



## Degree Program in: Marketing

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The Expansion of Western Fashion Brands into Asian Markets:  
Marketing Strategies and Cultural Localization

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# Introduction

The fashion business has experienced significant change in recent decades, redefining its organizational structures, cultural dynamics, and geographic borders. Fashion has evolved from a system that was historically based in Europe, with Paris and Milan serving as the hubs of inventions and craftsmanship, to a worldwide phenomenon that may influence social identities, consumption patterns, and tastes in a wide range of circumstances. Due to economic globalization, the digitalization of consumption, and the emergence of large luxury conglomerates, Western Maisons have become internationalized. This has allowed brands to become authentic cultural and symbolic actors of modern society, extending their influence well beyond their initial borders.

Asian markets have taken centre stage in this framework, both because of their economic importance and because of the intricate cultural codes that characterize them. China is the primary force behind the development of the luxury market due to the country's rapidly expanding middle class and the proliferation of distinctive digital ecosystems. Despite going through an economic maturity era, Japan nevertheless has a sophisticated aesthetic and symbolic influence that determines world trends. In these situations, Western business must balance the need to adjust to countries with radically different values, sensibilities, and consumption patterns with maintaining their global identity, which is based on legacy, storytelling, and image consistency.

In the fashion industry, where a product's symbolic worth frequently surpasses its practical use, the conflict between uniformity and adaptation has long been discussed in the literature on international marketing. While maintaining a brand's symbolic capital requires identity consistency, building legitimacy, proximity, and relevance in the eyes of local consumers requires cultural adaptation. At the core of the current study is the equilibrium, which is continually negotiated and never fully attained. Therefore, the following is the issue this thesis aims to answer: *how do Western fashion brands balance the consistency of their global identity with cultural adaptation in Asian markets, particularly in China and Japan?*

The thesis uses theoretical and historical analysis along with qualitative empirical research to address this problem. After reviewing the evolution of the global fashion market with an emphasis on internationalization tactics and globalization dynamics, the conversation shifts to the economic, cultural, and symbolic aspects of Asian markets, emphasizing obstacles as well as opportunities for Western brands. The study then investigates international marketing viewpoints on adaptation and standardization, building on ideas of glocalization and intercultural communication. In order to

observe how theoretical models are translated into actual strategic and operational practices, the final section takes an empirical stance, based on an interview with a professional involved in coordinating media activities for the Asia-Pacific region at a leading Western luxury fashion brand.

The goal of the thesis is to present a critical viewpoint that connects theory and practice, not a universal recipe for Western businesses' success in Asia. According to this perspective, the study demonstrates that organizational flexibility, mediation skills, and multicultural competences are just as important to the success of Western businesses in Asia as physical assets, inventiveness, and communication talents. The main difficulty is converting universal ideals into stories that resonate with different cultures without sacrificing identity consistency.

# CHAPTER 1

## The Global Fashion Market: Trends and Challenges

### 1.1 From Haute Couture to Global Empires: the strategic evolution of Western fashion Brands

From the early European courts to the emergence of Maisons like Worth, Chanel, Dior, and Saint Laurent, which established fashion as a system of symbolic distinction and luxury branding, the historical development of Western fashion represents a process of cultural institutionalization. The reinforcement of Made in Italy coincided with the Italian history of artisanal craftsmanship, as companies like Ferragamo, Prada, and Gucci went from being modest workshops to major participants in the global market through strategic rebranding, creative leadership, and worldwide distribution. Industry structures were redesigned by the merger of companies like LVMH, Kering, and Richemont, which promoted global expansion and operational synergies. Branding and customer interaction have become omnichannel ecosystems since the early 2000s thanks to digital innovation in the form of social media, e-commerce, and immersive technologies. By combining technological innovation, craftsmanship, and legacy with glocalized strategies, modern Western fashion businesses maintain their competitiveness while offering the managerial and cultural skills required to enter challenging markets like China and Japan.

#### 1.1.1 The Origins of Western Fashion and the first Maisons

It would be inaccurate to interpret the history of western fashion brands solely as a chronological succession of maisons and famous designers; rather, it reflects a process of cultural institutionalization in which fashion became a symbolic representation of identity, social power, and taste. According to *Crane (2000)*, the fashion industry evolved as a social and communicative system that was able to create shared meanings through the production of desire and processes of distinction (*Bourdieu, 1984*).

However, the phenomenon of Western fashion companies has much longer roots, dating back to the seventeenth and eighteenth-century European courts. It was not until the late 19th and early 20th century that completely organized businesses that may be categorized as contemporary fashion brands began to appear. Charles Frederick Worth (1812-1895)<sup>1</sup>, widely regarded as the first modern

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<sup>1</sup> Charles Frederick Worth is considered the first modern fashion designer because he transformed tailoring into an independent creative and commercial enterprise, anticipating the concept of the “couturier”.

couturier, was born in Paris and became the iconic designer. In the 1850s, Worth established the House of Worth, introducing the idea of seasonal collections and changing the dressmaker's function from that of a mere provider to that of trendsetter, taking complete charge of production, promotion and distribution.

By introducing clothing influenced by jersey textiles and masculine tailoring, Gabrielle "Coco" Chanel (1910) transformed women's fashion and made it a symbol of ease, independence, and contemporary elegance. Her style rejected the restrictive silhouettes of the past and championed a simple philosophy that is still influential today (*Crane, 2000*).

Chanel (1910), Christian Dior (1946), and Yves Saint Laurent (1961) were the three major Parisian maisons that emerged in the following decades. They were all characterized by a distinct style and vertically integrated offering that included the atelier, ready-to-wear, accessories and fragrances. With their careful craftsmanship, gripping narratives, innovative leadership, and exclusive distribution, these companies established the groundwork for premium branding.

With a vertically integrated offering that covered the atelier, ready-to-wear, accessories, and perfumes, each of these maisons represented a distinct aesthetic perspective. According to *Kapferer and Bastien (2012)*, these organizations developed a coherent story based on factors essential to the perceived worth of luxury, such as scarcity, place of origin, and artisanal skill. A distinctive and identifiable artistic fantasy was established by their communication techniques, which frequently relied on mythologized founder biographies.

In 1947, Christian Dior introduced the renowned "New Look"<sup>2</sup>, which revived post-war haute couture with a silhouette that prioritized abundance, luxury, and femininity. This tactic demonstrated the symbolic and emotional dimensions of luxury branding while reinforcing Paris's supremacy in international fashion (*Kapferer & Bastien, 2012*).

### 1.1.2 The rise of Made in Italy and the Democratization of Fashion

The rise of micro enterprises like Gucci (1921), Prada (1913), and Ferragamo (1927) reinforced the artisanal tailoring tradition in Italy at the same time. These companies maintained a close relationship with the Made in Italy philosophy and established a reputation for producing high-quality and

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<sup>2</sup> In contrast to post-war austerity, the "New Look" celebrated femininity with its wide skirts, thin waist, and rounded shoulders.

exceptional products. Many of these brands changed their identities as global players and opened mono-brand boutiques<sup>3</sup> in the 1960s and 1970s.

Italy has successfully used its cultural capital<sup>4</sup> by turning regional craftsmanship into a unique economic advantage that can be exported and replicated globally, as noted by *Moore and Birtwistle (2005)*.

Fashion consumption underwent a significant change in the middle of the 20<sup>th</sup> century as new middle classes began to demand well-made, well-designed clothing at more affordable prices. Ready-to-wear really took off at this time, as companies managed to mix imaginative design with mass manufacture. By democratizing haute couture by making its aesthetic accessible to a wider audience, Yves Saint Laurent launched the Rive Gauche line<sup>5</sup> in France in the 1960s. Max Mara, which was founded in 1951, set itself apart in Italy by producing high-quality outerwear at prices lower than those of well-known fashion houses.

For many Italian fashion labels, this evolution was a turning point as they progressively evolved from little handmade businesses to well-established international players. Brands like Gucci, Prada and Ferragamo were prime examples of this shift; after being praised for their leather goods and handmade origins, they strategically rebranded and expanded, which put them back on the world stage of luxury. Redefining brand narratives, aesthetics, and consumer interaction marked a sea change with the recruitment of innovative creative directions like Tom Ford at Gucci<sup>6</sup> in the 1990s and Miuccia Prada's avant-garde leadership. These changes were frequently accompanied by strategic partnerships, managerial reorganizations, and the implementation of international distribution models. These included the opening of flagship stores<sup>7</sup> in major fashion hubs around the world and the diversification of product categories to include lifestyle items, footwear, and fragrances. Prada's 2011 Hong Kong initial public offering (IPO)<sup>8</sup> further highlighted the industry's increasing reliance on financial markets to finance innovation and global expansion (*D'Arpizio & Levanto, 2020*).

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<sup>3</sup> Stores that only carry a single brand's merchandise to preserve direct control over the consumer experience and reinforce brand identification.

<sup>4</sup> Taste, education, and cultural understanding are examples of symbolic resources; in the context of luxury, owning high-end products serves to uphold one's social standing.

