

**Patrícia Margarida Coelho, Irene García Medina and Rachael Grant**

**AN ANALYSIS OF BRAND AND LINE EXTENSION STRATEGIES  
AS A MARKETING TACTIC.  
THE CASE OF GIORGIO ARMANI.**

**ABSTRACT.** The purpose of this study is to fulfill the research objectives and expand on previous research into the topic of brand and line extension strategies used by luxury brands. A case study analysis of the luxury brand Giorgio Armani will be the focus of this study as the company now has a high-street presence, as well as a luxury market presence. This study will investigate what effect the brand and line extensions have had on the brand, and consumer perceptions of this reform. This study provides previous literature on extensions within luxury brands. This study shows that in the case of Giorgio Armani, brand and line extensions are significant in order to keep up with competition. However, the company could improve upon their branding and positioning strategies in their lower-end lines in order to sustain their luxury brand appeal. The limitations of this project were mainly time constraints and finding an equal number of participants for both the focus groups and survey questionnaires. As the project was based upon Giorgio Armani, literature on their brand and line extensions was somewhat limited. The study could have had more depth to it if the researcher conducted more focus groups and used them as a qualitative tool, as opposed to using a small number of focus groups and questionnaire surveys. However, this project could be used to form the basis of further research in this field.

Keywords: Luxury Brands, Fashion, Armani

### **Introduction**

The luxury market can be described as one which is forever growing and becoming highly competitive. Therefore, companies such as Giorgio Armani have had to react to these changes by extending their brand by use of line extensions, brand extensions or both. This study will analyze Giorgio Armani's branding strategies, in terms of their extensions, and will investigate consumer perceptions of

the companies extended brands and lines. The researcher conducted focus groups as a means of gaining qualitative research of a small sample size of participants and questionnaire surveys as qualitative research in order to gain insight into the masses views and perceptions of Giorgio Armani. Both types of research conducted in this study have undergone an in depth analysis in order to gain a richer understanding of the topic, due to limitations in pre-existing literature. Due to these limitations, this study aims to build and expand upon this topic area and discover new approaches Giorgio Armani could take in order to sustain market presence and success as a luxury brand. Consumer attitudes towards a brand can be said to be extremely important in aiding a brands success, therefore this study aims to seek out consumer perceptions and attitudes towards the Armani brands, and reasons for consumers having these particular attitudes. The perceptions identified will be from one of the four themes within the focus groups that have been extracted during the analysis process, and statistics and charts have been used to show the findings from the questionnaire surveys.

### **Literature Review**

Giorgio Armani is an Italian company that has been in business since 1975 (Craven, 2011). Armani has since become one of the most recognized designer brands in the world for many reasons, such as celebrity endorsement, their

impressive advertising campaigns, but in particular the variety of brand and line extensions under the Giorgio Armani name, to which different segments of consumers are loyal to. Many luxury brands choose to extend their brand such as Gucci: they have brand extended from predominantly bags to now shoes, sunglasses and children's clothing. Prada: they have branched out from primarily handbags to shoes, accessories, eye-wear and skincare (Bruce et al., 2004). Armani: now has clothing, home ware, fragrances, bars and hotels. Brands, and in particular luxury brands, benefit from extending their brand and lines as customers already have a preconceived idea about them and as a result makes them automatically trust the brand more (Taylor, 2001). However many would argue that Giorgio Armani has shifted from the luxury brand it originated as, therefore, this research attempts to critically analyze Giorgio Armani's brand and line extension, and also to evaluate the effect that the brand and line extensions have had on consumer perceptions of the brand as a whole. Featured in this paper will be literature on various theories of brand and line extension and an analysis of them, in order to understand the reasoning behind Giorgio Armani's decision to adopt these strategies.

Due to the highly competitive nature of the luxury market, luxury brands are forced to adopt different strategies in order to stay ahead of the competition (Arslan

and Altuna, 2010). Luxury brands are now choosing to capitalize on their already established brand reputation and image, while saving money on the high cost of creating a new brand (Leong et al., 1997). Therefore, Giorgio Armani has now extended their lines to cover the high street as well as the luxury market.

When discussing the marketing tactics and strategies used by Giorgio Armani, a distinction must first be made between brand extension and line extension.

- Brand extension is where the brand implements its luxury strategy into a completely new market, for example. Giorgio Armani originally launched as menswear and has now expanded into cosmetics, hotels and restaurants (Craven, 2011)

- Line extension means taking an existing product and fashioning variations of it (Davis, 2010), for example Giorgio Armani, Armani Collezioni, Emporio Armani, Armani Jeans and EA7 (armani.com, 2014).

Firstly, brand extensions come in two primary forms: horizontal and vertical. Horizontal is when a company uses their existing brand name (Newman and Cullen, 2002), for instance, the brand name “Giorgio Armani” has been applied to new product lines in different categories such as haute couture, ready-to-wear, leather goods, shoes, watches, jewelery, accessories, eye-wear, cosmetics and home interiors (Arvidsson, 2006). There are many benefits of a brand extending this way,

as there are already brand associations with the Giorgio Armani name, therefore consumers may consider the extension credible and trustworthy, therefore may be more inclined to purchase the goods (Laforet, 2010). Furthermore, the introduction of the new brand extension sparks curiosity among customers of the parent brand, which can rejuvenate interest in the brand as a whole (Davis, 2010). However, Brusati (2013) states in her literature that although brand extension is one of the factors that have contributed to significant growth in the luxury market, over diluting the brand can be seen as detrimental to the parent brand. The luxury market in particular can be described as “...one which is rare, unique and unattainable to the majority of customers.” (Vigneron and Johnson, 2004, p. 7) and it could be argued that Giorgio Armani have over extended which has had a negative effect on the parent brand (Laforet, 2010) while the brand has tried to expand into different market segments. However, Giorgio Armani’s hotel resorts in Dubai and Milan are classed as “five star luxury” by customers on travel and tourism websites. Therefore it could be argued that in this case the company name has not been negatively affected nor tarnished, through this particular extension form. The designer has further expanded out of the core business area and has now taken the form of a category extension into others sectors (Farquhar, 1989), such as the food industry with Armani Dolci, furniture with Armani Casa and fragrance and

cosmetics with Armani cosmetics (Brusati, 2013). Although, Ries and Trout (1986) argue that brand extension will always have a diluting effect on a brand's image as consumers will confuse the parent brand's core characteristics and associations with that of their brand extension.

In contrast, a vertical brand extension involves introducing an extension in the same product category as the core brand, but the price and quality level is different, as it is different customer groups who are being targeted with different branding strategies (Doyle and Stern, 2006). This can be further divided into a step-up vertical extension: where the brand quality and price increases, or a step-down vertical extension where the brand quality and/or price are less than the parent brand (Chung and Lavack, 2014). Thus, Giorgio Armani and Armani Collezioni are an example of Armani's step-up brand extensions as Giorgio Armani originated as a ready to wear men's fashion brand (Craven, 2011), whereas these brand extensions are far more expensive and deluxe. On the other hand, Armani Jeans and Armani Exchange would be a step-down extension from the parent brand. In general, it is thought that the link between the vertical brand extensions with the core brand is beneficial to consumer acceptance for the new brand extension (Broniarczyk and Alba, 1994), however according to Dacin and Smith (1994), regardless of whether the vertical extension is a step-up or step-down, consumer

perceptions of the parent brand are always negative and the core brand name could be tarnished. However, Armani have a very successful line that comes under the step-down category – Armani Exchange. Armani wanted to target a much larger market with its Armani lines; therefore developed this line extension. This brand signals to consumers that while they are still buying products that are made under the Giorgio Armani brand (Subodh et al., 1998), the Armani Exchange products are not of the same level of quality nor have the exclusive image associations of the luxury Armani lines.

