impact on brand distinctiveness within the luxury fashion industry, revealing a balance between those who attribute clear importance, those who see partial relevance, and others who are unsure.



Figure 4.2.4: Survey Question 4

(Source: Self-made)

Question 5: *Is strategic management important for maintaining brand reputation and prestige in the luxury fashion industry?*

The purpose of the poll was to learn how important strategic management was thought to be in maintaining the reputation and prestige of luxury fashion brands. The data shows that respondents' opinions are conflicted. Notably, 20% of respondents (10) believe that strategic management is essential for preserving the reputation and prestige of a business. The opposite opinion is held by 22% of respondents (11), which suggests that strategic management may not be essential in this situation. Surprisingly, the largest group, 58% of respondents (29), expresses confusion, highlighting how intricate this relationship is. These findings demonstrate the diversity of viewpoints on the function of strategic management in maintaining brand image and prestige, with a sizable majority of respondents remaining unconvinced of its direct influence on these important facets of luxury fashion enterprises.

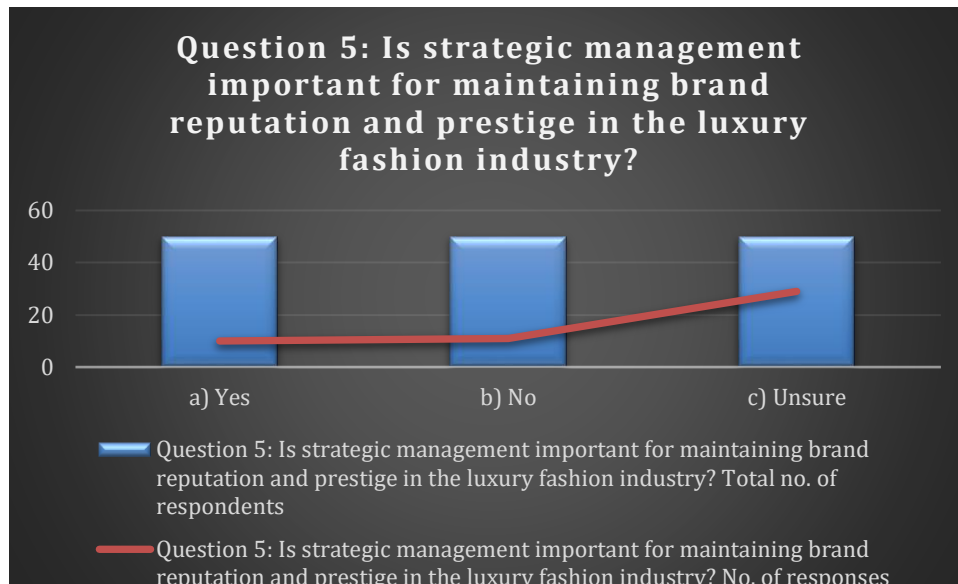


Figure 4.2.5: Survey Question 5

(Source: Self-made)

Question 6: *Does strategic management play a role in guiding innovation and creativity in luxury fashion design?*

The purpose of the survey was to examine how strategic management influences innovation and creativity in the design of high-end clothing. The information demonstrates that respondents' perspectives are complex. In particular, 20% of respondents (10 out of 20) strongly agree that strategic management greatly influences innovation and creativity in design. 18% (9 responders) further admit its limited influence in this area. On the other hand, 34% (17 respondents) believe that strategic management has little influence on how design innovation is shaped. Notably, 28% of responders (14 total) are unsure about this association. These results highlight the different perspectives on the degree to which strategic management supports innovation and creativity during the luxury apparel design process; a sizable majority of respondents are still unaware of its precise impact.