<sup>5</sup> The first prêt-à-porter collection created by an haute couture designer, "Rive Gauche," made couture fashion more widely available without sacrificing its unique aesthetic.

<sup>6</sup> One of the most famous fashion comebacks was Gucci's relaunch in the 1990s under Tom Ford's creative supervision, which signalled a move toward a sensuous and provocative aesthetic.

<sup>7</sup> Located in key locations, flagship stores serve as immersive experiences and a means of communicating the brand's symbolic significance.

<sup>8</sup> An example of opening to Asian capital and drawing in investors with significant purchasing power was the Hong Kong IPO.

At the same time as this transformation was taking place in Italy, France was developing its own fashion democracy model, the goal of the French method, which was typified by Yves Saint Laurent's Rive Gauche collection, was to transform prêt-à-porter into wearable art that was frequently infused with ideological and cultural meaning. By pushing the limits of fashion as a medium for both political and personal expression, the French model prioritized the role of the designer as a cultural figure and trendsetter (*Crane, 2000*). The Italian approach, on the other hand, was based more on manufacturing, quality and functionality. Instead of emphasizing artistic production, Italian fashion democratization concentrated on providing stylish yet affordable clothing to the growing middle class, which desired sophistication without going overboard. For example, Max Mara's superior outerwear exemplified a practical sophistication that came to represent Italian ready-to-wear (*Moore & Birtwistle, 2005*).

In addition to influencing the organizational and stylistic characteristics of their respective fashion industries, this difference between French and Italian approaches also strengthened disparate customer expectations in international marketplaces. Italy used its industrial and artisanal infrastructure to scale high-end fashion without sacrificing quality, whereas France promoted a culture of haute couture accessibility through stylistic creativity. But in the second half of the 20th century, both models were instrumental in reshaping the fashion scene and creating the foundation for the modern global luxury market.

### 1.1.3 The rise of Luxury Conglomerates and Global Expansion

Through smart alliances with low-cost textile and manufacturing companies, first in Southern Europe and later in Asia, industrialization progressed. At the same time, the three main luxury companies, Richemont, Kering and LVMH, started to take shape. By combining supply chains, international marketing initiatives, and distribution networks under a single management framework, these holding companies went beyond the simple coordination of the separate brands.

The rise of luxury conglomerates like LVMH Kering and Richemont in 1980s and 1990s drastically altered the structure of the sector. Through centralized control of retail, logistics, and narrative, these groups were able to “assembling charisma”<sup>9</sup> while maintaining each brand's distinct character (*Dion and Arnould 2011*). In addition to facilitating operational and financial synergies, this holding arrangement sparked worries about perceived authenticity and creative uniformity. This strategy is best illustrated by LVMH, which was established in 1987 by the union of Louis Vuitton and Moët

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<sup>9</sup> The term "assembled charisma" refers to the way luxury firms use storytelling and retail design to combine creative, symbolic, and ritual components to create an air of exclusivity.

Hennessy and strengthened by Bernard Arnault's 1984 purchase of Dior, which effectively strikes a balance between scalability and prestige (*Tungate, 2008*).

Western fashion firms have been forced to embrace geographic expansion as their primary growth strategy since the 1980s due to the acceleration of globalization and the deregulation of the overseas markets. Prominent luxury brands like Burberry, Dior, Armani, Prada and Gucci opened flagship stores in major cities across the world, such as New York, Tokyo, Beijing and Dubai. These stores served as experiential touchpoints and sales locations to reinforce symbolic capital and communicate brand identity. According to Rocamora (2009), these boutiques serve as "cultural ambassadors", bringing the brand's personality and history to the world. By acting as cultural ambassadors over time, these boutiques have raised the history of each brand to a lofty standard.

Product offers also became much more varied at the same time, with brands launching supplemental lines alongside their ready-to-wear collections, including accessories, footwear, cosmetics, and fragrances. By introducing diffusion lines<sup>10</sup> at affordable prices, like Armani Exchange, Chloé's See by Chloé, and Prada's Miu Miu, heritage brands were able to reach a wider range of consumers and maximize income streams and brand equity<sup>11</sup> distribution.

#### 1.1.4 Digital Innovation and new branding frontiers

The digital revolution changed the business models of Western fashion business starting in the early 2000s. E-commerce integration sparked the creation of collaborations with international online retailers (Net-a-Porter, Farfetch) and proprietary digital platforms (*Gucci.com*), which improved conversion rates and the omnichannel shopping experience. As one of the first luxury companies to introduce its own e-commerce platform, Gucci now uses digital touchpoints to interact with over 98% of its customers, demonstrating the effectiveness of advanced digital ecosystems (*McKinsey & Company, 2023*). Concurrently, social media marketing on sites like Facebook, Instagram, and YouTube enabled the production of narrative-driven content and direct community interaction, which was strengthened by partnerships with influencers and key opinion leaders (KOLs), which had a particularly strong effect in Asian markets.

By enabling virtual product trials and the creation of digital flagship stores (like the Dior Virtual Store), immersive technologies, like virtual reality, augmented reality, and digital mirrors, have

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<sup>10</sup> Luxury brands introduce secondary lines to appeal to younger or less well-off client groups while maintaining the main line's distinction.

<sup>11</sup> The perceived worth of a brand, which is determined by favourable mental connections, loyalty, and recognition. In the luxury market, it is an essential intangible asset.

brought about new customer-brand interactions in recent years. These immersive technologies serve as interactive preludes to online or in-store purchases.

Digital transformations have evolved into a strategic pillar for luxury fashion firms, going beyond immersive experiences. Personalized client journeys are made possible by the use of artificial intelligence and data analytics, as demonstrated by Burberry and Louis Vuitton (*Deloitte, 2022*). By combining physical storefronts with digital resources “phygital”<sup>12</sup> touchpoints in omnichannel shopping have developed into a fully integrated brand ecosystem that improves customer engagement (*Pantano & Gandini, 2017*). User-generated content, influencer marketing and social media platforms all serve to further strengthen brand storytelling, particularly with Gen Z and Millennials consumers. Digital advertising platforms are becoming essential to luxury branding: they serve as important venues for establishing identity and loyalty in addition to being sales channels (*Kapferer & Bastien, 2012; OkonKwo, 2010*).

#### 1.1.5 Strategic Synthesis and Global perspectives

Three main pillars of today’s most successful Western fashion houses are: (1) the creation of a cohesive and multifaceted brand identity through storytelling, creative heritage, and founder charisma; (2) the persistence of manufacturing excellence through the integration of artisanal craftsmanship with cutting-edge technologies (such as 3D printing and eco-friendly materials, as seen in Gucci Garden<sup>13</sup> ateliers); and (3) the application of glocalized international strategies that integrate digital communication, e-commerce, and physical retail, as exemplified by LVMH’s partnership with Tmall in China.

Major Western fashion houses found that maintaining their competitive sustainability requires three key components: first, the development of a unique brand identity through cohesive, multifaceted storytelling that highlights creative DNA, founder narratives, and corporate heritage; second, the preservation and improvement of manufacturing excellence through the integration of artisanal craftsmanship (as demonstrated by Gucci Garden ateliers) with cutting-edge production technologies, such as eco-friendly materials and 3D printing; and third, the implementation of an integrated international strategy that unifies physical retail, e-commerce, and omnichannel approaches, applying

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<sup>12</sup> A neologism that combines the words "physical" and "digital," it refers to the process of fusing immersive digital experiences with real-world retail places to make them desirable and exclusive.

<sup>13</sup> Gucci Garden is a concept that uses eco-friendly materials and cultural narrative to blend sustainability and brand experience.

glocalization<sup>14</sup> principles in messaging, pricing, and local partnerships (e.g. LVMH's partnership with Tmall in China).

Globalization has nevertheless, brought to light a number of structural issues. Finally, managing a global supply chain necessitates strict quality control and compliance with various regulations while integrating sustainability and corporate social responsibility criteria; adjusting offerings to diverse cultural contexts can dilute brand uniqueness; widespread counterfeiting in emerging markets carries serious reputational and legal risks; and striking a balance between investment in physical retail locations and the rise of digital channels requires careful capital allocation to maximize return on investment and deliver a seamless customer experience across all touchpoints.

The ability to combine historical tradition, artisanal mastery, technical innovation, and international branding tactics is what has allowed Western fashion firms to evolve from the elite tailors of early modern Europe to today's integrated global players. This trajectory serves as the foundation for their successful foray into culturally diverse markets like China and Japan, where securing sustainable market penetration requires strategic managerial competencies in addition to heritage reputation.

In conclusion, the capacity of Western fashion firms to blend historical legacy, artisanal skill, technical innovation, and smart worldwide branding has propelled their development from elite tailors to global players. This trajectory serves as the cornerstone for their growth into culturally diverse areas like China and Japan, where maintaining market penetration calls for both sophisticated managerial skills and strong brand reputation.

