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Introduction

Company Overview: Gucci's Heritage in Luxury Fashion

Gucci, founded in Florence in 1921, represents Italian luxury and workmanship. High-quality leather products that sell clothes, footwear, accessories, and home décor, blending tradition

with innovation. The interlocking "GG" and red-and-green stripe represent status and elegance. Gucci has 529 outlets and 20,000 employees in 2024. Over the past year, brand revenues plummeted 23% to €7.7 billion. Lower consumer demand in key markets and more luxury industry competition caused this decline. Gucci named Demna Gvasalia design director in March 2025 to address these issues. Demna, known for his avant-garde Balenciaga style, is expected to revitalize Gucci's items for modern consumers.



Figure: Gucci Logo

Source: (Massi et al., 2025)

Purpose of the Report

This analysis suggests Gucci's strategic brand expansion should represent its elegance and workmanship while addressing market changes. Gucci aspires to grow by creating a trend-driven product line. For luxury market success, the extension will assess market trends, customer behaviour, and brand synergy.

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Brand Extension Proposal

Concept: Gucci Home Décor – Sustainable Luxury Interiors

Gucci may produce "Gucci Home Décor," eco-friendly luxury home furniture, to adapt to changing customer trends and commercial realities. Gucci's eco-friendly furniture, lighting, and textiles combine sustainable resources with its style (Abeyatunge, 2024). World luxury home décor market was USD 144.36 billion in 2024 and is expected to rise 5.17% to USD 238.98 billion by 2034. The market likes green items. Sustainable home décor will expand 8.1% from USD 4.5 billion in 2024 to USD 9.8 billion in 2034. Gucci's "Gucci Equilibrium" promotes ethics and sustainability. A home décor brand made from recycled wood, metals, and organic materials by Gucci may address the growing demand for eco-friendly luxury goods. Gucci grows its portfolio and solidifies its image as a trendy, sustainable luxury brand.

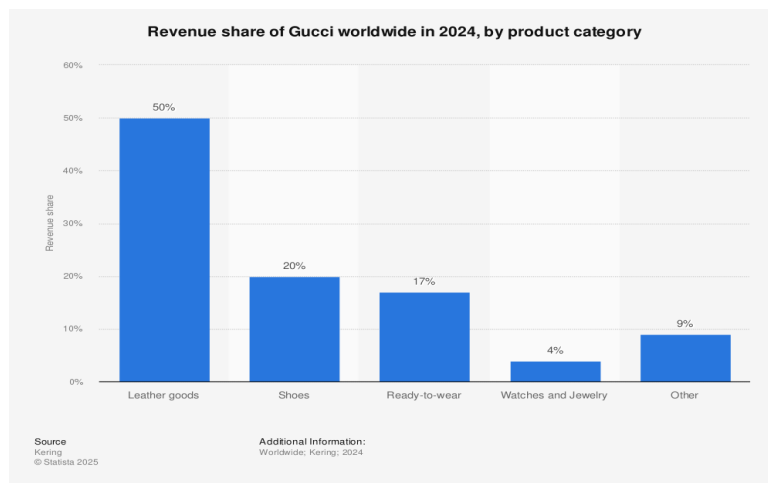


Figure: Revenue Share of Gucci in 2024

Source: (Rautiainen, 2024)

Strategic Fit with Gucci's Brand Identity

Gucci is distinguished for luxury, Italian craftsmanship, and audacious innovation. Since 1921, the firm has pushed artistic boundaries and given attention to detail, symbolizing grandeur, and culture. The planned Gucci Home Décor expansion uses artisanal processes and cutting-edge design to reflect these principles. The collection supports Gucci Equilibrium's environmental purpose with salvaged wood and organic textiles. This project seeks supply chain carbon neutrality for brand sustainability (Alnajem et al., 2024). Gucci's creative home décor range capitalizes on experiential luxury's need for comprehensive,

brand-immersive environments and products. Gucci uses its unique themes and innovative designs in home furniture to stay attractive and connect with clients. Luxury pioneer Gucci goes beyond fashion to sustainable luxury living.