Figure 4.2.6: Survey Question 6

(Source: Self-made)

Question 7: ***Are luxury fashion companies that fail to prioritize strategic management more susceptible to market disruptions?***

The purpose of the poll was to find out if luxury fashion businesses that ignore strategic management are more susceptible to market changes. The data shows that responders had a strong consensus. Notably, 52% of respondents (26 in total) had a strong conviction that businesses without a strategic management emphasis are more vulnerable to market upheavals. The alternative perspective is held by 22% of respondents (11), which raises the possibility that such susceptibility may not be directly related to strategic management. Surprisingly, 26% (13 respondents) are unsure about this connection. Although a sizable portion of the population is still confused about the precise scope of this influence, our findings highlight a strong opinion that strategic management plays a crucial role in increasing a luxury fashion company's resilience against market changes.



Figure 4.2.7: Survey Question 7

(Source: Self-made)

Question 8: *Can strategic management help luxury fashion brands effectively expand into new international markets?*

The purpose of the poll was to determine whether strategic management enables luxury fashion firms to successfully enter new global markets. The information demonstrates that respondents had a variety of viewpoints. An interesting finding is that 36% (18 respondents) truly believe that strategic management is a surefire accelerator for successful worldwide market expansion. Furthermore, 22% (11 respondents) recognise its in part facilitative influence in such expansion. Comparatively, 24% (12 respondents) believe that successful international market entry is not always a result of strategic management. Notably, 18% (9 respondents) are unsure of this connection. These findings reveal a range of viewpoints on the contribution of strategic management to luxury fashion firms' ability to effectively enter new international markets, with a sizeable proportion of respondents being unsure of its significance.



Figure 4.2.8: Survey Question 8

(Source: Self-made)

Question 9: ***Does strategic management assist luxury fashion brands in building sustainable and ethical business practices?***

The poll investigated if strategic management helps luxury fashion firms build ethical and sustainable business practices. The information demonstrates the respondents' diverse points of view. Notably, 20% of respondents (40%) strongly agree that strategic management is essential for promoting moral and ethical behavior. However, 24% (12 respondents) think differently, indicating that strategic management may not immediately help with this issue. Surprisingly, 36% (18 respondents) are unsure about this connection. These findings highlight the conflicting views on how much strategic management affects the adoption of ethical and sustainable practices within the luxury fashion sector, with a sizable portion of the population still unsure of its precise role in defining these crucial business values.



Figure 4.2.9: Survey Question 9

(Source: Self-made)

Question 10: *Are luxury fashion brands that neglect strategic management more likely to experience financial downturns?*

The purpose of the poll was to determine whether luxury fashion firms that ignore strategic management are more likely to experience financial downturns. The information reveals a wide range of opinions among the respondents. An interesting finding is that 36% (18 respondents) genuinely believe that ignoring strategic management increases the chance of financial downturns. The opposite opinion is held by 22% of respondents (11), which raises the possibility that such susceptibility may not be directly related to strategic management. Surprisingly, 42% (21 respondents) are unsure about this connection. These results highlight how different people's perspectives of how much strategic management affects a luxury fashion brand's susceptibility to financial downturns differ, with a sizable portion of respondents unsure of how directly strategic management affects financial stability.



Figure 4.2.10: Survey Question 10

(Source: Self-made)

Interview results

Interview Question 1: How does your luxury fashion brand approach strategic management, and what are the key factors considered while formulating long-term plans and initiatives?

The key strategies of the sector are illuminated by the viewpoints on strategic management of three luxury fashion brand managers in this enlightening conversation. In order to create long-term goals, Manager 1 emphasizes the significance of comprehending client preferences and market developments. Manager 2 places a strong emphasis on utilizing resources and

technology while maintaining the brand's integrity. Manager 3 emphasizes a comprehensive strategy that takes into account large-scale variables and fosters client loyalty through moral behavior and innovation. Collectively, these points of view highlight the critical function of strategic management in assisting luxury fashion firms to innovate, adapt, and preserve brand identity in a volatile market environment.

Interview Question 2: In your experience, what challenges do luxury fashion companies encounter when implementing strategic management practices, and how do you address these challenges?

