

APPAREL AND ACCESSORIES

## Stars War: It's Gucci vs. Louis Vuitton

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*Under Alessandro Michele, Gucci has veered to exuberant garden motifs with fashion shows heavily dosed with ghoul, with resulting record sales affirming that consumers have saluted that tack. Image credit: Gucci, Facebook*

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Gucci CEO Marco Bizzarri recently announced that Gucci aims to reach 10 billion (\$11.7 billion) in revenue in the near future.

In 2017, the brand reached a peak of 6.2 billion (\$7.2 billion) with a growth rate of 42 percent compared to the previous year. The brand's obvious target is Louis Vuitton, owned by competitor luxury group LVMH.

It is a battle of giants that is fiercely fought by both sides with totally different approaches to brand management.

*Louis Vuitton's brand strategy is based on:*

- Long-term management. Yves Carcelle successfully managed the brand for more than 20 years. Michael Burke, who joined the company from Bulgari, was appointed CEO of Vuitton in 2012 and he is one of the executives closest to Bernard Arnault, LVMH founder/CEO.
- Multi-designer approach. Every category of products has a creative director: Nicolas Ghesquire for women's, Virgil Abloh for men's, and Francesca Amfitheatrof for watches and jewelry. This multi-voice approach helps develop a fresh brand vision and a mosaic brand image that enriches the storytelling.
- Directly-operated stores. The company, according to its profile on Business of Fashion, has 460 mono-brand, directly-operated stores in the world.
- No wholesale
- No discount policy
- No outlets
- Founded in 1854, it has around 10,000 employees globally
- Both women's cruise collections developed by Mr. Ghesquire and shown at the Foundation Mitis at Saint Paul-de-Vence were inspired by the French Riviera lifestyle and the men's collection that saw the debut of Mr. Abloh in the gardens of Palais Royal were inspired by light, brightness, joie de vivre and a very contemporary attitude.

Colorful yet sophisticated, both collections developed a strong approach to fashion and luxury with great attention to detail, color palette and shapes, but also with a connection to the coolest trends of the moment.

- Brand first.

*Gucci, by contrast, is distinguished by:*

- Higher turnover at CEO level. Mark Lee's tenure at Gucci lasted four years (2004-08) and he was considered by *WWD* "one of the industry's most admired executives who grew Gucci revenues 46 percent during his four-year tenure but saw its rise wobble." Patrizio Di Marco (who then married the brand creative director Frida Giannini) stayed on board until 2014, then Marco Bizzarri joined in 2014. In an interview to Italian newspaper *Corriere della Sera*, he said that "a CEO must leave his post after five to six years' tenure, otherwise he risks to be overwhelmed by self-gratification." This high turnover gives strong shots of energy to the brand and high growth rates but also puts it at risk of rapid exhaustion.
- Monolithic creative direction. Following Tom Ford's forced departure, both Ms. Giannini and her successor, Alessandro Michele, took the reins overlooking all the product categories developed by the brand and giving to it their strong and distinctive imprint, starting from scratch with their own personal brand development.
- Designer centric
- Established in 1921, it has around 11,500 employees
- There are 529 directly-operated stores, a wholesale network and quite a relevant network of outlets
- The last cruise collection depicted a very dark vision of the brand, including a nighttime show in Arles in an ancient cemetery full of esoteric symbols displayed on the products. Mr. Michele's obsession for the dark world and for death was clearly represented in this event marked by church bells and night walks fiery catwalks.



*Helmed by many creative chiefs, Louis Vuitton marketing and merchandise for its different lines displays a light touch of French elegance and joy of life. Image credit: Louis Vuitton*

The very interesting evolution of these two brands is clearly influenced by their own bosses, the chairmen of LVMH and Kering.

With different visions of business and personal approach to life, Mr. Arnault and Francois-Henri Pinault are driving the competition as undisputed leaders.

Since the arrival of Mr. Michele at the creative direction of Gucci, the brands apparently took a very different brand-image direction.

It seems like Mr. Michele married the idea of being driven by esoteric inspiration and obsession for the afterlife with a parallel dimension inhabited by weird creatures, freaks and Freemasonry symbols. Where models walk around with their own severed head under the armpit and where esoteric animals live a very unusual life.

It seems that Mr. Michele tried to drive the Star Wars Force to learn and expand key skills to win the battle. He created a sort of Dark Empire fighting to conquer the throne and become the king of the Expanded Universe.

Mr. Michele's world is murky and full of shadows. He plays around with power symbols trying to lure a never-ending success and recognition. He acts like a fallen angel, in constant conflict with peace and light.

On the other side, Louis Vuitton's Mr. Abloh developed the opposite for his first show. A rainbow catwalk created in the garden of the Palais Royal, sunshine, light colors and lots of white. An emotional, happy gathering that also marked the successful path of an African-American from Rockford, Illinois. Paradise on Earth.

Mr. Abloh set himself as the champion of the Expanded Universe. Obsessed by the good, enjoyable life. Surrounded by Light.

IN WHAT HAS rapidly become a Stars War, where the Empire fights the Jedi, the Dark wants to overwhelm the Light, Gucci and Vuitton represent the fierce competition between devils and angels, the short-term profit and the long-term endurance.

Will the Sith be able to reign over the galaxy?

Will the Jedi light side prevail over the dark side of the Force?

May the Force be with them.



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