Then again, cannibalization of the core brands sales could be at risk if the step-down brand is perceived by consumers to be of a similar quality to the parent brand, which could result in consumers switching to this brand as its pricing strategy is far less (Varley and Rafiq, 2014). However, in the case of Giorgio Armani and their step-down ranges, these brands fill a completely different market segment; therefore customers who buy the premium Giorgio Armani ranges are unlikely to switch to the cheaper ranges as the target markets are significantly different (Chung and Lavack, 2014).

On the other hand, line extension is when companies choose to add variety to their current product offering as means of reaching a more diverse customer base, and to entice customers with new options (Hanslin and Rindell, 2014). This can

reinvigorate a product line by bringing it back into the public awareness, thus drawing in new customers and therefore increasing profits (Munthree et al., 2006). A line extension can increase profits by allowing manufacturers to tap into new markets and offer new products with reduced promotional costs, because the new lines are already at an advantage by being part of an established name (Aaker, 2012). However, line extensions can prove to be very problematic. Lamb (2011) states that consumers have difficulty defining multiple extensions under the same brand name, even if each brand is targeting a different market segment. Furthermore, if it is pushed too far, the parent brand (in this case Giorgio Armani) could potentially lose its “luxury characteristics” if it tries to move into a new extension that is not quite luxury, but instead perceived as a “premium/prestige” range (Brusati, 2013). Over widening line extensions can be detrimental to the appeal of the luxury market customers and can dilute the image of the brand (Hoffman and Coste-Maniere, 2012), therefore luxury companies in particular must ensure that their line extension is consistent with their brand reputation and image, in order to minimize criticism and negative associations towards the new extension brand.

Furthermore, as cheaper line extensions become more established, they become ever more popular to consumers (Yen, 2007); this is where “The



Bandwagon” effect comes in. The Bandwagon Effect is a phenomenon whereby the popularity of trends and fashion increases as it becomes recognized by others. This is a crucial factor when analyzing luxurious brands, as this trend is seen to be steadily growing (Faurholt, 2008). The idea of line extensions by luxury brands becomes an ever more acceptable strategy for companies to carry out as means of growth and profit. As the product becomes more popular, the brand becomes more successful, however, for luxury brands, this can be seen as a huge negative for customers of the luxurious extensions of the brand. This is where the “snob effect” comes in (Vigneron and Johnson, 1999). According to Vigneron and Johnson’s (1999) conspicuous theory, the “snob effect” is the perceived unique value of a product as “snob” consumers perceive price as an indicator of exclusivity. Therefore those who buy the more luxurious Armani brands, do not want to be associated with the consumers of the lower end extensions (Okokwo, 2007), such as Armani Exchange or EA7. This relates back to the definition of luxury from Vigneron and Johnson (2004) as consumers of luxury goods want to feel like they are part of an exclusive minority that buy these goods because they are not available to the masses.

In addition, there are many different theories when it comes to luxury brand consumption and after extensive research into many literature sources, it has been

found that high pricing strategies is what attracts consumers to these luxury products. This stems from Veblen's (1899) theory on conspicuous consumption, which states that people who have a higher disposable income consume expensive and luxurious goods and services as a way of exhibiting their wealth as a way of getting approval from others. Mason (1998) also identified that consumers are willing to pay higher prices for a product that is available cheaper and of a similar quality, in order to impress those of a higher social status.

Furthermore, the term "luxury" can be difficult to define as the reasons to why certain products are classed as superior over other products is mainly established by customer perceptions of these products (Baines and Fill, 2014). In order to discuss the ideology behind the term "luxury", it must be broken down in terms of consumer psychosocial perceptions (Barnier and Rodina, 2010) and the marketing of luxury. In relation to behavioural and social psychology, luxury brands can be said to be influenced by "interpersonal" or "external" factors. For example, the influence of others and their opinions and approval (Groth and McDaniel, 1993). Essentially, this means that consumers seek out luxury brands to be accepted by others and to gain social status. Giorgio Armani has many different product offerings in their variety of ranges, as they have extended their brand in many different ways and now provide products for a variety of consumers – regardless of

income or social status. Dubious and Duquesne (1993) found that consumers only associate luxury with high pricing, therefore if products are not priced high, consumers do not consider them luxury. This shows that consumers are willing to pay a lot of money in order to get a luxury product in order to feel good about themselves (Garfein, 1989). As well as consumers feeling good about themselves when consuming luxury brands, it has been said that luxury brands create an emotional value (Dubois and Laurent, 1996) and when luxurious products are being consumed, these consumers feel a sense of pleasure (Fenigshtein et al., 1975). When consumers are asked about what defines “luxury”, previous research has shown that although they can describe what it is by using brand names, they do often find it difficult to establish what actually makes a brand luxurious (Roper et al., 2013) apart from the pricing. Psychological theories are the platform for the basis of marketing theories on luxury brands (Barnier and Rodina, 2010) as they focus mainly on the difference between luxury and non-luxurious goods, including product features that could be defined as luxury. There is a three dimension model established by Vickers and Renand (2003) which defines luxury brands on the basis of a) symbolism, i.e. what do the products represent, b) functionalism, which is where the product is for the purpose of solving a problem by being of a high quality, c) experimentalism consumption, which is when the good stimulates

sensory pleasure for the consumer.

To conclude, in order for Giorgio Armani to continue to be competitive and grow, it is crucial that they have various different brand and line extension strategies. Giorgio Armani have to find the correct balance between their main goals: maintaining their exclusive luxury brand appeal and increasing brand awareness, whilst continuing to be profitable and gaining market share. However, brands need to ensure that they are not over extending when they are focusing on reaching these goals. Theory suggests that consumers react negatively to a luxury brand that has over extended and become a brand to the masses (Hoffman and Coste-Maniere, 2012). Additionally, some authors would argue that the parent brand reputation can be tarnished by over extension (Dacin and Smith, 1994; Laforet, 2010). Although, some authors debate that brand and line extension strategies can be successful within luxury brands, and if implemented correctly, can benefit both the extension and the parent brand (Davis, 2010). Also, Giorgio Armani could consider Velben's theory when developing additional brands and line extensions, as this could provide an insight into what consumers feel when buying luxury products, and could therefore result in the company developing sub-brands that could be of interest to many different types of consumers (Hanslin and Rindell, 2014; Munthree et al., 2006). This could ensure that they continue to grow without

over-diluting the Giorgio Armani name.

### **Methodology**

The main research aim of this study is to explore the significance of the branding strategies used by Giorgio Armani, and to investigate the effect these strategies have in relation to consumer perceptions of the brand.

The objectives of this study are:

- Explore the importance of brand and line extension strategies for Giorgio Armani to sustain market presence.

- Investigate different approaches Giorgio Armani could articulate in order to sustain market presence as a luxury brand.

- Critically evaluate what effect extending the brand has had on consumer perceptions of the brand.

Wilson (2012) has said that “research methods are often associated with two approaches – inductive and deductive”. The same author continues to say that, in an inductive method, the research builds a theory that starts with observations of specific instances and seeks to establish an overview of the topic that is under investigation. Whereas, a deductive research approach is from the top-down, that works from the general topic to the specific (DeVault, 2014). For deductive research, the researcher must study existing theories that are in conjunction with the

topic of interest (Saunders et al., 2007). Walliman (2011) states that this allows the researcher to analyze any previous research, develop a topical idea, and then add theoretical foundations. The researcher then develops a hypothesis from this information and the new hypothesis is then tested by the researcher (Walliman, 2011). Additionally, Anders (2009) states that a deductive approach is where the researcher starts with previous theories, then applies these theories in order to assess “whether the hypotheses can be confirmed”. A conclusion will be made from the data to either confirm or deny the hypothesis in question. Therefore, this study undertook a deductive approach to the research.