## 1.2 Dynamics of Globalization and Internationalization in Fashion

Fashion's globalization has progressed from regional artisanal settings to intricate worldwide strategies marked by digital transformation, networked supply chains, and cultural hybridization. Luxury firms have transitioned from linear expansion to more dynamic and relational types of internationalization, as explained by theoretical frameworks like the Uppsala Model, the Global Value Chain approach, and the Standardization-Adaptation matrix. Three historical waves can be distinguished: the first, which took place in the 1970s and 1980s and was characterized by physical expansion into markets such as North America, Japan, and the 1990s and 2000s and was fuelled by luxury conglomerates, financial consolidation, and global branding; the third, which took place in the 2010s and is currently characterized by digital platforms, the growth of Asian markets, and cultural

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<sup>14</sup> It refers to the process of adapting global techniques to local cultural specificities and combines the terms "globalization" and "localization."

co-creation. Brands must strike a balance between consistency and adaptability considering current dynamics that prioritize glocalization, sustainability, and digital ecosystems. Effective tactics highlight the reciprocal cultural flows between Asia and the West by integrating cultural mediation, phygital innovation, and hybrid identities.

### 1.2.1 Theoretical and Historical Evolution of fashion globalization

Throughout history, the fashion business has been closely linked to regional cultural contexts, artisanal production, and identity expressions. But starting in the second half of the 20<sup>th</sup> century, the sector underwent a significant transformation as a result of the acceleration of the globalization and the development of market internationalization dynamics, which made it a symbol of global culture. In this regard, Western fashion businesses gradually shifted from endogenous development models, which were centered on local or regional markets, to global strategies intended to increase their visibility and impact globally.

Beyond the simple geographic spread of goods, fashion globalization involves a sophisticated restructuring of the supply chains for manufacturing distribution, and communication. A number of frameworks that explain why luxury fashion firms have gradually shifted from a linear expansion model to more “networked” and digital-native approaches can be used to theoretically evaluate the evolution of luxury fashion internationalization. The Uppsala Model<sup>15</sup> (*Johanson & Vahlne, 1977*) sees the expansion of foreign markets as a step-by-step process built on knowledge accumulation and steady rise in dedication to foreign markets. The focus shifts from “psychic distance” to the risk of “outsidership”<sup>16</sup> from global relationship networks in its updated edition (2009), which explains why maisons increasingly invest in local partnerships, joint ventures, and digital flagships to lessen isolation. Scholars such as Knight and Cavusgil identified extremely rapid growth paths in the late 1990s due to the emergence of born-global firms, which are companies that internationalize from inception due to innovation and entrepreneurial culture. These growth paths are particularly aligned with the digital luxury natives launched in the 2010s.

The Global Value Chain perspective (*Gereffi, 2018*) shifts the focus from “where” value is generated to “how” it is created. It emphasizes how production is offshored to specialized manufacturing hubs, while the phases with the highest symbolic yield, such as design, prototyping, communication, and retail, tend to remain concentrated in the countries of origin. This shows how advanced outsourcing

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<sup>15</sup> Internationalization, according to the Uppsala model, is a slow process built on the accumulation of market knowledge and the steady rise in foreign investments.

<sup>16</sup> According to the updated Uppsala model, the primary danger associated with internationalization is exclusion from global relational networks rather than psychological distance.

and artisanal reshoring<sup>17</sup> coexist in luxury holding group arrangements. Lastly, the Standardization vs Adaptation matrix (*Vrontis & Thrassou, 2007*)<sup>18</sup> offers a helpful framework for determining the level of identity coherence needed across various markets. For instance, Nike's City Packs or Lunar New Year capsule collections represent the pole of maximum cultural adaptability, while Chanel haute couture represents the extreme of high standardization.

Rather than being a simple “concentric circle” expansion into worldwide markets, these theoretical references help explain why modern luxury internationalization should be seen as a process characterized by cognitive leaps, network alliances, and cultural hybridizations<sup>19</sup> rather than as a linear one.

### 1.2.2 The Three Waves of luxury fashion internationalization

The process of entering and consolidating in other markets is known as internationalization, and it has taken many different forms throughout the years, including direct exports and the construction of stores with a single brand to joint ventures, franchising agreements, and internet platforms. In order to accommodate a variety of cultures, tastes, and sensitivities, this evolution has necessitated not only a reinvention of marketing strategy but also renegotiation of brand identity.

Three main waves may be distinguished in the evolution of the phenomenon. The first was marked by a physical expansion into the markets of North America, Japan, and the Middle East during the 1970s and 1980s. Using the spectacle of luxury as a unique competitive lever, brands like Versace, Dior, and Gucci opened their first international stores in major cities across the world, including New York, Tokyo, and Dubai. The second wave, which lasted from the 1990s to the beginning of the 2000s, was accompanied by the emergence of luxury conglomerates (LVMH, Kering, Richemont), which implemented economies of scale and globally standardized, yet adaptable, branding strategies while acquiring and managing portfolios of global brands.

The third wave of globalization, which is defined by fluidity, fragmentation, and interaction, began in the 2010s and was brought about by the development of digital technologies and the explosive economic expansion of emerging countries, especially in Asia. China and Southeast Asia became top targets for many Western firms as the market's center of gravity moved eastward. Internationalization

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<sup>17</sup> A strategy used by fashion brands to increase the value of "Made in" and strengthen the sense of quality and authenticity by returning a portion of their manufacturing to their home nations.

<sup>18</sup> A framework that aids in deciding whether to adjust to local cultures or preserve a consistent brand image across markets.

<sup>19</sup> A process that creates new, hybrid forms by combining civilizations. It happens in the fashion industry when cultural characteristics are incorporated into goods, businesses, or designs.

in this century required profound cultural adaptation that honored regional values, aesthetic norms, consumption patterns, and sociopolitical dynamics; it could no longer be thought of as a straightforwards duplication of Western models.

From a quantitative standpoint, it is worth noting that China continues to be the most accurate indicator of the luxury market as a whole. Low consumer confidence and revival in international shopping caused the mainland market to fall by 18-20% in 2024, returning to 2020 levels, according to the most recent Bain & Company China Luxury Goods Market Report. Forecasts for 2025, however, point to a period of steady development with “low-to-mid-single-digit” increase, while by 2030, China is predicted to contribute 40-45% of global luxury items.

The worldwide second-hand market surpassed the growth of the products and became the primary entrance point for aspirational Gen Z and Millennial consumers, reaching €48 billion in 2024 (+7% year-over-year). At the same time, pre-owned luxury has taken on a structural function. These numbers demonstrate that the growth of the circular economy and the expansion toward Asia are not only quantitative trends, but rather forces that are fundamentally altering how Western brands are being marketed internationally.

The international growth of European luxury fashion firms may be divided into three major waves, each of which builds upon and significantly alters the one before it. The first wave, which took place from the early 1970s to the late 1980s, is associated with the significant physical expansion of brands outside of their home cities. Versace’s luminous boutique in Tokyo’s Ginza district (1891), Gucci’s five-story flagship at 684 Fifth Avenue (New York, 1973) all represented the idea that “spectacle of luxury” could travel and even gain new intensity when performed in international megacities that were awash in post-industrial affluence or oil wealth. In the Gulf, the purchasing power of a small but highly mobile elite attracted to European craftsmanship was captured by the opening of early concessions in Kuwait City and Dubai even before skyscrapers dominated the desert skyline (*Al-Abdulrazzaq, 2019; Tungate, 2009*).

During the second wave, which approximately spanned the mid-1990s to the early 2000s, families gave up control to publicly traded conglomerates like LVMH, Kering, and Richemont. This occurred during a time of severe financial consolidation. These organizations maintained the sense of artistic uniqueness surrounding each maison while enforcing strict cost structures, international media purchasing, and industrial-scale sourcing. According to Kapferer and Bastien (2015), the Gucci Group’s acquisitions of Tom Ford (the Gucci era), Yves Saint Laurent, and Bottega Veneta resulted in procurement savings of four to five percentage point of historic stores in Las Vegas, Seoul, and

Moscow. However, standardization was never uniform: Louis Vuitton's interiors, designed by Peter Marino, incorporated regional motifs, such as jade sculptures in Shanghai and cherry-wood paneling in Tokyo, indicating that localization had evolved into an aesthetic necessity rather than merely a practical one (*Chevalier & Mazzalovo, 2020*).

The third wave, which gained momentum after 2010, is distinguished by its clear eastward slant, cultural fragmentation, and digital mobility. Burberry was able to livestream its 2014 Shanghai show inside a WeChat mini-program that turned over a million viewers into RMB 1.2 million in sales in a single day thanks to social-commerce ecosystems like WeChat<sup>20</sup> and Tmall Luxury Pavilion<sup>21</sup>, which blurred the lines between runway, storytelling and purchase (*Burberry IR, 2015*). Once an offshore production location, China has emerged as the world's largest demand center for luxury goods, accounting for 38% of global spending in 2019 (*Bain & Company, 2020*).

Local cultural capital might quickly overshadow Western brand mythologies in hyperconnected micromarkets formed by the fandom dynamics of Thai lakon programming and K-pop. Therefore, a strong dialogic approach was necessary for successful internationalization in the 2010s: a readiness to co-design goods, stories, and even pricing structures that appeal to local aesthetics regulatory frameworks, and sociopolitical sensibilities rather than copying European blueprints (*McKinsey, 2021*).