Three luxury fashion brand managers are interviewed, and they discuss the difficulties of putting strategic management practices into practice. Manager 1 talks on the industrial challenge of striking a fine balance between tradition and innovation. Manager 2 emphasizes the difficulty of bringing disparate teams together and stresses the value of seminars and teamwork. Manager 3 emphasizes the difficulty of staying current with shifting client preferences and the requirement for ongoing market research. These common difficulties highlight the complicated nature of strategic management in luxury fashion, where fusing tradition with innovation and responding to changing market trends provide serious operational hurdles.

Interview Question 3: Can you describe any specific instances where strategic decisions have significantly impacted your luxury fashion brand's market positioning or competitiveness? How did strategic management play a role in these outcomes?

The managers of premium fashion brands discuss situations where strategic choices significantly impacted market positioning and competitiveness in this excerpt from an interview. Strategic management's importance in meticulous planning and market expansion is demonstrated by Manager 1's successful entry into a new worldwide market. The adoption of sustainable practices by Manager 2 highlights the relationship between strategic decisions and distinction, appealing to customers who care about the environment. The way Manager 3 responded to shifting consumer behavior through creative shop design and technological advancements illustrates how strategic choices can improve market positioning. These instances show how strategic management may play a crucial role in determining brand prominence and competitiveness in the luxury fashion sector.

Interview Question 4: With consumer demands evolving rapidly, how does your luxury fashion brand ensure alignment between strategic management practices and changing consumer preferences? How do you stay responsive to emerging fashion trends?

Luxury fashion brand managers discuss methods for coordinating strategic management with shifting consumer tastes and rising fashion trends in this interview segment. Manager 1 places a strong emphasis on using real-time data analytics to monitor consumer behavior and make quick changes to strategy. Manager 2 emphasizes social listening and active engagement with influencers to gather customer opinion and inform their strategic framework. The emphasis placed on customer feedback and scenario preparation by Manager 3 highlights how crucial it is to continue to be flexible. Together, these strategies highlight how strategic management functions as a compass, allowing luxury fashion firms to negotiate the complex environment by being adaptable to changing consumer expectations and keeping up with new trends.

Interview Question 5: The luxury fashion industry is increasingly focusing on sustainability and ethical practices. How does your brand incorporate responsible initiatives into its strategic management framework, and how do these initiatives impact business performance and consumer perception?

Luxury fashion brand managers discuss how to include ethical and sustainable practices into their strategic management framework in this episode. Manager 1 emphasizes how sustainability is integrated across the value chain, appealing to loyal customers who care about the environment. In order to increase consumer confidence and brand success, Manager 2 places a strong emphasis on ethical behavior as a brand identity, linking ethical behavior with strategic management. Strategic management and social responsibility come together in Manager 3's work with NGOs and neighborhood initiatives, favorably influencing both society and customer perception. The strategic orientation of luxury fashion brands is being shaped more and more by responsible activities, which helps to improve brand perception and consumer involvement.

2.3. Discussions

Together, the survey analysis and interview results offer a thorough understanding of the luxury fashion industry's complex strategic management environment. Divergent views on the function and effects of strategic management are revealed by the survey data, which provides a quantitative summary of industry viewpoints. It demonstrates that while a sizable fraction understands the value of strategic management for long-term success, consumer preference flexibility, profitability, and distinction, a sizable portion is still unsure or skeptical.

