

A chanel bag is
officially the best
financial investment
you could make

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The paper "A Chanel Bag Is Officially the Best Financial Investment You Could Make" is a delightful example of an essay on finance and accounting. The world of fashion is competitive and to achieve customer satisfaction, there is a need for exceptional creativity. People have different tastes and preferences which are defined by personal desires or the environment. The female gender, however, is more versatile compared to that of the males, in fashion and design. The most successful designers and fashion stores in the world embrace diversity and continuous revolution to satisfy demand in this field. Chanel S. A is a France based fashion company that has achieved commercial success due to its ability to embrace the changing fashion trends. The franchise designs and manufactures a range of products such as perfumes, dresses, shoes, and bags. A focus on flap bags, one of Chanel's products helps understand the elements of the franchise's commercial success, such as the company's growth, market size, product development and valuation.

In the previous years of her career, Coco Chanel focused on designing female hats, but later on, she ventured into female clothes. During the Second World War, she observed that soldiers had flap bags that would be fastened around the waist. To improve the bag, Coco added a flap and also embraced the use of leather (Choi and Lee 114). Over the years, the Chanel products significantly evolved, especially after she took a hiatus from the market and later returned after over a decade. Chanel grew to become a multimillion franchise that deals with a range of classy, feminine products. Notably, Coco's environment and her innovative nature significantly motivated her designs.

Leather remains the raw material for Chanel products. The flap bags come in different designs, sizes, and colours which give buyers a chance to select one that fits their style. By creating a range of the same product, Chanel closed the gap of selection whereby customers have a wide range of the same item. For instance, by producing the flap bags in a variety of colours and flaps or handles of different designs, Chanel captures all forms of aesthetic attraction (Choi and Lee 120). Indeed, Chanel's ability to create a range of product designs significantly influences the businesses commercial success.

One way through which Chanel created value for its products is by rising as a high-end commercial fashion franchise. Over the past six years, Chanel's flap bag price has increased by 70 per cent. An analysis of why the prices changed reveals that the franchise's identity to sell luxury products is one of the factors (Leaper). Moreover, renowned world personalities have an identity with Chanel. At the moment one Chanel flap bag goes for at least 4, 500\$ from the original costing 200 \$ in the mid-20th century. Therefore, the marketplaces and people of interest have played a fundamental role in Chanel's pricing strategies.

An analysis of Chanel's micro and macro environment reveals that it associates with the rich and wealthy in society. Technically, a middle-class citizen cannot afford a product by Chanel. Therefore, celebrities, royal families, and other top personalities in the entertainment industry and sports form a large market base for Chanel products. Thus, Chanel has a macro-micro market environment that targets people with financial freedom.

In conclusion, it is notable that the flap bags produced by Chanel have

different unique characteristics that have facilitated the brand's growth. The franchise uses leather, different designs, and colours for product development. The high prices of their products are influenced by their elite customer populations who have made Chanel become more of a luxury fashion store. Therefore, despite targeting a specific social class, the company still realizes a good amount of profit every financial year.