### 1.2.3 Glocal Strategies, Sustainability, and Digitalization

When combined, the three waves show a path from pioneering in physical stores to globally planned rollouts to co-creation through digital means. Each phase included new capabilities and difficulties, shifting the focus of competition from design to algorithms, rather than replacing the one before it.

Adopting “glocalization” tactics, which combine a global perspective with local adaptation, became essential (*Robertson, 1995*). Notable examples include the use of *Key Opinion Leaders (KOLs)* to promote brands on Chinese social media sites such as Weibo, Xiaohongshu, and Douyin; capsule collections influenced by local celebrations (such as Chinese New Year Collection); and partnerships between Western labels and local designers. By using these strategies, brands can remain culturally relevant in their target markets while preserving global consistency.

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<sup>20</sup> By providing an "all-in-one" experience—branding, sales, and CRM are all linked inside the same digital ecosystem—WeChat has revolutionized e-commerce in China.

<sup>21</sup> Alibaba established a high-end Chinese e-commerce platform with exclusive design and services that is only available to global luxury businesses.

At the same time, production outsourcing sped up supply chain globalization by moving manufacturing operations to nations with cheap labor (China, Bangladesh, Vietnam). This change lowered expenses and expanded manufacturing capacity, but it also brought up urgent moral questions about sustainability and corporate social responsibility. Many businesses are incorporating *ESG (Environmental, Social, Governance)* factors into their international strategy as a result of the growing demand from global consumers, particularly younger generations, for greater openness about manufacturing conditions, material sources, and environmental repercussions.

Luxury companies are being forced to reconsider the entire supply chain architecture due to mounting regulatory and reputational pressure. Sustainability is being transformed from an ethical value into a real requirement for market and capital access by the updated to the Corporate Sustainability Reporting Directive (CSRD)<sup>22</sup>, which will involve nearly 50,000 European companies and require the first reports beginning from the 2024 fiscal year (*finance.ec.europa.eu*). High-end holding companies are responding by enforcing decarbonization and industrial control policies at the same time. For example, LVMH is reducing emissions that make up more than 90% (96%) of its carbon footprint by mobilizing its supplier network through its LIFE 360 Business Partners programs (*lvmh.com*).

With the opening of its 33,000-square-meter Valenza Manufacture in 2025, Bvlgari doubled its production capacity and hired over 500 artisans, reinforcing the importance of “Made in Italy” in the LVMH portfolio (*lvmh.com*). Simultaneously, Kering keeps up its vertical integration plan by strengthening its control over eyewear components and reducing sourcing risks through the June 2025 acquisition of Bergamo-based producer Lenti.

Regarding climate change, Burberry was the first luxury brand to have its net-zero 2040 goal validated by science, putting the whole value chain, from fiber production to logistics of distribution, under scrutiny (*burberryplc.com*). Product innovation completes the picture: Prada’s Re-Nylon<sup>23</sup> project, which aims to convert all-origin Nylon into regenerated ECONYL yarn by 2021, shows how environmental responsibility can be used as a “price-premium” lever and storytelling tool without sacrificing style (*pradagroup.com*).

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<sup>22</sup> A European Union regulation mandating that businesses disclose their environmental, social, and governance (ESG) effects in a transparent and verifiable way.

<sup>23</sup> Prada's effort uses ECONYL®, a regenerated yarn created from plastic waste (such as carpets and fishing nets), in place of conventional nylon.

In conclusion, shorter, transparent, low-emission supply chains are becoming more and more important to luxury firms' ability to compete internationally, as brand exclusivity and regulatory compliance go hand in hand.

#### 1.2.4 Cultural mediation and New Identity Dynamics

International brand penetration was further increased by digitalization. Brands can now reach previously unreachable markets by avoiding traditional channels thanks to global e-commerce platforms like Farfetch, Net-a-Porter, and Tmall Luxury Pavilion. The genuine "third wave" of luxury globalization has been brought about by digitalization, which has caused the competitive landscape to change from physical boutiques to e-commerce platforms. Cultural intermediation has become crucial to establishing desirability, as evidenced by the fact that 86% of Chinese consumers now start their purchasing journeys online and rank content from celebrities and KOLs (Key Opinion Leaders) as the second most influential element behind official advertising. More than 150 upscale establishments function on WeChat inside a bespoke ecosystem of video channels, mini programs, and CRM tools: 94% have embraced video broadcast forms, turning messaging into a high-control direct-to-consumer (DTC)<sup>24</sup> channel, and 77% sell straight within the app (*LuxurySociety.com*).

While Douyin has become a sales accelerator, Tmall Luxury Pavilion hosts more than 200 international brands at the same time. In apparel and accessories, up to 60% of transactions started by campaign exposure are completed on the channels, providing that livestreams are effective "traffic boosters".

But the digital paradigm goes beyond e-commerce. Projects like Gucci's "phygital" initiatives (the first luxury brand to introduce a global AR try-on via Snapchat) and Balenciaga x Fortnite (which features skins and virtual hub, 2021) show how symbolic value can spread into immersive worlds and collectible virtual goods.

Morgan Stanley forecasts that by 2030, the digital fashion sector alone, which includes NFTs, skins, and avatar accessories, could provide over \$50 billion in new income, opening up a new avenue for the globalization of luxury goods. To sum up, platforms, KOLs, and augmented reality are redefining global penetration strategies. For luxury brands, this means dominating the "ecosystems" where customers create their identity and status in real time rather than just breaking into physical marketplaces.

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<sup>24</sup> A business strategy where the company sells directly to consumers, cutting out middlemen and keeping complete control of data, pricing, and branding.

Social media also make it possible to have direct, ongoing conversations with consumers throughout the world, transforming brand communication is not an engaging but an interactive process. Digitally tailored marketing are becoming vital resources for building brand communities and increasing engagement.

The symbolic dimension of fashion is another important factor that is vital to the construction of both individual and collective identities. Global fashion spreads worldviews, values, and lifestyles in addition to selling goods. In this way, brands translate aesthetic and narrative conventions across settings, serving as “cultural mediators” (*Craig & Dougles, 2006*). However, this function could lead to conflicts: among the major issues with the global spread of Western fashion are cultural appropriation, loss of authenticity, and cultural homogenization.

One of the fundamental strategic challenges in internationalization management is still the conflict between uniformity and flexibility. A strong worldwide reputation can be developed through brand uniformity, but too much rigidity can make it difficult to enter countries with different cultural norms. Some brands have embraced hybrid approaches. Burberry, for instance, customized its Chinese advertisements by working with local artists and celebrities while maintaining a strong British character. In a similar vein, Louis Vuitton preserved brand continuity by fusing its French legacy with modern interpretations catered to certain ethnicities.

Another example of a successful hybrid strategy is the Louis Vuitton X Takashi Murakami partnership (*figure 1*), which combined Murakami’s Japanese pop-art aesthetic (adaptation) with the LV’s renowned Monogram and French tradition (standardization) to appeal to younger, culture-savvy consumers in Asia and beyond. The collaboration produced international media attention, reaffirmed exclusivity and desirability, and illustrated how profound cultural customization can coexist with a consistent brand identity by translating the Monogram into colorful, limited-edition pieces.



Figure 1 - Louis Vuitton X Takashi Murakami's partnership

Through a number of iconic projects, the harmony between local relevance and worldwide consistency is shaped. WeChat became an extension of the shopping experience in 2020 when Burberry, a pioneer of the phygital hybrid model, opened the first social retail store in Shenzhen in collaboration with Tencent. While a group of Chinese creatives develop capsule collections and temporary exhibitions centered to the local Gen Z audience, clients use QR codes to access exclusive content, reserve fitting rooms, and accrue digital “rewards”.

With the Gucci Salon in Ginza (2023), a location that combines Florentine savoir-faire<sup>25</sup> with the Japanese concept of omotenashi, Gucci has reimagined the flagship concept in Tokyo. The Gucci Décor line and a private lounge where traveling artists personalized hospitality were elements of the upper floor in addition to its ready-to-wear-products.

Importantly, the globalization of fashion is neither one-way nor linear. Asian consuming aesthetics and practices (such as Chinese luxury codes, Korean minimalism, and Japanese streetwear) have started to impact Western fashion, promoting cultural hybridization. This is an example of how cultural influence is frequently reciprocal. As a result, internationalization has grown increasingly complicated, requiring a keen awareness of local dynamics, multicultural sensitivity, and attentive listening.

In conclusion, internationalization and globalization in the fashion industry today are interconnected, multi-level, and dynamic processes. The most successful brands in international markets are those that successfully strike a balance between identity, innovation, and cultural adaptability.

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<sup>25</sup> This French phrase, which means "know-how," is frequently used to describe artisanal competence as a distinguishing factor in luxury businesses.

Understanding how these processes have reshaped the presence, communication tactics, and value propositions of Western fashion brands is crucial as this thesis examines development into Asian markets, including China and Japan.