A single-case study analysis was the main focus of this study. Anderson (2009) describes this analysis as a “detailed investigation into a situation in a single case”. Using a case study allowed for a deeper investigation, and a more in depth discussion. However, there can be drawbacks of using a case study approach as Anderson (2009) also states that there can be large volumes of qualitative data which can be difficult and time consuming to analyze. However, the topic in question is specific with limited pre-existing research and the researcher was not overloaded with past data.

By using a mixed method approach, this allows for triangulation. This method of research is where different data collection techniques are used within the one

study in order to gain a clearer, more concise understanding of what the data shows, in correspondence to what is already known. Wilson (2012) states that triangulation “can reduce the risk of chance associations and of systematic biases”. Anderson (2009) states that this approach should not be viewed as a “messy method”, as this approach is necessary for a higher quality, more credible understanding of issues. Mixed methods are advantageous within a single case study as the researcher can then look at the results from contrasting methodological perspectives, which allow for a comparison. This then gives a deeper understanding about the topic of research (Collins, 2003) and consequently strengthens arising arguments. Primary research is information which is collected by the researcher (Anderson, 2009) and can be conducted using different techniques that are associated with questionnaires, focus groups and interviews (Saunders et al., 2009). In this case questionnaires and focus groups will be used. Saunders et al. (2009) also states that secondary information can feature both qualitative and quantitative data when conducted in a descriptive and explanatory study. Furthermore, according to Wilson (2012), secondary data is a cost effective and convenient method which is advantageous to the researcher as it can also be compared to any primary research that has been conducted. Additionally, a literature review can also allow the researcher to seek out and fill any gaps that previous literature has not

covered whilst researching the subject (Wilson, 2012). Therefore, the literature review can be considered as a vital piece of secondary research as it adds to the topic of discussion.

Self-completion questionnaires were used for “descriptive or explanatory research” (Saunders et al., 2009) which allowed the researcher to gain a deeper understanding of the masses perceptions and attitudes towards Giorgio Armani. Hague and Jackson (1996) state that shorter questionnaires are more likely to be fully completed, therefore for this research, the questionnaires were kept short. Self-completion questionnaires are an efficient and effective primary research method as they are cost effective, and easily administered. They are also less likely to have untruthful opinions as they are anonymous and the researcher will not be present while they are being completed (Collins, 2003). However, according to Wilson (2012), there are many issues with questionnaires as they can be perceived as impersonal by the respondents. The specific questions in the survey were chosen as the researcher aims to uncover how much information the masses know about the company, their attitudes towards purchasing goods from the company and how they perceive luxury brands in general. The questionnaire surveys were constructed on [www.surveymonkey.com](http://www.surveymonkey.com) and the link to the survey was sent to potential respondents via text, email and social networking sites. Having the questionnaire



on a website allowed for partakers to easily complete the survey on their smartphones, computers and tablets at a time convenient to them. As the researcher did not have to manually distribute and collect the surveys, the survey reached a larger audience in a shorter time period being on the internet, as opposed to a hard copy. The sample size for the questionnaires would ideally be larger, but due to time constraints this is not possible and 106 survey responses were obtained. An SPSS system was used to analyze the questionnaire surveys efficiently and effectively.

Focus groups are referred to as the most widely used qualitative research method used in Europe and the USA (Hague and Jackson, 1996). Focus groups were used to uncover what different people think of Giorgio Armani. Within the focus group the participants discussed their contrasting perceptions of Giorgio Armani as a whole, and their opinions on the other ventures the company has to offer. The focus groups were first asked seven specifically chosen questions about the company, before being provided with a non-bias sample of the company. After this, participants then read a sample composed by the researcher and answer the same questions as before, then the groups discussed the company after reading the information the researcher provided them with. Hague and Jackson (1996) state in their literature that by providing a focus group with a sample – in this case factual information, but after they have expressed purely their own views on the topic –

can cause partakers to alter their opinions on a subject. The outcome of this method was highly dependent on the group's participation, therefore the sample presented was non-bias and factual information about the topic which was gathered by the researcher. Each member then shared to the group their thoughts on the company from their own knowledge, and then their opinions after reading the sample, thus sparking an in-depth discussion (Hague and Jackson, 1996). This was crucial to the research as the information from both before and after the sample was compared in order to analyze the participant's views on the company from purely their own perceptions, and then compare this to their views on the company after discussing the information given. Topic planning was key, therefore the researcher used the questions as a guideline for the direction of the discussion (Jankowicz, 2005). Once this research was analyzed, the researcher gained a valuable insight into consumer perceptions of the brands and sub-brands of the company and the differing consumer perceptions of the brand after reading the sample. However, it was essential that the researcher carried out the following steps in order for this outcome to be successful. The discussion had to have structure, the focus groups were conducted appropriately and then an in depth analysis and interpretation of the results followed (Hague and Jackson, 1996). There were eight participants in each of the group discussions as the groups were not meant as a quantitative

research tool. Eight participants in each group allowed for a variety of views on the topic. The focus groups ideally would have been made up of both male and female participants in order to gain accurate and consistent opinions on the male and female brands under the Armani umbrella. However, due to the difficulty in finding participants, the majority of those who attended the focus groups were female. The ages of these participants ranged from 19-23 in order to receive the opinions of a narrow sample of participants, however, because the groups were made up of those of a similar age, the participants may not be aware of all the Armani brands, then again, the questionnaire survey will be completed by those of all ages so this would fill this gap in the research. The purpose of the focus groups were to: identify themes that may not have been discovered in previous research, gain an in-depth understanding of consumer perceptions of the Armani brands as a whole and also to seek out what it is consumers of this age range know about the company.

Due to the focus groups having multiple people, finding software that can analyze multiple voices was challenging. Therefore, the researcher recorded the focus groups via the “Dictaphone application”, and then manually transcribed each of the focus groups. This proved to be an extremely time consuming task, however the information from the focus groups was imperative to the investigation and provided the study with qualitative primary data, that to the researchers knowledge

was not pre-existing. A thematic system was used to analyze the focus groups in order to recognize patterns and themes within the group discussions. SPSS was used to analyze the findings for this research method as this allowed for statistical analysis of certain questions, whilst providing charts and tables to view respondents answers in a simplified structure.

When conducting the study there were many difficulties and limitations that the researcher encountered. The inexperience of the researcher when carrying out focus groups and survey questionnaires was a constraint, however, to overcome these, the researcher ensured that the survey questions are concise and clear and that while conducting the focus groups, a step by step order was followed to avoid getting off topic. Furthermore, time and work constraints of both the researcher and potential participants were an issue, as this made it challenging to get participants to attend either of the focus groups. The qualitative information composed from the focus groups was challenging and time consuming to transcribe, however the Dictaphone application assisted with this process. The focus group research was lacking in male participants even though the researcher went through various channels to obtain males (social media, text, email and phone calls), however the questionnaire survey was completed by males so this helped fill this gap in the research. During the focus group, some participants were not as vocal as the

researcher had hoped, however the researcher overcame this by asking certain participants direct questions to ensure a response was received. Other regions are not being considered due to time constraints, therefore the study will only be representative of Glasgow.

### **Analysis and Findings**

A discussion of the findings from the primary research will take place, and in order to meet the aim of this investigation, an in-depth analysis will be provided. The researcher noticed differing attitudes towards the brand from before and after the participants read the sample of factual information on Armani. The focus groups conducted allowed for the researcher to obtain valuable primary information from a narrow sample of participants of a similar age, whereas the questionnaire surveys provided quantitative information on the masses perceptions of Giorgio Armani, from a wider age range.