Market Opportunity: Meeting the Demand for Sustainable Luxury Living

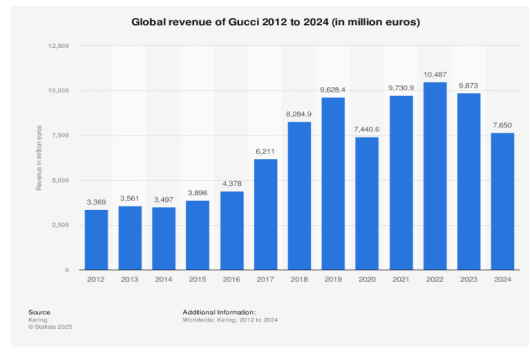


Figure: Global Revenue of Gucci 2012 to 2024

Source: (Tam and Lung, 2025)

The worldwide luxury home décor market will rise 5.17% to USD 238.98 billion from 2025 to 2034. Sustainability drives this enormous market (Campiglia and Sandes, 2024). Sustainable home décor will expand 7.9% from USD 4.5 billion in 2024 to USD 9.4 billion in 2034. Green luxury goods are growing in popularity among the wealthy. Gucci may leverage this consumers' shift toward eco-friendly home décor to match their luxury brand. Luxury housing demand is rising in India, Hong Kong, Singapore, and Tokyo due to real estate investment. Luxury, eco-friendly home goods are rising. Gucci may introduce a sustainable luxury home décor collection to meet eco-conscious consumers' growing demand for attractive, eco-friendly home decor.

STP for Gucci Home Décor



Figure: STP Analysis

Source: (Xu, 2024)

Segmentation: Understanding Gucci's Expanded Market

Demographic Segmentation

Gucci targets 30–60-year-old HNWIs with high discretionary incomes and luxury tastes. The global HNW population grew rapidly in 2024, especially in the Middle East, where it is expected to expand 82.4% by 2027 (Castillo-Abdul et al., 2024). Demographic growth is driving luxury brands like Gucci, which target wealthy customers seeking unique and high-quality products.

Geographic Segmentation

Milan, Paris, New York, Dubai, and Shanghai are Gucci's primary markets. Due of their wealth, these towns want luxury goods (Chen, Choi and Lee, 2025). Asia-Pacific sold 31% of luxury clothes worldwide in 2023. Rising disposable incomes and urban consumers' thirst for premium products drive this increase.

Psychographic Segmentation

Gucci targeting eco-conscious, status-driven, design-oriented consumers. Like Gucci's environmental commitment, these shoppers respect ethics and sustainability. Nearly 56% of luxury clients selected sustainable luxury in 2023, indicating ethical consumption. Sustainable materials like Demetra and ECONYL® make Gucci appealing to eco-conscious buyers (Cheng, 2024).

Behavioural Segmentation

Gucci targets luxury trend pioneers. Luxury items that represent prestige and exclusivity appeal to these shoppers. They admire Gucci's avant-garde designs and limited-edition collections because they like unique things (Cho, Ko and Taylor, 2024). The brand promotes uniqueness and craftsmanship because this category desires luxury goods.

Targeting Strategy: Focused Luxury Niches

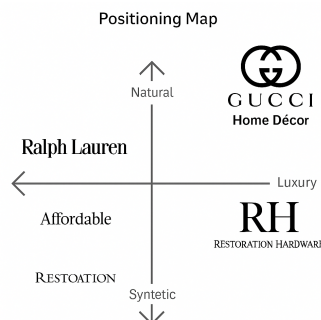
Gucci Home Décor targets wealthy, eco-conscious customers in Milan, Paris, New York, Dubai, and Shanghai. This strategy capitalises on interior design's growing desire for sustainable luxury. Bain & Company's 2024 luxury market projection found that 56% of HNWIs buy luxury items with sustainability in mind, especially in environmentally conscious and design-savvy locations (Djurić and Ornati, 2024). These educated, wealthy 30–60-year-olds actively seek ethical and socially significant things. Gucci luxury home décor blends heritage craftsmanship and environmental awareness. The positioning map shows Gucci's focus: Gucci Home Décor is in the luxury-natural quadrant, unlike Ralph Lauren, which targets budget customers, and Restoration Hardware (RH), which promotes luxury with synthetic materials. Gucci can charge eco-luxury clients who want exclusive, sustainable living experiences more.