## 1.3 The Importance of Expansion into Emerging Markets

In response to stagnation in developed economies and the opportunities brought about by urbanization, the growing middle class, and the symbolic significance of luxury consumption, Western fashion labels are expanding into emerging nations. Both economic expansion and the desire for cultural wealth have made Asia, especially China and India, a strategic center. With emphasis on sustainability, craftsmanship and legacy, brands must negotiate hybrid forms of cultural expression and rising consumer sophistication in these environments. WeChat, TikTok Shop, and livestream commerce are examples of digital ecosystems that speed up market access while changing sales funnels and customer interaction. However, there are serious dangers associated with expansions: complex regulatory frameworks, financial volatility, and geopolitical tensions can quickly erode brand equity. Thus, multicultural sensitivity, flexible supply chains, and compliance-by-design are necessary for effective methods. Fashion firms may maintain their competitiveness while fostering cultural resonance in new areas by striking a balance between local adaptation and global coherence.

### 1.3.1 Strategic Drivers of Expansion into Emerging Markets

Due to the market saturation in North America and Europe as well as the economic dynamism, demographic shifts, and changing consumption patterns of emerging economies, Western fashion brands have found it strategically necessary to expand into these markets in recent decades. A growing middle class, urbanization, and a growing need for symbolic purchasing have made Asia, especially China, India, and Southeast Asia, a vital centre for the fashion and luxury industries.

The transitory economic position of emerging markets, they are modernizing and industrializing quickly but are not yet completely developed, defines them. These markets, which are frequently characterized by high levels of internal variability and instability, offer multinational brands both enormous potential and difficult problems. Favourable macroeconomic indices, including GDP growth, rising dispensable incomes, and a youthful, aspiring population, support the fashion industry's potential for expansion (*Cavusgil et al., 2014*).

From a strategic perspective, it is now imperative to penetrate these areas to maintain long-term competitiveness. While emerging markets present new opportunities for growth, innovation, and difference, Western sectors face sluggish demand, heightened competition and high operating costs

domestically. With populations of over a billion consumption basins in nations like China and India offer unmatched market opportunity. Furthermore, the value of Western brands as markets of prestige, exclusivity, and modernity is strengthened by the emergence of a “new luxury” focused on social recognition and cultural capital (*Kapferer & Bastien, 2012*).

The demand for international brands has increased due to the globalization of tastes, which has been fuelled by social media movies, and music. However, rising consumers are not passive beneficiaries of the “Western fashion model”; rather, they create hybrid forms of stylistic expression by reinterpreting the words and goods of businesses through their cultural lenses. These dynamic forces marketer to rethink interaction tactics based on narrative adaptation and intercultural awareness.

### 1.3.2 Cultural Symbolism and Digital Acceleration in Emerging Markets

Because possessing a worldwide brand confers symbolic capital and symbolizes affiliation to the urban elite, the desire for luxury purchase in emerging nations is not merely a Western imitation, but rather a mechanism of “status by association” (*Bourdieu, 1984*). But expectations are getting increasingly sophisticated. According to the Bluebell Asian Market Study 2025, a trend toward a “quieter” kind of distinctiveness is evident in the fact that 87% of Chinese customers and over 90% of those in Southeast Asia now place a higher value on quality, craftsmanship, and long-term worth than on the logo alone.

Symbolic consumption manifests itself in “global” collections. For instance, Jordan Brand turned an American archetype into a local festive icon with the release of the limited-edition Air Jordan 1 Low “Chinese New Year” 2021, which came in just 8,500 pairs and featured numbered packaging and embroidery inspired by the lunar calendar. Similarly, Western Maisons are reflecting native cultural codes to promote relevance without diminishing their legacy, as shown in capsule collections for Diwali, Ramadan, or influenced by the Korean Handbook<sup>26</sup>.

KOLs and KOCs<sup>27</sup> enhance the story dimension: 80% of Chinese customers say that a KOL’s recommendation affects their conversions, per a 2025 LinkedIn analysis. Brands are being pushed by this to refocus their advertising spending from traditional media to collaborations with producers who can “translate” luxury into stories that are believable and resonate locally.

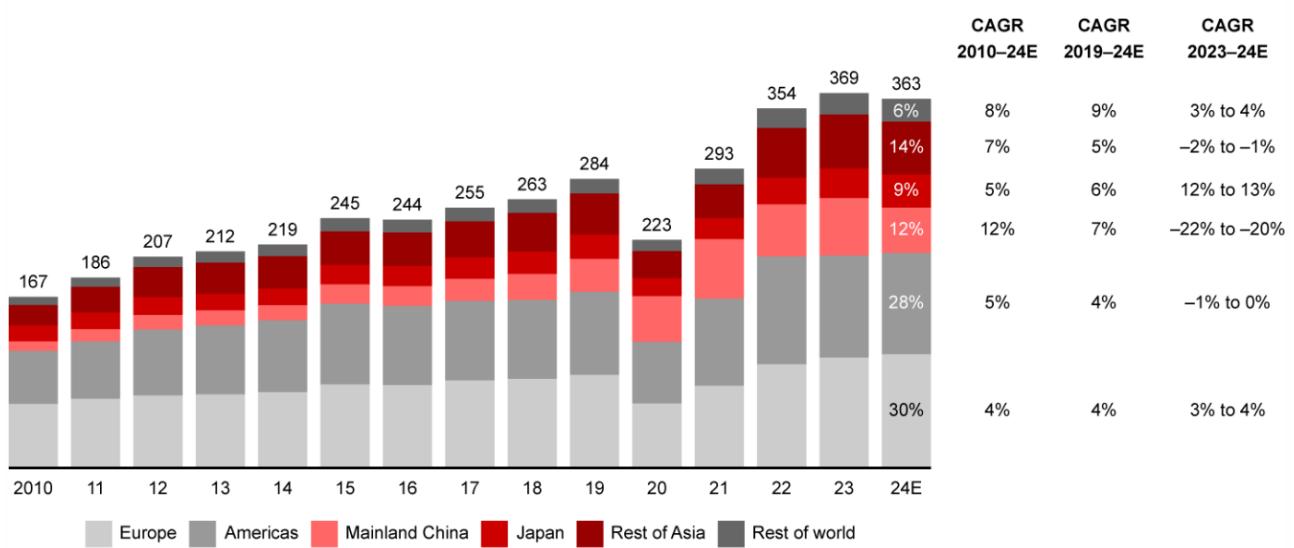
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<sup>26</sup> Localized capsule collections steer clear of preconceptions and generalizations while honouring certain occasions. They are employed to improve local ties without weakening the brand.

<sup>27</sup> Digital influencers known as Key Opinion Leaders (KOL) and Key Opinion Consumers (KOC) are vital in influencing consumer behaviour through social media.

In terms of the economy, emerging markets have grown in importance within the luxury market. Over 60% of the growth in the consumption of the luxury goods over the last ten years has come from Asia-Pacific economies, with Chinese consumers making up around one-third of global luxury spending, according to *Bain & Company's Luxury Goods Worldwide Market Study (2024)*. Access to fashion products is now possible even in less urbanized areas thanks to advancements in infrastructure, digital penetration, and mobile commerce.

**Global personal luxury goods market, by region (€ billions)**



Notes: E indicates estimated value; growth shown at current exchange rates; India included in Rest of Asia; some historical data restated in line with the incorporation of more brands in our 2024 market definition  
Source: Bain & Company

Figure 2 – Global personal luxury goods market by region (€ billion)

In this *Bain & Company's* chart (figure 2), the worldwide personal luxury goods market's regional evolution from 2010 to 2024 is depicted. Total industry revenues increased from €167 billion in 2010 to a peak of €369 billion in 2022 and then levelled off to a projected €354 billion in 2024 due to this time. The COVID-19 pandemic's impact is demonstrated by the sharp decline to €223 billion in 2020, which was followed by a swift recovery largely due to Asia. In fact, the most noticeable growth was seen in Mainland China, which is shown in pink. Revenues there increased gradually until 2021, at which point they stabilized. While Europe and the Americas (light and medium grey) continued to develop more slowly, Japan and the rest of Asia (light and dark red, respectively) also saw increases in their market shares, especially after 2021. Throughout, the comparatively tiny "rest of the world" sector (dark grey) made a negligible contribution. These regional patterns are further highlighted by compound annual growth rates (CAGR), which show that between 2010 and 2024, Mainland China increased at a pace of about 12 percent annually, followed by Japan and the rest of Asia at 7 to 8

percent, and Europe and the Americas at 4-5 percent. In the short future (2023-2024), Japan is likely to recover substantially (+12-13 percent), whereas Mainland China is expected to decrease by -20 to -22 percent as it navigates post-lockdown.

Instead of being a gradual extension of physical channels, digital retail's growth in Asian countries has been the consequence of a major technical breakthrough. The construction of physical infrastructure came after the widespread use of mobile payments. A cross-country data-driven economic model demonstrates how nations like China and Kenya were able to outstrip the US on terms of adopting mobile payments due to lack of widespread credit card use. This phenomenon is known as the "leapfrogging effect"<sup>28</sup>. In the fashion industry, the same reasoning holds true: for many customers in second- and third-tier cities, their smartphone is their first interaction with luxury labels, making mobile the main platform for branding.