#### Focus Group Analysis

There are four main themes that have been identified from analyzing the focus groups. These are:

- Theme 1 – Customer Profile
- Theme 2 – Level of Brand Desirability Amongst Consumers
- Theme 3 – Consumer Perceptions Of The Importance Of Brand Extensions

- Theme 4 - Alternative Approaches For Brand Direction

### **Customer Profile**

Whilst analyzing the research, it was clear that participants from both focus groups had the same views when it came to Giorgio Armani's customer profile. The customer profile relates to the type of person the participants associated with the brands products, with a particular focus on the Giorgio Armani clothing ranges. The first question both focus groups were asked was "What is your opinion on these brand/line extensions of Giorgio Armani: Armani Collezioni, Emporio Armani, Armani Jeans, Armani Exchange and EA7?" A frequent answer that was received from both focus groups, in reference to Armani's current clientele, was described as "neddy". This resulted in participants being deterred from a lot of Giorgio Armani's other collections. Three participants from focus group two had the following conversation:

Colette *"I think EA7 can be quite neddy."*

Natalie *"I know, I was going to say that as well."*

Alana *"All their t-shirts and that are quite neddy."*

This conversation between participants was significant as it confirms what writer Jankowicz (2005) stated, that questions asked in the focus groups are important in order to guide discussions. But it is also significant as it shows how three participants all shared the same view when it comes to Armani's EA7 range.

Additionally, when focus group one participants were asked their opinion on the typical customer for the lower end line extensions of Armani, Ashleigh stated:

*“I don’t know that much about all of their cheaper brands. But I think that EA7 would be for younger people. Like neds or younger guys.”*

This reiterates what the three members from focus group two said about EA7 being “neddy”. This illustrates how this negative association is one of the main views people have when thinking of Armani’s lower-end extension customer. Amanda adds:

*“Overall I have a negative image of the brand. Because I think it is cheap and worn by cheap people...EA7 definitely...”*

It could be argued that these comments are not the right associations for potential consumers to have of this line extension, as the word “neds” has extremely negative connotations attached to it. This type of customer is not an idyllic representative for a luxury brand to have purchasing and wearing their goods, this relates to what Laforet (2010) states that an overall negative effect on the parent brands can be a consequence of brands trying to expand into other market segments. Therefore in terms of branding, one could suggest that the company should develop a strategy that would deter this type of consumer from purchasing their goods such as: increasing the price, changing the design so this

type of customer is no longer drawn to the EA7 range, or Armani even rebrand their EA7 line.

### **Level of Brand Desirability amongst Consumers**

Following on from theme one, it was apparent that there were very contrasting views when it came to participants who would purchase items from the Giorgio Armani umbrella. Within this theme the researcher noticed two particular trends amongst the participants before reading the sample of factual information on the company. The first trend was that many participants, from both focus groups, are a consumer of only one of the company's extensions. For example:

*“...I really like Armani Jeans they are good quality and they last for years... I think the men's would be the same as well, but I wouldn't buy them for my boyfriend. I would only ever buy the girl's jeans from Armani. And I definitely would never buy Armani Exchange or EA7, I think it's cheap.”* (Leonie, focus group two)

This participant made a point of saying that although she thought the men's jeans would be of the same quality to the women's jeans that she buys, she would not buy them for her partner. She also stated that she would never buy Armani Exchange or EA7 because it's “cheap”. This was similar to what other participants said, such as Amanda in focus group one, who when asked if she would purchase any of the Giorgio Armani brands proclaimed:



*“I prefer more unique brands so would never buy clothing from Armani ever. But I would buy their make-up.”*

Again, this shows how participants are reluctant to purchase more than one of the brand or line extensions from the Armani family. From analysis of both focus groups as a whole, this is likely to be due one or more of the following: participants not having an interest in the other Giorgio Armani brands, potential consumers being put off by Giorgio Armani’s existing clientele and potential consumers finding the designs of the clothing ranges unappealing. The other trend within this theme was participants completely objecting the notion of owning anything Armani. Hannah (Grant) in focus group one expressed similar comments to participants in focus group two, when asked if she would purchase any of the Giorgio Armani brands:

*“Probably not. Just because I feel like their clothes look cheap and nasty because of the big logos you see printed on the t-shirts.”*

When asked to elaborate on this comment with which brands she was referring too, the participant followed up with:

*“I think it’s the EA7 and Armani Exchange brands because I’ve seen people wear tops with the ‘AX’ logo on it in big writing.”*

The word “cheap” was used regularly throughout both focus group discussions, especially in relation to Armani Jeans, Armani Exchange and EA7.

Participants expressed a particular disapproval of the product design of these lower end brands. This relates to what Okokwo (2007) stated that if a brand has extensions that are considered lower-end, consumers will avoid it as they do not want to be associated with brands known to be cheap, which is what is being expressed here with participants not wanting to purchase particular Armani brands. However, after participants in both focus groups read the sample of factual information provided some participants' views had changed. Such as Leonie from focus group one:

*“Yeah I would buy their other brands now because I think it's more who wears it and how they wear it. What looks tacky or neddy on one person can look amazing on another person.”*

This proves what Hague and Jackson (1996) stated in their literature, that by providing focus group attendees with a sample can, to an extent, change their views on a subject – in this instance, views on Giorgio Armani's brands, when provided with a sample after discussion on a topic. This change was also evident in focus group one as at the beginning of the discussion when asked if any participants would purchase products from Armani, Hannah (Murray) stated:

*“I don't think I would buy it purely because I associate Armani with people I wouldn't want to be associated with myself. Even though there is an aftershave of theirs that I think is quite nice I probably*

*wouldn't buy it for anyone because it's Armani.*”

However, after this group had read the sample and again discussed buying products from any of the company's ranges, the same participant later changed her mind. The conversation follows:

*“I do quite like the aftershave, particularly a sports one but I can't remember the name of it.”*

**Interviewer “Would you buy it for someone then?”**

*“Well I don't have a boyfriend but if I did maybe, yeah.”*

This shows how this participant was influenced from the sample of factual information as she had changed her mind on a comment she said prior to reading the information about Armani. This further reinforces what Hague and Jackson (1996) had explained in their literature that could happen when providing participants with a sample.

### **Consumer Perceptions of the Importance of Brand Extensions**

This theme relates to how important consumers feel Giorgio Armani's brand and line extensions are for the company's success. While analyzing both focus groups it became apparent that those who were not from a marketing and/or business background had more opinions on how important these extensions were to Giorgio Armani. Participants were asked how important they thought it was for

Armani to have many sub-brands. Focus group two participant Jenna-Louise commented:

*“Yeah I think it’s important for them because they must want to reach out to many different markets regardless of whether it is still within the luxury segment or not. Although it does in a way have a negative effect on the luxury brand that it’s meant to be.”*

This relates to Bronisarczyk and Alba’s (1994) view that extensions with the core brand can be beneficial as consumers who already know about the luxury side of the brand may be more open to accepting the brand extension, consequently, increasing the brands likeliness of being successful. However, the same participant also states that brand extensions can have a negative effect on the luxurious appeal of the brand. Many authors share similar views on this, such as Brusati (2013) who argues in her literature that brand extension in the luxury market dilutes the brand and is often viewed as detrimental to the parent brand. Laforet (2010) also expresses this concern that while companies are trying to extend into different markets, they are often over extending the parent brand which, again, reflects negatively on the parent brand. Another participant in the same focus group voiced similar comments on this topic in relation to it being important for the brand to have these extensions. Both participants also gave a positive and negative outlook on the company having many brand and line extensions.