Figure: Most Valuable Luxury Brands in 2024

Source: (Xun et al., 2025)

Positioning Statement: Gucci Home Décor – Where Timeless Elegance Meets Sustainability



Gucci Home Décor's "Where Timeless Elegance Meets Sustainability" statement matches their eco-friendly materials and Italian design. The positioning map's luxury-natural quadrant showcases the company's eco-friendly, premium products. Gucci may capitalise on the worldwide sustainable home décor market's 7.9% CAGR from USD 4.5 billion in 2024 to over USD 9.4 billion by 2034 by selling luxury products made from Demetra and ECONYL®. Restoration Hardware, which is luxurious but unsustainable, and Ralph Lauren, which is cheaper and serves a wider demographic, are different. Ethical and elegant buyers like Gucci's eco-luxury (Fan, 2025). Sustainable and ageless design attract current Gucci customers who value personal values and the environment.

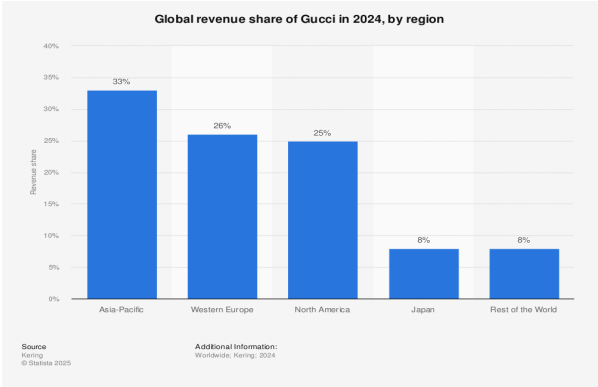


Figure: Global Revenue Share of Gucci in 2024, by region

Source: (Zhu, 2024)

Customer Persona / Personal Profile

Profile Dimension	Details
Name	Isabella Moretti
Age	42
Gender	Female
Occupation	Working with prominent galleries and individual collectors throughout Europe and the Middle East, the curator specialises in European contemporary art.
Income	£250,000+ annually, deriving from a combination of curatorial work, art investments, and consulting.
Location	Milan, Italy, with frequent travel to cultural hubs like Paris, Dubai, and New York for exhibitions, auctions, and design fairs.
Education	Executive courses in luxury brand administration from SDA Bocconi School of administration complement the University of Bologna's Master of Art History degree.
Marital Status	Married, one child aged 10, enrolled in an international school that emphasizes cultural studies and sustainability.
Nationality	Italian
Lifestyle	maintains a busy, international lifestyle, takes part in design weeks, art fairs, and sustainability forums across the world, and has residences in Milan and the French Riviera that showcase her love of fusing modern and traditional design.
Core Values	places a high value on exclusivity, sustainability, craftsmanship, and cultural preservation; she looks for a fit between her personal beliefs and the companies she supports.
Personality Traits	Sophisticated, culturally refined, socially conscious, trend-aware but loyal to timeless aesthetics; appreciates heritage as much as innovation.
Hobbies	collecting unique artwork, going to exhibits of fashion and design, organising private art exhibitions, doing Pilates and yoga, and discovering sustainable dining options.
Buying Motivation	Inspired by the meeting point of luxury and ethics, she looks for custom goods that blend environmental responsibility with artistic brilliance and favours companies that allow customisation and share heartwarming tales.
Brand Affiliation	engages with premium brands such as Bang & Olufsen, Hermès, Tesla, Gucci, and Prada; favours companies that strike a mix between luxury, innovation, and sustainability.
Media Habits	reads Monocle, Architectural Digest, and Vogue; stays active on LinkedIn and Instagram, following influential people in the fields of luxury living, design, and sustainability.