The interview analysis deepens this viewpoint by exploring the real-world experiences provided by management of luxury fashion brands. Their stories highlight the critical part that

strategic management plays in overcoming obstacles and seizing opportunities. The complex interactions between tradition and innovation, the alignment of varied teams, and responsiveness to shifting consumer preferences and developing trends are highlighted by managers. Additionally, they show how strategic choices have had a big impact on brand identity, competitiveness, and market positioning. The integration of sustainability and ethical behavior stands out as a key issue, demonstrating how brands integrate responsible efforts into their strategic management frameworks. The combined survey and interview analysis highlights the dynamic nature of luxury fashion strategic management. The foundation is laid by the quantitative opinions of the survey, which show various perspectives within the sector. Contrarily, the interviews offer detailed qualitative insights that illuminate the difficulties, plans of action, and results related to strategic management. Together, they reflect the evolving landscape of luxury fashion, where strategic management serves as the guiding compass for addressing complexities, harnessing innovation, staying relevant to consumer preferences, and aligning with ethical imperatives.

2.4. Conclusion

This study carefully examines strategic management in the high-end fashion sector through a thorough analysis and comprehension. The poll results shed light on various viewpoints regarding the significance of strategic management for long-term success, its ability to adapt to changing consumer preferences, and its function in determining profitability and differentiation. These observations highlight the complexity of the sector and the wide range of stakeholder perceptions. Additionally, the interview responses offered priceless firsthand knowledge, illuminating the difficulties, plans, and results of strategic management. These first-hand tales illustrated the need for team alignment, the delicate balance between tradition and innovation, and the crucial part that strategic choices play in determining market positioning and brand competitiveness.

Reference:

Adams, J. (2014) *Research Methods For Business and Social Science Students*. New Delhi: SAGE Publications.

Allal-Chérif, O., Climent, J.C. and Berenguer, K.J.U., 2023. Born to be sustainable: How to combine strategic disruption, open innovation, and process digitization to create a sustainable business. *Journal of Business Research*, 154, p.113379.

Assensoh-Kodua, A., 2019. The resource-based view: A tool of key competency for competitive advantage. *Problems and Perspectives in Management*, 17(3), p.143.

B4M, 2022, “What is Luxury Branding & Why Is It Important?”, Available at: <https://b4mind.co.uk/what-is-luxury-branding-why-is-it-important/> [Accessed on 23rd July 2023]

BFC, 2019, “Fashion & Environment”, Available at: <https://www.britishfashioncouncil.co.uk/uploads/files/1/NEW%20Fashion%20and%20Environment%20White%20Paper.pdf>

Buhalis, D., Lin, M.S. and Leung, D., 2022. Metaverse as a driver for customer experience and value co-creation: implications for hospitality and tourism management and marketing. *International Journal of Contemporary Hospitality Management*, 35(2), pp.701-716.

Busalim, A., Fox, G. and Lynn, T., 2022. Consumer behavior in sustainable fashion: A systematic literature review and future research agenda. *International Journal of Consumer Studies*, 46(5), pp.1804-1828.

Cabigiosu, A. and Cabigiosu, A., 2020. An overview of the luxury fashion industry. *Digitalization in the Luxury Fashion Industry: Strategic Branding for Millennial Consumers*, pp.9-31.

Chen, Y., 2023. How blockchain adoption affects supply chain sustainability in the fashion industry: a systematic review and case studies. *International Transactions in Operational Research*.

Da Giau, A., Foss, N.J., Furlan, A. and Vinelli, A., 2020. Sustainable development and dynamic capabilities in the fashion industry: A multi-case study. *Corporate Social Responsibility and Environmental Management*, 27(3), pp.1509-1520.

Daniel, C., 2023. Spreadsheets.

Gupta, J., Mitra, B. and Garg, K., 2021. Technological disruptions reshaping management education: a qualitative study of stakeholder perspectives. *International Journal of Management in Education*, 15(2), pp.179-198.

Gupta, S., Gallear, D., Rudd, J. and Foroudi, P., 2020. The impact of brand value on brand competitiveness. *Journal of Business Research*, 112, pp.210-222.

Khurram, A., Hassan, S. and Khurram, S., 2020. Revisiting porter five forces model: Influence of non-governmental organizations on competitive rivalry in various economic sectors. *Pakistan Social Sciences Review*, 4(1), pp.1-15.