*“[extensions are] Not always [a negative impact] though because if they are diversifying into the luxury aspect of different segments then it’s still technically a luxury brand... The only negative thing I would say perhaps is that people focus or like get confused and think of Armani as like only their line extensions. They don’t think of the luxury end of the brand because they see the cheaper ones more.” (Lisa)*

Not only does Lisa’s comment relate to what Bronisarczyk and Alba (1994) stated in their literature that extensions can have a positive effect on brands, but also relates to what Ries and Trout (1986) discussed, that brand extensions will have a diluting effect on a brands image and consumers will confuse the parent brand with the brand extension. This could have negative effects, such as consumers may think that all of the Giorgio Armani brands are all of the same quality, when the quality and pricing is completely different from the high end to the low end of the Armani brands. Katie (focus group two) said:

*“...I think their sub-brands sort of lower people’s perceptions. I think it takes away from the exclusivity of the brand like it doesn’t seem like it’s a totally out of reach designer that you would desire for...”*

Iain (focus group one) shares similar views:

*“...they [Armani] have tried to make it more accessible but have*

*just diluted and the credibility [of the luxuriousness of the brand] is like gone.”*

This proves Ries and Trout’s theory of extensions having an overall negative effect on a brand as a whole is correct in relation to the Giorgio Armani brand. This also shows Dacin and Smith’s (1994) view to be accurate, that the brand name can be tarnished regardless of whether the extension is a vertical step-up or step-down extension. Caron, a participant from focus group one, expressed similar views on this question to those identified focus group two:

*“...their product seems less of a luxury and has made it easier for people to buy. I think if they had kept it as an expensive luxury brand then it would have been more sought after by a higher class clientele.”*

Caron’s comment reinforces what Brusati (2013) stated, that brand and line extensions can be damaging to the brand – in this case Giorgio Armani – as the brand is no longer being viewed as a sought after, luxury brand. Caron’s comment also brings to light Vigneron and Johnson’s (2004) comment from their literature that the luxury market is “...unique and unattainable to the majority of customers.” (Vigneron and Johnson, 2004, p. 7). Therefore, by developing many different extensions, the brand may have shifted from being a luxury brand as it is now within reach to the masses.

### **Alternative Approaches for Brand Direction**

This theme relates to alternative approaches that the focus group participants thought Giorgio Armani could take in order to sustain their market presence. Whilst analyzing, it was apparent that focus group one did not have a great deal of knowledge in this certain area, however participants did contribute some similar suggestions as focus group two but simply not in as great detail. The suggestions made in both groups were that Giorgio Armani should focus more on their Italian heritage and incorporate this into their product design and quality.

Colette:

*“I think they should try go for the more Italian classic look.”*

This then sparked the discussion of Armani using their Italian heritage more, in many aspects of their company such as design and quality. Katie then added:

*“Yeah I think they should play more on their Italian heritage because I think people always associate Italian made products with being like high quality and luxury.”*

This topic was prominent in focus group one as well, and Iain argues:

*“They [Armani] should play more on their Italian vibe like Dolce and Gabbana does.”*

This further shows how this theme is evident in both of the focus groups that

were conducted. This illustrates that participants in both focus groups associate Italian made products with luxury and high quality, however they do feel that Armani do not express their Italian roots enough. Craven (2011) stated that Giorgio Armani clothing has been labeled as “very, very English”, which could indicate that Armani have not wanted to use their Italian heritage, however the Italian look is what the research has identified as what participants want to see from the designer.

#### Questionnaire Survey Analysis

#### **Does age effect whether or not people think Armani is a luxury brand?**

#### **Chart 4-1: Age and Brand Perceptions**

For question one, a Chi-square test of associations test was used as this test compares two variables in a sample of data – in this case age against participants yes/no answer to question 3 “Do you think Armani is a luxury brand?” – in order to determine whether or not there is a relationship between those variables. Although the research did not consider age as a factor in the literature review, the researcher conducted this test as the qualitative research was of a narrow age bracket. The findings have shown that respondents aged 46-65 are more likely to consider Armani as luxury. This could be because older respondents are unaware of the cheaper Armani brands that are not being marketed towards this age group, or it



could be that older consumers relate Armani to the luxury brand it started out as (Craven, 2011). However, it is likely to be due to there being an uneven number of respondents from each age category, therefore the results are not conclusive.

It can be seen that from chart 4-1 that the majority of those in the 18-24 and 26-35 age groups have stated that Armani is a luxury brand which could show how even though they have sub-brands, these brands do not take away from Armani's overall luxury appeal. However, this same chart also highlights that 17.17% of those from the age bracket 18-25, said no. This could be because Armani's cheaper line extensions are marketed towards this age group, therefore a small proportion of the younger respondents think Armani is not a luxurious brand as cheaper lines are more prominent to them. Then again, it is likely that it is because the majority of respondents were from younger age groups, thus this survey does not fairly represent all age groups equally. The results for the Pearson Chi-Square test was  $p > 0.570$ . This signifies that there is no relationship between the two variables in question.

**Does gender effect whether or not people think Armani is a luxury brand?**

**Chart 4-2: Gender and Brand Perceptions**

Additionally, for question two, a test a chi-square test was also used to test for associations between two variables in the data – in this case gender against participants yes/no answer to Question three “Do you think Armani is a luxury brand?” – to establish whether or not there is a relationship between those variables. Although the literature review did not focus on gender being a contributing factor to the hypothesis, it was useful for the researcher to discover if gender affected whether or not respondents felt Armani is a luxury brand, as both focus groups lacked in male participants. The test carried out shows that gender has no effect in this survey, as the test results were  $p=0.838$  for Pearson’s Chi-square. However there were more females than males, so both sexes were not fairly represented in this survey.

Question 4 of the survey asks participants to give reasons for why they answered either yes or no in question 3.

The table 4-1 shows these quotations.

Participants “Yes” Comments	Participants “No” Comments
<i>“Yes. Giorgio Armani is worn by all the Hollywood stars at major events like the Oscars.”</i>	<i>“No. It is affordable and a common brand on the high st.”</i>
<i>“Of course. Well known designer at the high end price and quality. Ready to wear through to couture.”</i>	<i>“No - I feel that Armani has a wider spread clientele compared to other brands which may be classes as luxury.”</i>
<i>“Yes, because it’s expensive and can only be worn by a select few people who can afford it”</i>	<i>“It’s not exclusive because you can still buy it off the rack. Although I’m sure some of the suits are tailor made. I would probably describe it as lucky high street.”</i>
<i>“Yeah I would say it is higher end than a high street brand.”</i>	<i>“Not anymore. They have too many cheap brands under the name for it to still be considered as luxury.”</i>
<i>“Yes. It is exclusive, high priced and they show at fashion week.”</i>	<i>“Very neddy and too common.”</i>

**Table 4-1: Participant comments**

The researcher used this open-ended question at this point in the survey in order to acquire some of the reasons as to why the participants felt Giorgio Armani is or is not a luxury brand. The respondents expressed similar comments to those in

the focus groups such as describing the overall brand as “neddy”. Also one participant who answered “yes” stated that Armani is a luxury brand as only a select few can afford it. This relates back to Vigneron and Johnson (2004) who also describes the luxury market as “...rare, unique and unattainable to the majority...” (Vigneron and Johnson, 2004, p. 7). Although surveys are commonly used as qualitative data, the researcher used a mixed-method approach to collecting the data, as this allowed for a triangulation method of research for different data collection techniques, which allows for both a statistical and thematic analysis method.

### **Participants Brand Awareness Rating Question**

#### **Chart 4-3: Participants Brand Awareness**

As there was no significant link between participants age/gender and their view on Armani being a luxury brand, the researcher decided to analyze the remaining questions from the survey as a collective.