Aspirations	is to create beautiful yet sustainable living environments, establishing a standard for contemporary eco-conscious living, and strives to live a life that embodies social responsibility and cultural refinement.
Decision-Making	ensures that every purchase reflects her identity and values by making judgements based on ethics, workmanship, and design integrity; she demands innovation while also appreciating storytelling and legacy.

Marketing Mix Strategy (7Ps)



Figure: The 7Ps Marketing Mix

Source: (Ferguson, 2025)

Product: Eco-Italian craftsmanship and ecological ingenuity are featured in Gucci's eco-friendly luxury home range (Ferguson, 2025). High-end design and eco-friendly materials in this furniture, lighting, and textiles collection match premium clients' changing needs. Gucci uses 2024 Demetra, a 77% viscose and wood pulp fabric from sustainably managed forests. Regenerated nylon from fishing nets and industrial waste increases this product's environmental credentials. The "Off the Grid" line by Gucci uses these materials, thus its home décor supports the environment. Gucci maintains its maximalist image with its interlocking GG mark, embroidered bees, and flowery motifs in fashion and home goods. Demand for sustainable home furnishings is rising as global sales reach \$1 trillion by 2025. Luxury brands should seize this chance. Gucci's eco-friendly luxury home line leads this trend, helping luxury shoppers express their ideals via stylish, eco-friendly home decor.

Price: Prestige Gucci's eco-friendly luxury home range charges more for its craftsmanship, tradition, and sustainability. Demetra (77% plant-based) and ECONYL® (regenerated from industrial waste) raise production costs and prices. Personalized pieces cost €5,000 to €30,000 and sustainable solutions cost 20% extra in the upper quartile of premium home décor (Gupta et al., 2024). This pricing strategy covers higher material and design costs and leverages Gucci's symbolism. Wealthy people that value exclusivity and environmental responsibility will acquire items that reflect their values. Gucci's home décor range builds its luxury image and attracts eco-conscious customers who see sustainable living as an extension of personal individuality and refined taste by retaining premium prices.

Promotion: Gucci's eco-friendly luxury home collection advertising uses creative campaigns and collaborations to reach its target audience. Sabato De **Exclusive** **Campaigns** & Sarno's 2024 Gucci "Gift" campaign advocated unity and philanthropy. Tina and Solange Knowles showcased Gucci's home décor in pleasant family settings in the third area, appealing to luxury and warmth seekers. **Collaborations** Gucci's "Design Ancora" display during Milan Design Week 2024 featured design and craftsmanship. Five Italian pieces were reinvented using Gucci's Rosso Ancora, including the 'Le Mura' sofa and 'Cressida' rug. Gucci worked with notable designers to create apparel and interiors for innovators and heritage lovers. Anton Alvarez and Dima Srouji wore Gucci's bamboo theme for "Bamboo Encounters" during Milan Design Week 2025. The ad celebrated Gucci's heritage, art, and sustainability (Khalil, 2024). Gucci uses storytelling, legacy, and current design to attract discerning clients

with its eco-friendly luxury home range in these campaigns and collaborations.

Place: Boutique Showrooms & E-commerce Integration Gucci sells its eco-friendly luxury home collection only through boutique & showrooms and an integrated e-commerce network. Milan, Paris, New York, and Shanghai showrooms display the brand's design and craftsmanship. Gucci's maximalist stores let customers envisage the home décor range in a wealthy lifestyle. According to the 2024 Bain & Company luxury consumer trends research, 78% of high-net-worth consumers favoured immersive, narrative-driven shopping. Gucci's e-commerce home and leisure sales rose 23% in 2024. Tech-savvy luxury buyers visit the online store for virtual showrooms, AR product viewing, and personalized advice (Krishnan, 2024). This dual-channel approach brings Gucci's home collection to worldwide customers while retaining its premium, curated experience in-store and online.