Kwon, J.E., Kim, J. and Kim, S.H., 2023. Luxury brands and corporate social responsibility (CSR): exploring the differences between traditional and new luxury. *Asia Pacific Journal of Marketing and Logistics*.

McKinsey, 2019, “From scenario planning to stress testing: The next step for energy companies”, Available at: <https://www.mckinsey.com/capabilities/risk-and-resilience/our-insights/from-scenario-planning-to-stress-testing-the-next-step-for-energy-companies> [Accessed on 23rd July 2023]

McKinsey, 2019, “Unlocking success in digital transformations”, Available at: <https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/unlocking-success-in-digital-transformations> [Accessed on 22nd July 2023]

McKinsey, 2020, “Survey: Consumer sentiment on sustainability in fashion”, Available at: <https://www.mckinsey.com/industries/retail/our-insights/survey-consumer-sentiment-on-sustainability-in-fashion> [Accessed on 23rd July 2023]

McKinsey, 2022, “Social commerce: The future of how consumers interact with brands”, Available at: <https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/social-commerce-the-future-of-how-consumers-interact-with-brands> [Accessed on 22nd July 2023]

McKinsey, 2022, “The State of Fashion 2022”, Available at: <https://www.mckinsey.com/~media/mckinsey/industries/retail/our%20insights/state%20of%20fashion/2022/the-state-of-fashion-2022.pdf> [Accessed on 23rd July 2023]

McKinsey, 2022, “The State of Fashion 2023: Holding onto growth as global clouds gather”, Available at: <https://www.mckinsey.com/industries/retail/our-insights/state-of-fashion> [Accessed on 23rd July 2023]

Pangarkar, A., Shukla, P. and Charles, R., 2021. Minimalism in consumption: A typology and brand engagement strategies. *Journal of business research*, 127, pp.167-178.

Pantano, E., Pedeliento, G. and Christodoulides, G., 2022. A strategic framework for technological innovations in support of the customer experience: A focus on luxury retailers. *Journal of Retailing and Consumer Services*, 66, p.102959.

Pencarelli, T., Ali Taha, V., Škerháková, V., Valentiny, T. and Fedorko, R., 2019. Luxury products and sustainability issues from the perspective of young Italian consumers. *Sustainability*, 12(1), p.245.

Rashid, Y., Rashid, A., Warraich, M.A., Sabir, S.S. and Waseem, A., 2019. Case study method: A step-by-step guide for business researchers. *International journal of qualitative methods*, 18, p.1609406919862424.

Sarker, S., Rashidi, K., Gölgeci, I., Gligor, D.M. and Hsuan, J., 2022. Exploring pillars of supply chain competitiveness: insights from leading global supply chains. *Production Planning & Control*, pp.1-18.

Saunders, M.N.K. (2019) Research methods for business students. 8th ed. Harlow: Pearson.

Scribbr, 2022, “Research Design | Step-by-Step Guide with Examples”, Available at: <https://www.scribbr.co.uk/research-methods/research-design/> [Accessed on 23rd July 2023]

Sengupta, M. and Sengupta, N., 2020. Sustainable fashion: The issues, challenges, and prospects. *Manthan: Journal of Commerce and Management*, 7(2), pp.74-94.

SO, 2021, “6 ‘MUST HAVE’ FEATURES THAT MAKE LUXURY BRANDS SO SPECIAL”, Available at: <https://www.socreative.co.uk/how-to-create-a-luxury-brand/> [Accessed on 23rd July 2023]

Son, S.C., Bae, J. and Kim, K.H., 2023. An exploratory study on the perceived agility by consumers in luxury brand omni-channel. *Journal of Global Scholars of Marketing Science*, 33(1), pp.154-166.

South, L., Saffo, D., Vitek, O., Dunne, C. and Borkin, M.A., 2022, June. Effective use of Likert scales in visualization evaluations: A systematic review. In *Computer Graphics Forum* (Vol. 41, No. 3, pp. 43-55).