Chart 4-3 shows respondents’ awareness of Armani’s brand and line extensions. From this chart it is clear to see the majority of respondents are not aware of many of Armani’s brand and line extensions such as Armani Collezioni, Armani Beauty, Armani Hotels and Armani Casa are all below 10%. This shows how 90% of those who completed the survey are not aware of these brands. Laforet

(2010) stated that brand extensions can be used by luxury brands because consumers may consider the brand more credible, thus consumers are more inclined to purchase the product extension. Although, this has not happened for Giorgio Armani as this research shows not enough consumers know about their brand extensions. The top three brands the respondents selected “yes” to knowing were Armani Jeans (44%), Armani Exchange (37%) and Emporio Armani (34%). It could be argued that these are not the brands consumers should be identifying when they think of Armani, as these brands are not considered as their luxury extensions. Aaker (2012) states that new lines are at an advantage as they are part of a well-known name, which in this example is evident, as it is clear to see that these brands are the most recognized.

Varley and Rafiq (2014) argue in their literature that the core brand – in this case Giorgio Armani – could be at risk of cannibalization as consumers are more aware of Armani Exchange and Armani Jeans, which could result in these cheaper brands being favored more. Armani Collezioni is in the same category in terms of pricing and quality. Armani’s strategy with Collezioni was to reach an older age group, yet only 9% of participants were able to identify this range. Hanslin and Rindell (2014) stated in their literature that line extensions are used by companies as means of reaching a more diverse customer base and entice customers with new

options, whereas this has not happened for the Collezioni brand. Instead of consumers having an awareness of both Collezioni and Emporio Armani, consumers are more aware of Emporio Armani. This could show how there are improvements that Armani could make to their branding and marketing strategies, in order to reach potential customers.

Moving on to Armani beauty and perfume, only 6% of respondents had an awareness of these brands. This could be due to many factors such as a lack of effective marketing from Giorgio Armani, or could be due to Armani having so many sub-brands that consumers simply cannot keep up with them all, so brands that consumers may be interested in are bypassing them as it is possible that consumers are overwhelmed with Armani's brand selection. At various points throughout the questionnaire participants were given the option to leave comments, and many participants had shared comments relating to their confusion over the multiple Armani brands –

*“...They have too many cheap brands under the name for it to still be considered as luxury.”*

*“Armani have so many brands under their name that it's hard to tell some of them apart.”*

Lamb (2011) confirms in her literature that consumers will struggle to distinguish the differences between several extensions. Therefore it is

fundamentally important for a luxury brand like Armani to have clear distinctions between their brands so as consumers can easily identify and purchase the correct brand for their market.

From analysis of this chart, it is clear to see that Armani's cheaper sub-brands are more prominent in the minds of consumers than their main luxury brands such as Emporio Armani and Armani Collezioni. This reiterates what Hoffman and Coste-Maniere (2012) specified in their literature: that over-widening line extensions can be detrimental to the appeal of the luxury market consumers, and can dilute the image of the brand as participants seemed to be perplexed the multiple brands the company has to offer.

**Chart 4-4: Participants Yes and No Answers**

<b>Reasons for Answering “yes”</b>	<b>Reasons for Answering “no”</b>
<b>“The make-up has very good reviews online so I would buy that.”</b>	“Bad brand image”
<b>“Quality would make me want to buy it.”</b>	“Neds wear loads of their clothes.”
<b>“Yes because I love the clothes, style, design and brand image.”</b>	“Not worth the price in terms of quality.”

A pie chart was used to show the results from this simple yes or no question (question 6) because the results were so alike. Only 2.86% more respondents revealed that they would buy from Armani's sub-brands. This could be due to a number of reasons therefore question 7 asked respondents to state these reasons. Below are some of the most reoccurring motives for respondents stating yes or no.

**Table 4-2: Reasons for Participants answer**

Table 4-2 shows some of the most common reasons for partakers saying yes or no to purchasing Giorgio Armani's sub-brands. These were similar to the reasons stated by participants of the focus groups, for example: their make-up range having a good reputation. This shows how in this brand extension, Armani have been successful, even though it isn't their most well-known brand yet, it has been praised by customers, therefore Armani should use these reviews to vocalize their make-up range more, which could result in "The Bandwagon" effect occurring. Faurholt (2008) states that this effect is growing, therefore this could be an area for Armani to become familiar with in order for their make-up range to be as successful as possible.

Moreover, just like the focus groups, the term "neds" was used by many respondents on this question. This reiterates how many consumers associate the sub-brands with this term which most definitely deters them for shopping with any



of the ranges Giorgio Armani has to offer. This could potentially be losing the company sales from other consumer segments, but also tarnishing their brand name.

#### **Chart 4-5: Respondents Personal Attitudes – High Price, High Quality**

Analysis of this chart shows how a large percentage of respondents feel that if a luxury brand is high priced, it must mean a high quality. Therefore it can be assumed that if Giorgio Armani's sub-brands are perceived as low quality, consumers would not define them as a luxury brand. Many consumers did comment both throughout this survey and in focus group one that some of Giorgio Armani's extensions, such as EA7 are not of good quality.

#### **Chart 4-6: Respondents Personal Attitudes – Common Product**

The most common responses for this question are a similar percentage, however it can be seen that overall 58.16% strongly agree or agree with the comment. This would suggest consumers are demotivated to purchase products from a luxury brand if it is a commonly owned product. However, 23.47% of consumers answered "neither agree nor disagree" which could show how they are neither motivated or demotivated to purchase a luxury brand if mass as these respondents are not phased by having the same goods as others. Overall this chart

shows how a large percentage of people would be concerned if large quantities of people had the same luxury products as them.

#### **Chart 4-7: Participants Personal Attitudes – Limited Edition Luxury Goods**

The findings from this chart can be said to be interesting as it shows 61.23% of respondents strongly agree or agree that they would pay premium prices for luxury goods that are limited edition. This shows what Dubious and Duquesne (1993) said to be accurate, as they found that if products are not priced high, consumers do not consider them luxury, thus if the product is not highly priced and limited, consumers would not have any desire to buy them.

#### **Chart 4-8: Participants Personal Attitudes – Luxury Product placement**

Analysis of this chart has shown how 42.71% of those who answered this question feel that luxury brands can be sold on the high street. This contradicts Vigneron and Johnson's (1999) "snob effect" from their conspicuous theory which relates price to exclusivity, which in other words means a luxury brand cannot be bought on the high-street. However, the majority of respondents here would disagree with this comment, as the results from this question would suggest that the majority of respondents in this survey feel luxury brands can be purchased on the high-street. This theory was developed in 1999 so it could be argued that this

element of their theory is no longer relevant.

#### **Chart 4-9: Participants Personal Attitudes – Mass Produced**

This chart displays the percentage of people strongly agreeing or agreeing and the percentages of respondents disagreeing or strongly disagreeing are relatively similar. Overall 48.96% agreed on some level that luxury brands cannot be mass-produced, similarly those who disagreed to some extent was 36.46% in total. This would challenge authors Vigneron and Johnson (2004) literature that states luxury goods are “...rare, unique and unattainable to the majority of customers.” (Vigneron and Johnson, 2004, p. 7). Then again, this survey is only representative of 106 respondents from Glasgow, therefore cannot stand for consumers from other parts of the world.

#### **Chart 4-10: Participants Personal Attitudes – Cheaper Sub Brands**

The largest percentage of those who answered this question state that they would not be put off Giorgio Armani’s higher-end ranges because of the cheaper sub-brands. This could be for a number of reasons, but one that was expressed in the survey additional comments box and in focus group two, was that consumers are viewing cheaper sub-brands as brands that allow for everyone to buy the company’s products regardless of income. This relates to what Subodth et al.

