

Louis vuitton – japan

[Business](#), [Company](#)



Executive Summary: Louis Vuitton, a pioneer in luxury market has Japan a key market with largest revenue generator during its golden period. Due to adverse consequences of global recession, the slowdown was also faced by Louis Vuitton. In order to regain its fame, Louis Vuitton needs to change its manufacturing strategy and the production strategy. Goal: To reinvent and regain the cachet, Louis Vuitton needs to increase and attain the largest market share in five years.

Louis Vuitton offers a wide range of luxury brands and was a trend setter in Japan. One of the key components which drive this goal strategy is the overall market growth. Although luxury market growth rate has reduced due to the global financial crisis, the Japanese luxury market growth rate was still at six percent. Also, the customers has been shifting to low price segment, the Japanese way of consuming luxury brands was a kind of social value that they cannot afford to lose. Impediment:

The global financial crisis affects the consumer mind set and the behavior. The first and the most important key impediment which proves to be the major obstacle in achieving the goal is high priced products offered by Louis Vuitton that could easily be attacked by other competitors. The various other companies offer the luxury products at competitive price as compare to Louis Vuitton have shaken the market share. Moreover, the product line offered by Louis Vuitton is limited and monotonous from past few years which made less impact on the consumers.

Louis Vuitton was growing its strategy towards mid size and smaller cities but no attempt was made to promote the brand in these cities. Solution: In

order to revive the company, and to increase the overall market share in Japan, Louis Vuitton needs to change its manufacturing strategy by setting up a manufacturing plant in Japan with some of the French workforce leading the plant. Since Japanese luxury market is one of the leading market segments, this would eventually decrease the import cost and French workforce would help in gaining the customer satisfaction. Moreover, it will also avoid the counterfeiting because the product is manufactured and consumed at the same place. Low scaled promotions could also be advertised during the discount season in mid size cities. Also Jacobs had signed a contract until 2018 and Marc Jacobs's label was one of the rising stars in LVMH's portfolio. Jacobs could also bring many other new opportunities to just keep up the brand image and value.