This dynamic is embodied by Tencent's super-app WeChat, which combines messaging, customer support, and checkout into a unified environment that Maisons utilize for post-purchase relationship management, communication, and sales. WeChat had 1.36 billion monthly active users in 2023, and data from the 2025 Open Class showed that in just a year, the GMV (Gross Merchandise Value) of its Mini Programs<sup>29</sup> increased by 92%.

Live commerce supports this approach. According to scholarly research, livestreaming<sup>30</sup> can result in conversion rates that are up to 10 times better than those of regular e-commerce since entertainment shortens the time it takes to make a purchase. Researchers have shown by examining 7,164 livestreams on Taobao and Li that the participation of online celebrities greatly increases the sales of premium brands and raises the perceived exclusivity of goods.

Tik Tok Shop almost quadrupled its GMV in Southeast Asia Between 2022 and 2023, redefining competition with established marketplaces like Shopee and Lazada, which can be explained by the format's effectiveness. Maisons are implementing biweekly micro-drops<sup>31</sup>, testing local capsules through livestreams, and restocking in real time utilizing view-through and emotion data gathered on the platform to adjust to a sales funnel that may close in a matter of minutes.

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<sup>28</sup> A phenomena whereby certain developing markets directly adopt modern technology, like smartphone payments, bypassing intermediary technological phases (like credit cards).

<sup>29</sup> WeChat has lightweight apps that help users engage with brands (sales, CRM, augmented reality) without ever leaving the app.

<sup>30</sup> A social media-driven e-commerce paradigm, such as Douyin and Taobao, where sales take place during live events featuring influencers or hosts.

<sup>31</sup> Small, limited-edition collections are released frequently to create a sense of urgency and ongoing customer involvement.

This pace necessitates flexible supply chains and unified data governance; otherwise, businesses run the danger of becoming less cohesive in a world where luxury increasingly starts right on a smartphone screen.

### 1.3.3 Geopolitical, Financial and Regulatory Risks

From a sociological perspective, fashion's dimension is directly linked to its spread into emerging markets. Luxury brands are frequently used to denote economic success, social status, and cultural acceptance (*Chadha & Husband, 2006*). Buying fashion becomes a way to distance oneself from traditional or rural lifestyles and to assert one's social position. This symbolic strength raises the perceived worth of Western companies, particularly those that represent savoir-faire, craftsmanship, and legacy.

Luxury brands must contend with three interconnected forms of risk when expanding into emerging countries, as each one has the potential to quickly jeopardize revenues and reputation.

The first is the geopolitical aspect: the H&M-Xinjiang dispute demonstrated how Chinese digital nationalism can transform a single company statement into widespread boycott campaigns that have the power to erase online presence and have “deplatforming” consequences on search engines and marketplaces. Research on activist customers reveals that in extremely divisive environments, militant hashtags exacerbate outrage cycles that weaken brand loyalty and cause counter-attack buyouts from the other side, making sales projections even more difficult to predict (*Neureiter & Bhattacharya, 2021*). Similar situations, such as the 2018 D&G backlash and the South Lorena Balenciaga “handbag-gate”, show that swift public apologies, the participation of reliable local ambassadors, and the fast removal of contentious material continue to be important first lines of defence. However, it frequently takes years and more government relations funding to fully restore one's reputation.

Second, macro-financial volatility: daily standard deviations of currencies such as the Indian rupee or the Brazilian real might be twice as large as those of the euro. The use of futures and options decreased dollar-based cash flow volatility by almost 40% for a sample group of fashion businesses examined by the IMF between 2018 and 2023, demonstrating the efficacy of dynamic hedging techniques in conjunction with natural hedging (*Jonasson et al., 2024*). Risk mitigation in markets with less developed derivatives depends on local refinancing in local currencies and hybrid supply chains (e.g., dual sourcing), which reduce margins and necessitate complex international transfer pricing calculations.

Third, regulatory obstacles: China's cybersecurity and data localization regulations mandate that all customer data be kept on domestic servers and that any transfer across borders be subject to a "security assessment". This forces foreign companies to establish distinct data lakes and hire specialized legal teams to guarantee continuous compliance (*Bowman et al., 2017*).

Because of this, operating in emerging markets necessitates an organizational posture that incorporates compliance-by-design, flexible currency hedging, and geopolitical scenario planning. The only way to preserve the long-term competitive edge that luxury businesses aim for on the international scene is to combine real-time sentiment monitoring, customized financial protection, and regulation-proof IT architecture.

#### 1.3.4 Market Strategies, Cultural Adaptation and Conclusion

In response, brands employ various market-entry tactics. To capitalize on local knowledge, some choose lighter modes, such as joint ventures or franchising, while others maintain direct operations through wholly owned subsidiaries. Before making more significant investments, market testing is made possible via pop-up shops, experiential marketing<sup>32</sup> campaigns, and digital pilots.

Cultural localization is important. Successful brands use local symbolic codes in an efficient manner. For example, several Western brands offer capsule collections that are in line with local tastes and are inspired by traditional iconography during Chinese New Year. These programs preserve global brand coherence while increasing participation and exhibiting respect for the local culture.

Furthermore, the idea that emerging-market consumers are only motivated by price is refuted by the growing sustainability consciousness among these consumers, especially young people. Brands are adopting ethical production processes, transparent supply chains, and ESG-aligned strategies that line with global values because of the increased interest in environmental and social issues, as evidenced by numerous studies (*Okonkwo, 2007*).

Another level of intricacy is introduced by geopolitical factors. Reputations management and intercultural marketing are essential components of internationalization plans since diplomatic conflicts, boycott campaigns, and cultural nationalism can negatively affect the reputations of foreign brands.

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<sup>32</sup> A tactic used to evoke strong feelings in customers by creating immersive and memorable brand-related experiences.

As an example, following the debut of the “DG Loves China” campaign, which included several brief instructional videos showing a Chinese model attempting to eat spaghetti, pizza, and cannoli with chopsticks (*figure 3*), the Chinese audience found the ads to be extremely stereotypical and offensive to their culture. Major local social media platforms saw a surge of protests after the voice-over commentary and graphics were denounced as racist, demeaning, and out of step with contemporary China. This was especially true when the hashtag #BoycottDolce was used. Chinese e-commerce sites halted the sale of D&G products, and celebrities and influencers who had previously served as brand ambassadors declared they would not be attending the Shanghai fashion show. The “Shanghai Great Show”, which was supposed to take place on November 21, 2018, was cancelled because of this outcry, and promotional materials were taken down from official Chinese outlets. With economic consequences projected to be in the hundreds of millions of euros and challenging recovery ahead, the brand’s reputation suffered greatly.



Figure 3 – Communication campaign by Dolce & Gabbana for the “Shanghai Great Show”

In summary, entering emerging markets is both a strategic imperative and chance for significant change. It pushes companies to embrace cultural diversity, rethink their posture, and experiment with language and distribution. The most competitive fashion industry will be one that successfully strikes a balance between local relevance and global uniformity.

# CHAPTER 2

## Asian Markets: Focus on China and Japan

### 2.1 Economic Context and Consumers' Trends

Asia has become increasingly important to the world economy during the last 20 years, especially in the luxury and fashion industries. These markets are strategically important for the growth of Western companies because of the rapid expansion of economic giants like China and the structural stability of Japan. According to estimates *Bain & Company (2024)*, urbanization, rising disposable income, digitalization, and the emergence of new generations of socially connected and culturally open consumers are driving over 50% of the global growth in the personal luxury goods segment in Asia.<sup>33</sup>

#### 2.1.1 Macroeconomic Indicators: GDP, the growth of middle class, urbanization

With China and Japan standing out as representative examples of purchasing power, economic stability, and social reform, Asia has emerged as the focus of global economic growth in the last 20 years.

China has experienced one of the most rapid economic transformations in the contemporary history, moving from a manufacturing-based economy to one that is becoming increasingly reliant on consumption.<sup>34</sup> Prior to the COVID-19 pandemic, its GDP grew at an average yearly rate of more than 6%. A recovery of 4% to 5% is anticipated for the years 2025-2030 (*Bain & Company, 2024*). According to the World Bank, China's GDP topped \$12,000 per capita in 2024, putting the nation formally in the upper-middle income range (*World Bank, 2024*).<sup>35</sup>

At the same time, the growing urban middle class in China has increased demand for luxury items due to the desire for symbolic mobility, social recognition, and a sense of belonging<sup>36</sup>. *McKinsey & Company (2023)* projects that by 2030, almost 70% of Chinese urban dwellers would be middle-class or affluent, meaning they will have more disposable income and be more conscious of sustainability,

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<sup>33</sup> Asia's consumption patterns have changed because of urbanization, making it easier to access luxury retail formats and international brands.

<sup>34</sup> China's "dual circulation" strategy, which aims to bolster domestic consumption as a foundation of long-term growth, includes this change.

<sup>35</sup> The GNI per capita of upper-middle income economies ranges from \$4,466 to \$13,845, according to World Bank classifications.