(1998) stated that sub-brands signal to consumers that although they are buying products of a lesser quality and price, they are still buying products that are made under the luxury brand name. Obviously not everyone can afford their more expensive brands, so cheaper sub-brands allow for everyone to wear the Giorgio Armani label. However, there are a number of partakers that would disagree, and stated that the cheaper sub-brands would discourage them from purchasing Giorgio Armani's luxury ranges. This could be due to the "snob effect" (Vigneron and Johnson, 2004) as the consumer of the luxury brands may not want to be linked to consumers who are purchasing the cheaper alternatives.

To conclude, both the focus group participants and the survey questionnaire respondents shared many similar views such as – Armani having a "ned" type customer who wears their cheaper ranges. This was a common term used widely across the surveys and focus groups. The main findings from the research were that the sub-brands have a negative effect on consumer perceptions of the overall brand. Many participants from both research methods felt that in some way the luxury brand image was tarnished due to these cheaper extensions of the brand. Many participants expressed confusion and difficulty in defining the differences between the brand extensions as many did not know what brand was meant to be targeting who. Lastly the product quality and design was another issue for those who took

part in the research methods as many felt some of the brands logos were too big which gave the products a cheap look. All of these views were shared frequently throughout both research methods, which expresses the importance of these issues are as they kept arising. Therefore in order to change these views, Giorgio Armani should reconsider some aspects of their marketing strategy such as providing consumers with a clearer definition of what brand extension is for what target market which in turn could not only maximize profits, but gain the company new customers.

### **Conclusions, Limitations and Recommendations**

In order to conclude this study as a whole, the conclusion will be split into three parts in order to evaluate if each objective of the study has been met, with limitations and recommendations thereafter.

Firstly, objective one was to explore the importance of brand and line extension strategies for Giorgio Armani to sustain market presence. From a theoretical perspective it can be said that Giorgio Armani do require their brand extensions so they can target a wider variety of market segments. As Arslan and Altuna (2010) have stated, the luxury market is highly competitive therefore luxury brands are required to implement different strategies as means of staying ahead of the competition. Giorgio Armani have held their position in the luxury market as

they have extended their brand into accessories, hotels, bars, restaurants and much more. However, from the research gathered it can be argued that although it is important for the company to have these brands, some brands have been pushed past the point of luxury and are now viewed as high-street brands such as EA7, Armani Jeans and Armani Exchange, and consequently have been adopted by the “neddy” consumer which was identified in the research findings. This type of consumer is one that no luxury brand should want to have representing their brand name as this type of consumer has very negative connotations attached to them and are often viewed as cheap and tacky. Therefore it is recommended that Armani alter said clothing lines as a way of deterring this type of consumer. This could be done by increasing the price and quality of the garments, altering the design/logos by having subtle branding so the products are no longer desirable to this customer and placing these lines specific stores and locations that are perceived as prestige or up-market as a way of keeping up their luxury brand appeal, whilst engaging with the correct target market of these brands. However, this study is only representative of Glasgow so may not be relevant globally, but it could be argued that Giorgio Armani may need to address the issue of the current market they are reaching in Glasgow.

The next objective was to investigate the different approaches Giorgio Armani

could articulate in order to sustain market presence as a luxury brand. There were limitations in terms of literature on this specific topic; however suggestions were gathered from the findings of the research. The participants stated that Armani should use their Italian heritage more as a way of attracting custom, as many participants expressed that they associate Italian brands with luxury, quality and durability. This could be done by increasing the quality of their cheaper brands, and focusing their more expensive lines on the classic Italian look could mean Armani would be more appealing to consumers as this identified Italian clothing as smart with flattering cuts that are tailored to the individual. Armani already have tailor made suits as their product offering, but the findings showed that not enough consumers were aware of this. This is an area of this study that other research could build upon.

Lastly, the purpose of objective three was to critically evaluate what effect extending the brand has had on consumer perceptions of the brand. There was some academic literature on this such as Barnier and Rodina (2010) who state that the term “luxury” must be broken down in terms of consumer perceptions. Therefore the researcher used focus groups in order to ask open-ended response questions so as partakers had to voice their opinions, the use of rating questions in the questionnaire also allowed for a deeper understanding of the topic. Overall, it can

be seen from the research that there are both positive and negative perceptions of the brand due to their extensions. Many consumers see these brands as a way of Armani making money quickly, whereas others see it as a way of Armani adapting their product offering so they can reach as many consumers as possible with Armani products, regardless if they are a cheaper alternative. Nevertheless, Armani need to make it clearer who they are trying to target with each brand as findings showed that most did not know who the clothing extensions were intended to target. Armani could do this via advertising campaigns and social media. For example, their EA7 range, in Glasgow anyway, is worn as casual clothing when the intended purpose of this line is for it to be worn as gym wear. If Armani had clearer advertisements or even a more prominent social media presence, it would be an easy platform for the company to advertise the right products to the right consumer.

The limitations of this project were predominantly time constraints as the researcher could not find equal numbers of male and female participants for the focus groups or more male participants for the questionnaire survey within the time available. Theory and literature to an extent was limited, as this project was based around a singular case study, the researcher found it was challenging to find relevant literature on this particular brand. The study could have had more depth to it if the researcher had conducted more focus groups and used them as a



quantitative tool instead of questionnaire surveys. The questions from the surveys were difficult to analyze via the SPSS software. The questions did not require as much statistical analysis as the researcher had predicted, and as there were many opportunities for survey respondents to express their opinions, there was no need to analyze these via SPSS tests but instead charts. Furthermore, this study could have been more representative of all ages as well as genders. To finish, this study also had a shortage of older respondents for the surveys, therefore for future research it is recommended that an equal number of all age groups contribute to the research. However, this literature could be used as a framework for other studies to build upon the topic from the findings discovered in this study of Giorgio Armani.

## REFERENCES

Aaker, D. (2010). *Building Strong Brands*. London: Pocket Books, pp. 274-294.

Anderson, V. (2009). *Research Methods in Human Resource Management*. 2nd ed. London: CIPD.

Annon. (2010). *Armani hotel opens in Dubai's Khalifa tower*. Available: <http://www.jpost.com/Middle-East/Armani-hotel-opens-in-Dubais-Khalifa-tower>. Last accessed 30th October 2014.

Annon. (2014). *Emporio Armani*. Available: [http://www.armani.com/gb/emporioarmani/men/ready-to-wear\\_section](http://www.armani.com/gb/emporioarmani/men/ready-to-wear_section). Last accessed 22nd November 2014.

Arnold, D. (1992). *The Handbook of Brand Management*. London: Century Business. pp. 119-121, 130, 131.

Arslan, F. M., and Altuna, O. K. (2010). *The Effect of Brand Extensions on Product Brand Image*. "Journal of Product & Brand Management". 19 (3), pp. 170-180.

Arvidsson, A. (2004). *Brands: Meaning and Value in Media Culture*. Oxon: Routledge, pp. 1-9, 80-94.

Baines, P. and Fill, C. (2014). *Marketing*. 3rd ed. Oxford: Oxford University Press, pp. 460-470.

Barnier, V. and Rodina, L. (2010). *Which Luxury Perceptions Affect Most Consumer Purchase Behavior? A Cross Cultural Exploratory Study in France, The United Kingdom and Russia* [Online]. Available from: [http://www.escp-eap.net/conferences/marketing/2006\\_cp/Materiali/Paper/Fr/DeBarnier\\_Rodina\\_ValetteFlorance.pdf](http://www.escp-eap.net/conferences/marketing/2006_cp/Materiali/Paper/Fr/DeBarnier_Rodina_ValetteFlorance.pdf). [Last Accessed 20th November 2014.]