Su, M. and Song, Y., 2021. Printable smart materials and devices: strategies and applications. *Chemical Reviews*, 122(5), pp.5144-5164.

Tiep Le, T., Ngo, H.Q. and Aureliano-Silva, L., 2021. Contribution of corporate social responsibility on SMEs' performance in an emerging market—the mediating roles of brand trust and brand loyalty. *International Journal of Emerging Markets*.

Truong, N., Sun, K., Wang, S., Guitton, F. and Guo, Y., 2021. Privacy preservation in federated learning: An insightful survey from the GDPR perspective. *Computers & Security*, 110, p.102402.

University of Ontario, 2020, “Just Because the Data Is There, It Doesn't Mean It's Yours to Take: Exploring User, Researcher and Review Board Perceptions in Twitter Data Research”,

Available at: <https://ojs.lib.uwo.ca/index.php/elip/article/view/13554/11331> [Accessed on 23rd July 2023]

Wang, T., 2023. Research on the Impact of E-commerce on Offline Retail Industry. *Frontiers in Business, Economics and Management*, 10(1), pp.169-173.

Zoetis, 2019, “*How strong is the threat of new entrants?*”, Available at: https://www.zoetis.co.uk/_locale-assets/pdf/bc-pr-articles/how-strong-is-the-threat-of-new-entrants-lm.pdf [Accessed on 23rd July 2023]

Appendix

Interview Questions

1. How does your luxury fashion brand approach strategic management, and what are the key factors considered while formulating long-term plans and initiatives?

Manager 1: I appreciate the opportunity. Strategic management is a key tenet that underpins our premium fashion brand's operations. We carefully examine consumer preferences, market trends, and competitive dynamics. Our long-term goals are founded on an in-depth comprehension of the essence of our brand and the unique value we offer the market. We also take into account market segmentation, which enables us to customise our marketing approaches for various consumer groups.

Manager 2: I'm happy to help. Our compass for navigating the landscape of premium fashion is strategic management. To find strengths, weaknesses, opportunities, and threats, we undertake thorough SWOT analysis. Creativity and data-driven insights are used to inform our long-term strategies. Utilising our legacy, embracing technology breakthroughs, and encouraging partnerships that are consistent with our brand identity are important factors to take into account.

Manager 3: Thank you for having me, manager number three. The longevity of our brand is based on strategic management. Understanding macroeconomic trends, geopolitical variables, and cultural developments is very important to us. Our long-term projects are planned with an eye towards maintaining brand consistency while also ensuring flexibility to react to unanticipated disturbances. To remain relevant, we place a high value on developing a base of devoted customers, enhancing our social responsibilities, and embracing innovation.

2. In your experience, what challenges do luxury fashion companies encounter when implementing strategic management practices, and how do you address these challenges?

Manager 1: Of course. It can be difficult to implement strategic management in the luxury fashion industry. The difficulty we frequently face is finding the ideal balance between tradition and innovation. In order to combat this, we promote an innovative culture and encourage our employees to consider original ideas while yet upholding the tradition of our company.

Manager 2: I concur entirely. Aligning heterogeneous teams with a common strategic goal is one of the difficulties we face. We conduct frequent workshops and cross-functional

collaborative sessions to solve this. This makes sure that everyone is aware of the strategic goals and how they may help achieve them.

Manager 3: It's true that difficulties with implementation are a part of the process. For us, it might be challenging to match constantly changing consumer tastes with our strategic choices. We continuously perform market research and engage in communication with our customers to address this. This enables us to adjust our tactics to better suit their needs.

3. Can you describe any specific instances where strategic decisions have significantly impacted your luxury fashion brand's market positioning or competitiveness? How did strategic management play a role in these outcomes?

Manager 1: Of course. By locating a gap that aligned with our brand identity, we entered a new international market. This tactical choice improved our market standing and increased our competitiveness. Our market launch was carefully planned with the help of strategic management, which ultimately led to our success.