<sup>36</sup> this relationship is consistent with Bourdieu's view that consumption serves more as social differentiation marker than a practical one.

quality, and aesthetics.<sup>37</sup> For Western businesses, this highly digitalized and aspirational consumer base is a vital opportunity (*Chadha & Husband, 2006*).

Japan continues to be one of the world's most stable and developed markets, while not seeing comparable growth rates. The nation continues to set the standard for the fashion industry, especially in the high-end and niche markets, thanks to its persistently high per capita GDP of over \$40,000 and sophisticated and discerning consuming culture (*Kapferer & Bastien, 2012*).<sup>38</sup> Japan's cultural influence is still strong and continues to define trends, particularly in fields like streetwear, minimalism, and conceptual design, despite long-term economic stagnation and population loss.<sup>39</sup>

High levels of urbanization, which function as stimulants for the growth of retail and consumer experiences, are a defining feature of both nations. More than 64% of Chinese people reside in cities, with major cities like Beijing, Shanghai, Shenzhen, and Chengdu serving as actual hubs for luxury spending (*World Bank, 2024*).<sup>40</sup> In addition to housing flagship locations for well-known Western companies, these cities act as test sites for novel approaches to experiential retail, exclusive collections, and regional marketing initiatives (*D'Arpizio & Levato, 2020*).<sup>41</sup>

Cities like Tokyo and Osaka continue to play a major role in the global luxury scene in the Japanese context. Particularly in Tokyo, where modern retail establishments like Dover Street Market Ginza coexist with ancient department shops like Isetan and Mitsukoshi, the city is notable for its distinctive fusion of traditional luxury and cultural innovation.<sup>42</sup> Japan's highly sophisticated and aesthetic-sensitive consumer base necessitates perfection in brand storytelling, service, and product quality (*Chevalier & Mazzalovo, 2020*).

In summary, macroeconomic indicators highlight China as a rapidly expanding market with accelerating consumption dynamics, while Japan, although more static in terms of demographic and economic growth, remains a benchmark market for the quality, brand reputation, and value creation. For Western brands, understanding and interpreting the specificities of these contexts is essential for developing effective and sustainable long-term positioning strategies.

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<sup>37</sup> The middle class in China is divided into levels with different tastes, motivations, and levels of purchasing power.

<sup>38</sup> Aesthetic traditions like omotenashi (hospitality) and wabi-sabi (the beauty of imperfection) are firmly ingrained in Japanese consumption.

<sup>39</sup> Despite slow GDP growth and a declining population, Japan's cultural capital allows it to maintain its influence in fashion.

<sup>40</sup> Brands frequently use these cities as test sites for localized tactics and innovative retail models.

<sup>41</sup> Virtual try-ons, immersive pop-ups, and flagship stores with tech integration and interactive design are examples of experiential retail.

<sup>42</sup> Japanese department stores set trends and offer immersive, first-rate experiences, serving as cultural curators.

### 2.1.2 Evolution of Fashion and Luxury Consumption

A more intentional, selective, and identity-oriented type of consumption has replaced the emulative, status-driven model of fashion and luxury consumption in Asia, especially in China and Japan, in recent years. The relationship between people and fashion items has been substantially changed by a complex interplay of economic, cultural, generational, and technological variables, to both new opportunities and problems for Western brands (*Joy et al., 2012*).

The desire to be a part of an elite social class in China first drove a demand for luxury items due to the country's fast rising purchasing power. According to *Bourdieu (1984)*, consumption has historically served as a sign of social advancement, influenced by the dynamics of conspicuous display. However, the whole definition of luxury is being redefined by the younger generations, especially Gen Z and Millennials. Luxury is now more often regarded as an expression of one's own ideals, unique aesthetics, and narrative that fits with one's cultural and digital identity rather than only serving as a status symbol (*Chadha & Husband, 2006*).

87% of Chinese consumers now place a higher value on quality, innovation, and craftsmanship than overt logo visibility, per the Bluebell Asian Market Study (2025). Many Western Maisons are responding to this change referred to as “logo fatigue”, by reducing their use of ostentatious branding in favour of more sophisticated designs, premium materials, and collections with a local flair<sup>43</sup> (*Kapferer & Bastien, 2012*).

Japan, on the other hand, has always shown a more refined and taciturn attitude toward consuming. Harmony, aesthetic restraint, and the inherent quality of items are highly valued in Japanese culture.<sup>44</sup> In this setting, luxury is frequently viewed as a private and reflective experience rather than a means of achieving social differentiation (*Weller, 2007*). Western firms must respect this sophisticated taste by emphasizing craftsmanship, intelligent storytelling, and visual consistency if they want to flourish in Japan.

The growing complexity of consumers is one area where the two markets are similar: consumers in China and Japan are becoming more knowledgeable, involved with technology, concerned about

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<sup>43</sup> To appeal to local customers, a collection with “local flair” combines design components influenced by area symbols, culture, or craftsmanship.

<sup>44</sup> As demonstrated by ideas like wabi-sabi (beauty imperfection) and shibui (understand elegance), Japanese aesthetics frequently place an emphasis on restraint and subtle beauty.

sustainability, and ready for customization (*Joy et al., 2012*). The rise in popularity of new markets like used luxury is another indication of this development.

At the same time, the consumer's role as a value co-creator<sup>45</sup> has taken centre stage. The way consumers find, assess, and described products has changed because of digital platforms like WeChat and Xiaohongshu<sup>46</sup> in China and Instagram and LINE<sup>47</sup> in Japan. User-generated material, peer-to-peer reviews, and shared experienced are all having an increasing impact on purchasing decisions (*McKinsey & Company, 2023*).

In conclusion, Western brands must gain a thorough grasp of the values, expectations, and motivations of the younger generations of consumers due to the evolution of consumption in Asian markets. Building meaningful relationships that are both culturally relevant and digitally relevant has become more of a problem than simply “selling luxury goods” (*Craig & Douglas, 2006*).

### 2.1.3 Distribution Channels and Digitalization of Consumption

The significant influence of digitalization on consumer behaviour, especially in the luxury and fashion industries, is one of the characteristics that distinguish the development of Asian markets. The way western brands approach consumer engagement has changed because of the integration of distribution channels in China and Japan, where branding, customer experience, and transactions coexist in real time.

One of the most distinctive features of Asian market evolution is the significant influence of digitalization on consumer behaviour, especially in the luxury and fashion industries. Distribution channels have changed into integrated ecosystems in China and Japan, where branding, customer experience, and transactions all cohabit in real time. This has changed how Western firms interact with their target audience.

In China, highly engaging digital platforms have steadily surpassed conventional retail. In addition to being markets, apps like WeChat, Tmall Luxury Pavilion, Xiaohongshu (RED), and Douyin (the Chinese equivalent of Tik Tok) serve as immersive spaces for interaction and conversation. These platforms are now crucial instruments for generating desire and establishing symbolic value around

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<sup>45</sup> When customers actively shape goods, services or brand narratives, particularly through social media platforms, this is known as value co-creation.

<sup>46</sup> A Chinese social commerce platform called Xiaohongshu (also called RED) combines e-commerce and user-generated content.

<sup>47</sup> The Japanese messaging service LINE also functions as a platform for marketing, branded content and mobile payments.

products due to the combinations of storytelling and commerce (*Wang et al., 2020*). With conversion rates up to 10 times greater than traditional e-commerce, live commerce (real-time streaming sales facilitated by influencers and Key Opinion Leaders (KOLs)) has completely transformed the buying experience (*Coresight Research, 2023*).

According to a *McKinsey & Company (2023)* analysis, over 90% of consumers start their shopping trip online, even when the final transaction occasionally takes place offline, and over 70% of luxury purchases in China are impacted by digital touchpoints. Many brands have developed phygital strategies, integrating online and in-store experiences using tools like live chat, omnichannel CRM systems, app-based appointment scheduling, and experiential QR codes, because of this “online-to-offline” (O2O) approach<sup>48</sup>. Early adopters of these tactics include Gucci, Burberry, and Louis Vuitton,<sup>49</sup> who have experimented effectively with formats such as virtual flagships, WeChat mini-programs, and hybrid fashion + gaming events<sup>50</sup> (*Kapferer & Bastien, 2012; Deloitte, 2022*).

Digital revolution is more slow but just as important in Japan. Even though classic department stores like Isetan, Takashimaya, and Mitsukoshi still have a strong hold on the culture of physical retail, younger generations are increasingly using internet platforms. A tendency of gradual and regulated digitalization is reflected in the rise of luxury e-commerce (Rakuten, ZOZOTOWN, Isetan Mirror) and the use of customized apps in flagship stores (*Weller, 2007*).

The fact that distribution channels serve as platforms for content generation is a distinctive aspect of the Asian scene, particularly in China. Delivering experiences, stories, and connections is much more important than merely distributing goods. As a result, new professional characters like Key Opinion Consumers (KOCs)<sup>51</sup> have emerged, and it is now necessary to create a multichannel digital brand architecture that is both cohesive and regionally relevant (*Park & Lin, 2020*). Brands are better positioned to create value-driven communities around their names, increasing brand loyalty and purchase intent, when they effectively leverage platforms as a forum for conversation rather than just as display windows.