Process: Bespoke Customer Journey Gucci's eco-friendly luxury home collection's seamless and tailored client experience reflects its quality and exclusivity. This journey begins with personalized consultations at Gucci's flagship stores or online. Our interior designers help clients locate items that meet their style, space, and sustainability. A 2024 Deloitte survey found that 62% of affluent luxury home décor buyers prefer personalised products and services. From personalization until delivery, customers receive real-time order information. Gucci's home collection offers white-glove delivery for precise installation, improving the experience (Lin, 2024). Customization and satisfaction talks are after-sales services. Gucci's holistic, high-touch customer journey emphasises individuality, transparency, and luxury service to develop long-term connections with consumers who want more.

People: Trained Brand Ambassadors Gucci's eco-friendly luxury home range emphasizes craftsmanship, sustainability, and personalised service with trained brand ambassadors. Luxury retail standards, product knowledge, and Gucci Equilibrium sustainability programs are taught to flagship showroom ambassadors and online support workers. The 2024 McKinsey study on luxury shopping indicated that 71% of affluent consumers said professional salesmen influence their purchases, especially handmade and ethically created items. Salesmen and trusted consultants, these brand ambassadors provide in-depth consultations on Demetra, ECONYL®, and each home collection piece's environmental impact. Sharing Gucci's heritage, design philosophy, and product tales builds client relationships beyond transaction facilitation. These people ensure every Gucci in-store or online experience is excellent and personable. Gucci's home décor range incorporates personalization and expert supervision (Loureiro, 2024).

Physical Evidence: Immersive Brand Experience The physical proof technique of Gucci's eco-friendly luxury home line immerses consumers in its luxury and sustainability leadership. Gucci's Milan, Paris, and New York showrooms exhibit maximalist designs with rich fabrics, bright colours, and GG logos and flowery motifs. Luxury homes allow customers to touch and experience home décor's craftsmanship, materials, and design. Gucci packaging and showrooms provide as proof. Each product looks luxury in recyclable packaging with embossed logo and high-quality finishes. This strategy allows Gucci Equilibrium recycle 100% of its packaging by 2025. E-commerce clients are immersed in the collection's virtual showrooms and AR product visualization (Mancuso et al., 2024). These physical and digital touchpoints strengthen Gucci's brand promise by offering a sensory journey of luxury, innovation, and environmental responsibility.

Conclusion

Summary of Strategic Recommendations

Gucci Home Décor reflects Gucci's workmanship, innovation, and sustainability. Gucci has adjusted to market demands while keeping its Italian style and inventiveness. Demetra and ECONYL®-based premium home décor support Gucci Equilibrium, its environmental responsibility program. According to Bain & Company's 2024 research, 56% of luxury clients value sustainable luxury living, thus the brand could benefit. Gucci markets to HNWIs aged 30–60 in Milan, Paris, New York, Dubai, and Shanghai who value exclusivity, design, and sustainability. Gucci's marketing mix emphasises luxury-natural quadrant positioning with premium pricing, unique advertising, individualised service, and a bespoke client journey. Gucci's segmentation and positioning strategy distinguishes it from Restoration Hardware (RH), which is luxurious but unsustainable, and Ralph Lauren, which targets a wider, less elite clientele. Gucci home décor attracts smart luxury customers with its signature style, traditional craftsmanship, and environmental conscience.

Future Outlook: Strengthening Gucci's Market Leadership

Technology and sustainability may help Gucci lead premium lifestyle. Smart home technologies could aid Gucci Home Décor. Gucci may profit from smart home technology by merging sustainable premium design with cutting-edge technology. From 2024 to 2028, the worldwide smart home market will grow 12% to USD 230 billion. Voice-assisted design, climate control furniture, and AI-powered lighting would improve aesthetics and utility. Philips Hue or Tesla Energy may help Gucci create elegant smart living spaces that mirror environmental and digital trends. Gucci may investigate circular economy ways to repair, renovate, or acquire back home décor for sustainability. Gucci's home décor collection would benefit from these new ideas, positioning the brand as a premium smart living leader in an ethical, experienced, and innovative market. Gucci can stay ahead and attract tech-savvy, socially conscious clients by diversifying and integrating technology.

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