Bhat, S., Keeley, G. and O'Donnell, K. (1998). *An investigation of consumer reactions to the use of different brand names*. "Product & Brand Management". 7 (1), pp. 41-50.

Broniarczyk, S. M. & Alba, J. W. (1994). *The importance of the brand in brand*

*extension*. “Journal of Marketing Research”, Vol. 16, pp. 214-28.

Bruce, M., Moore, C. and Britwistle, G. (2004). *International Retail Marketing: A Case Study Approach*. Oxford: Elsevier Butterworth-Heinemann, pp. 161-165.

Brusati, B. (2013). *Brand Extension: How Far Can You Go?*. Available: <http://isabellabrusati.com/wp-content/uploads/2013/04/Brand-Extension-How-Far-Can-You-Go.pdf>. [Last accessed 20th November 2014].

Christopher M., Moore John Fernie and Steve Burt, (2000), *Brands without Boundaries – The Internationalization of the Designer Retailer’s Brand*, “European Journal of Marketing”, Vol. 34, pp. 919-937.

Coleridge, N. (2008). *Fashion Brands: Branding style from Armani to Zara*. 2nd ed. London: Kogan Page Limited, pp. 188-143.

Collins, J. & Hussey, R. (2003). *Business Research*. 2nd ed. Hampshire: Palgrave Macmillan, pp. 47-106.

Craven, J. (2011). *Giorgio Armani*. Available: <http://www.vogue.co.uk/spy/biographies/giorgio-armani-biography>. [Last accessed 20th November 2014.]

Creswell, J. (2003). *Research Design; Qualitative Quantitative and Mixed Method Approaches*. 2nd ed. London: Sage Publications, pp. 4-23.

Chung, K., Lavack, A. and Smith, M. (2001). *Consumer Evaluation of Vertical Brand Extensions and Core Brands*. *Journal of Business Research*. 52 (3), pp. 201-224.

Dacin, Peter A. and Daniel C. Smith (1994). *The Effect of Brand Portfolio Characteristics on Consumer Evaluations of Brand Extensions*. “Journal of Marketing Research”, Vol. 31, pp. 229-242.

Davis, J. (2010). *Competitive Success: How Branding Adds Value*. West Sussex: John Wiley & Sons, pp. 61-81.

de Chernatony, L., McDonald, M. and Wallace, E. (2011). *Creating Powerful*

*Brands*. 4th ed. Oxford: Elsevier Ltd, pp. 151-164.

DeVault, G. (2014). *Market Research - Deductive Versus Inductive*. Available: <http://marketresearch.about.com/od/market-research-quantitative/a/Market-Research-Deductive-Versus-Inductive.htm>. Last accessed 10th December 2014.

Dubois, B. and Duquesne, P. (1993). *The Market for Luxury Goods: Income versus Culture*. "European Journal of Marketing". 27 (1), pp. 35-44.

Dubois, B. and Laurent, G. (1996). *The Functions of Luxury: A Situational Approach to Excursionism*. *Advances in Consumer Research*. 23, pp. 470-77.

Doyle, P. and Stern, P. (2006). *Marketing Management and Strategy*. 4th ed. Essex: Pearson Education Limited. pp. 180-182.

Faurhold, C. F. (2008). *Redefining Luxury: A Review Essay. Creativity Encounters*. [Online]. Available from: <http://openarchive.cbs.dk>. [Last accessed: 20th November 2014].

Fenigshtein, A., Scheier, M. S., and Buss, A. H. (1975). *Public and Private Self-consciousness: Assessment and Theory*. *Journal of Consulting and Clinical Psychology*. 43 (4), p. 21.

Garfein, R. T. (1989). *Cross-cultural Perspectives on the Dynamics of Prestige*. *Journal of Services Marketing*. 3 (3), pp. 17-24.

Groth, J. C., and McDaneil W. (1993). *The Exclusive Value Principle*. *Journal of Consumer Marketing*. 10 (1), pp. 10-16.

Hague, P. and Jackson, P. (1996). *Market Research: A Guide to Planning, Methodology and Evaluation*. London: Kogan Page Limited, pp. 107-146.

Hanslin, K. and Rindell, A. (2014). *Consumer-brand relationships in step-down line extensions of luxury and designer brands*. *Fashion Marketing and Management*. 18 (2), pp. 145-168.

Hoffman, A. and Coste-Maniere, I. (2012). *Luxury Strategy in Action*. Hampshire: Palgrave Macmillan, pp. 144-155.

Jankowicz, A. D. (2005). *Business Research Projects*. London: Chapman and Hall, pp. 55-86.

Laforet, S. (2010). *Managing Brands*. Berkshire: McGraw-Hill Education, pp. 173-194.

Lamb, R. (2011). *How far is too far with brand and line extensions?*. Available: <http://www.luxurydaily.com/how-far-is-too-far-with-brand-extensions/>. Last accessed 14th November 2014.

Leong, S. M., Angs, S. H., and Liao, J. (1997) *Dominance and Dilution: The Effects of Extending Master Brands*. *Journal of Consumer Marketing*. 14 (5), pp. 12-32.

Mason, R. (1998) *The Economics of Conspicuous Consumption: Theory and Thought since 1700*. Aldershot. Edward Elgar.

Munthree, S., Bick, G. and Abratt, R. (2006). *A framework for brand revitalization through an upscale line extension*. *Product & Brand Management*. 15 (3), pp. 157-167.

Newman, A. and Cullen, P. (2002). *Retailing: Environment and Operations*. United States: Pat Bond, pp. 196-203.

Okonkwo, U. (2007). *Luxury Fashion Branding*. Hampshire: Palgrave Macmillan, pp. 65-77, 198-171, 225-237, 267-277.

Ries, A. and Trout, J. (1986). *Positioning: The Battle for Your Mind*. New York: McGraw-Hill, pp. 105-118.

Roper, S., Caruana, R., Medway, D., and Murphy, P. (2013). *Constructing Luxury Brands: Exploring the Role of Consumer Discourse*. *European Journal of Marketing*. (45), p. 7.

Saunders, M., Lewis, P. & Thornhill, A. (2009). *Research Methods for Business Students*. 5th Ed. Essex: Pearson Education Limited.

Subodh, B., Kelley, G. and O'Donnell, K. (1998). *An Investigation of Consumer Reactions to the use of Different Brand Names*. Journal of Product and Brand Management. 7 (1), pp. 41-50.

Taylor, D. (2001). *Brand Stretch: why 1 in 2 extensions fail, and how to beat the odds*. West Sussex: John Wiley & Sons Ltd., pp. 1-3, 17-24, 101-103.

Varley, R. and Refiq, M. (2014). *Principle of Retailing*. 2nd ed. Hampshire: Palgrave Macmillan, pp. 231-236.

Vickers, S. J., and Renand, F. (2003). *The Marketing of Luxury Goods: An Exploratory Study – Three Conceptual Dimensions*. The Marketing Review. (3), p. 15.

Vigneron, F. and Johnson, L. (1999). *A review and a conceptual framework of prestige seeking consumer behavior*. Academy of Marketing Science Review 1999, pp. 1-17.

Vigneron, F. and Johnson, L. (2004). *A Review and a Conceptual Framework of Prestige-Seeking Consumer Behavior*. A Review and a Conceptual Framework of Prestige. 1 (15), pp. 209-218.

Walliman, N. (2011). *Research Methods: The Basics*. Oxon: Routledge, pp. 21-28.

Wilson, J. (2012). *Essentials of Business Research: A guide to doing your research project*. London: SAGE Publications.

Yen, C. (2007). *How the strength of parent brand associations influence the interaction effects of brand breadth and product similarity with brand extension evaluations*. Product & Brand Management. 16 (5), pp. 334-341.