Manager 2: Let me give you an illustration. Early adoption of sustainable practises helped us establish ourselves as a leader in eco-friendly premium fashion. This tactical choice gave us a competitive edge and a special market position in addition to appealing to a growing population of environmentally conscious consumers.

Manager 3: Unquestionably. To adapt to shifting consumer behaviours, we redesigned our store environment and included digital advances. By providing a seamless omnichannel experience, meeting modern customer demands, and remaining one step ahead of rivals, this decision allowed us to improve our market positioning.

4. With consumer demands evolving rapidly, how does your luxury fashion brand ensure alignment between strategic management practices and changing consumer preferences? How do you stay responsive to emerging fashion trends?

Manager 1: It's critical to adapt to shifting consumer tastes. To monitor consumer behaviour, we make investments in real-time data analytics. We regularly examine our strategies as part of our strategic management process to make sure they are in line with emerging trends and provide us the flexibility to quickly change course when necessary.

Manager 2: It's critical to stay informed on new trends. To ascertain customer opinion, we actively interact with fashion influencers, engage in social listening, and take part in fashion events. Our strategic management framework incorporates this information, allowing us to identify new trends and incorporate them into our product offerings.

Manager 3: It takes work to stay adaptable to changing preferences. We regularly do focus groups and surveys to better understand the goals of our customers. Scenario planning is a

component of our approach to strategic management, which enables us to simulate different responses to probable trends and successfully modify our strategies.

5. The luxury fashion industry is increasingly focusing on sustainability and ethical practices. How does your brand incorporate responsible initiatives into its strategic management framework, and how do these initiatives impact business performance and consumer perception?

Manager 1: Sustainability is essential to our strategic management. From sourcing to production and distribution, we integrate sustainable practises into every step of our value chain. This dedication strikes a chord with our earth-conscious customers, favourably influencing brand perception and encouraging long-term loyalty.

Manager 2: Unquestionably. A key component of the identity of our brand is ethical behaviour. We coordinate responsible sourcing and manufacturing with our strategic management. With better brand loyalty and advocacy as a result of these measures, consumer trust is increased, which benefits our company's success.

Manager 3: Responsible initiatives are fundamental principles, not merely fads. Through collaborations with NGOs and projects that give back to the areas we operate in, our strategic management framework incorporates sustainability. These activities not only benefit society, but they also improve consumer perception, which has an impact on consumer spending and corporate expansion.

Survey Questionnaire

Is strategic management essential for long-term success in the luxury fashion industry?

- a) Yes
- b) No
- c) Unsure

Does strategic management help luxury fashion brands adapt to rapidly changing consumer preferences?

- a) Yes, significantly
- b) Yes, to some extent

c) No

d) Unsure

Are luxury fashion companies that effectively implement strategic management more likely to achieve higher profitability?

a) Yes

b) No

c) Unsure

Can strategic management help luxury fashion brands differentiate themselves from competitors?

a) Yes, definitely

b) Yes, to some extent

c) No

d) Unsure

Is strategic management important for maintaining brand reputation and prestige in the luxury fashion industry?

a) Yes

b) No

c) Unsure

Does strategic management play a role in guiding innovation and creativity in luxury fashion design?

a) Yes, significantly

b) Yes, to some extent

c) No

d) Unsure

Are luxury fashion companies that fail to prioritize strategic management more susceptible to market disruptions?

a) Yes

b) No

c) Unsure

Can strategic management help luxury fashion brands effectively expand into new international markets?

a) Yes, definitely

b) Yes, to some extent

c) No

d) Unsure

Does strategic management assist luxury fashion brands in building sustainable and ethical business practices?

a) Yes

b) No

c) Unsure

Are luxury fashion brands that neglect strategic management more likely to experience financial downturns?

a) Yes

b) No

c) Unsure