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<sup>48</sup> The Online-to-Offline (O2O) links digital platforms with physical shops to promote engagement, personalization, and omnichannel service.

<sup>49</sup> Through WeChat Mini Programs, gamified advertising campaigns, digital boutiques, and exclusive virtual events, these businesses have spearheaded innovation in Asia.

<sup>50</sup> Fashion-gaming collaborations create immersive brand experiences through virtual worlds or games, often targeting Gen Z consumers.

<sup>51</sup> KOCs are regular customers whose purchasing decisions are influenced by real, peer-to-peer information. Unlike KOLs, they usually have lesser following but greater trust.

Particularly in China, where smartphones frequently act as the first and only entry point to the world of luxury fashion, the combination of digitalization and channel localization has also made it easier for high-end brands to enter second tier and semi-urban cities (Tier 2-3) (*Chevalier & Mazzalovo, 2020*). This tendency, referred to as “digital leapfrogging”, has allowed Asian customers to enjoy sophisticated consuming experiences immediately through mobile devices, bypassing intermediary retail development phases (*D'Arpizio & Levato, 2020*).

Lastly, it's critical to stress that the changes in Asian distribution channels are cultural in nature as well as technological. Asian consumers anticipate a personalized, quick, and engaging purchasing experience that skilfully combines performance, content, and aesthetics <sup>52</sup> (*Craig & Douglas, 2006*). In this regard, one of the most important strategic assets for the long-term success of Western brands<sup>53</sup> is the capacity to modify distribution plans to fit the digital and cultural peculiarities of each local market.

## 2.2 Cultural Profiles and Consumption Behaviours

Examining the cultural characteristics that influence local consumers' expectations, preferences, and buying patterns is crucial to comprehending the reasoning behind fashion consumption in Asian countries. China and Japan are notable for having very different aesthetic standards, value systems, and symbolic behaviours that have a significant impact on how Western corporations present themselves. Cultural factors influence not just what is bought but also how, when, and why a particular style or high-end item is selected.

### 2.2.1 Social, Aesthetic, and Symbolic Values in Chinese and Japanese Culture

Understanding Chinese and Japanese consumer behavior requires a thorough examination of the cultural values that influence it. In both cases, luxury and fashion are more than just decorative or practical items; they have symbolic and identity-based connotations that are derived from highly codified aesthetic traditions, social systems, and worldviews that date back thousands of years.

Confucian philosophy<sup>54</sup>, which places a strong emphasis on hierarchy, deference to authority, harmony within the group, and the value of one's own reputation, has long influenced Chinese

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<sup>52</sup> Asian consumers anticipate a cohesive brand experience in which visual harmony (aesthetics), emotional storytelling (content) all flow together harmoniously.

<sup>53</sup> Local cultural awareness, digital fluency, adaptable distribution strategies, and hybrid retail that meets local standards are examples of strategic assets.

<sup>54</sup> Originating from the teachings of Confucius (551-479 BCE), Confucianism is a philosophical and ethical system that places a high value on social harmony, deference to authority, and the welfare of the group.

society. One of the most important ideas for comprehending Chinese consumerism is *mianzi* (面子), which is roughly translated as “face” or “social facade”.<sup>55</sup> In the eyes of others, *mianzi* stands for a person’s perceived social worth, and upholding it calls for actions that demonstrate achievement, dignity, and respect. Buying luxury products in this situation turns into a means of securing recognition, elevating one’s social standing, and putting oneself in a visible social hierarchy (*Chadha & Husband, 2006*).

According to Veblen’s (1899) theory of conspicuous consumption, luxury consumption in China initially had a very ostentatious purpose: purchases were made more to demonstrate riches than for utilitarian or aesthetic reasons. This led to a huge demand for branded, highly identifiable products with plenty of logos, especially in the 2000s and 2010s (e.g., Louis Vuitton purses, Rolex watches, Gucci shoes). The logo’s symbolic value frequently overshadowed the product’s inherent design or quality.

But the scene is changing as new generations, particularly Millennials and Gen Z, come into the picture. Younger Chinese buyers are looking for luxury products that are more immersive, culturally significant, and personal, even yet the desire for social approval is still crucial. Luxury is being rethought as a method to express oneself, to stand out from the crowd rather than fit in, and to relate to stories throughout they still exist, logos are now a part of a more intricate set of values that also includes craftsmanship, storytelling, tradition, and aesthetics that are in line with digital identity. In this regard, businesses need to provide authenticity and significance in addition to prestige (*Kapferer & Bastien, 2012; Joy et al., 2012*).

The fundamentally distinct values that underpin Japanese culture also have a significant impact on consumer behaviour. Japanese culture places a strong emphasis on moderation, harmony, respect for others<sup>56</sup>, and contextual awareness. Open displays of wealth could be viewed as socially unacceptable because luxury is quiet<sup>57</sup>, elegant, and private in Japan rather than showy.

Wabi-sabi<sup>58</sup> and *omotenashi*<sup>59</sup> are two aesthetic ideas that are essential to comprehending this method. The aesthetic theory of wabi-sabi honours subtle beauty, impermanence, and imperfection. Raw

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<sup>55</sup> According to Chinese culture, *mianzi* is a person’s reputation or social image in the eyes of others, and maintaining it is crucial in both commercial and interpersonal relationships.

<sup>56</sup> Zen Buddhism and Shinto values, which place an emphasis on harmony, relevance for the natural world, and subtle beauty, are the foundation of Japanese aesthetics.

<sup>57</sup> Unlike loud luxury, which is characterized by extravagant styling and overt trademarks, quiet luxury places an emphasis on understated branding, elegant materials, and classic design.

<sup>58</sup> Wabi-sabi is a Japanese aesthetic philosophy that finds beauty in imperfection, transience, and natural simplicity.

<sup>59</sup> *Omotenashi* refers to Japanese hospitality characterized by empathy, attention to detail, and anticipating the guest’s needs without expecting anything in return.

textiles, muted hues, simple designs, and craftsmanship that shows the passage of time are all examples of its stark contrast to Western grandeur. This philosophy supports fashion labels that prioritize formal experimentation and spiritual coherence over spectacle, such as Issey Miyake, Comme des Garçons, and Yohji Yamamoto.

Omotenashi is the Japanese term for hospitality, which encompasses much more than just providing for others; it also means being considerate of others' needs, paying close attention to details, and demonstrating unseen commitment. The goal of a luxury boutique is to wrap customers with subtlety<sup>60</sup> rather than to impress them.

These principles translate into a strong respect for quality, for the harmony between form and function, and for the narrative that a product conveys when it comes to purchasing behaviour. Japanese customers dislike marketing tactics that are viewed as coercive or rude, they like businesses that have remained steady throughout time. To succeed in Japan, many Western luxury brands have had to "re-educate" their business models. They now prioritize customized shops, exclusive capsule collection, partnerships with regional artists, and more subdued, polite visual marketing (*Moore & Birtwistle, 2005*).

Due to the presence of these two highly disparate cultural paradigms, Western companies must exhibit a high level of symbolic adaptation. If it doesn't seem forced, communication that combines aspiration and authenticity, status and narrative, can work well in China. Maintaining formal and narrative consistency, avoiding excess, and catering to local sensitivities are all crucial in Japan.

Numerous companies have previously accepted these dynamics and responded with unique strategies. For instance, Louis Vuitton has reinterpreted its visual identity using regional cultural codes by working with Japanese artists like as Takashi Murakami and Yayoi Kusama. The same brand has made investments in localized fashion shows, WeChat Mini Programs, and capsule collections based on traditional holidays like Lunar New Year in China.

In the end, cultural values are not secondary; rather, they are unseen structures that influence how people view, buy, and live fashion. Ignoring these values puts a worldwide brand at risk for rejection as well as misunderstanding.

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<sup>60</sup> Luxury retail in Japan prioritizes silence, minimal intrusion, and anticipatory service, contrasting with the more assertive and persuasive approaches typical in Western markets.

## 2.2.2 Differences in Purchasing Behaviour Between China and Japan

Two essential distinct models, based on cultural, relational, and psychological elements as well as economic data, emerge when examining consumer behaviour in China and Japan. The two contexts differ greatly in how customers approach fashion, including how they find a brand, what persuades them to purchase, and what they anticipate from the experience as well as the product. One of the biggest obstacles facing Western firms doing businesses in Asia is these disparities.

Chinese consumers now must negotiate a fast-paced, highly digitalized, and fragmented ecosystem. Purchasing a fashion item frequently signifies self-assertion, social engagement, and symbolic legitimization; it is not just an economic or aesthetic act. In a society that is experiencing fast upward mobility, fashion serve as a tool for public positioning, indicating membership in a specific social group, and confirming status.

This explains why external cues a significant impact on Chinese customers' purchase decisions has: they buy what is new, popular, and supported by prominent online communities. In this procedure, Key Opinion Leaders (KOLs) and Key Opinion Consumers (KOCs) are crucial. They are curators of meaning rather than just influencers in the Western sense. For example, a product may sell out in a matter of minutes when a KOL dons a certain item of clothing while doing a live stream on Douyin, which is China's equivalent of Tik Tok. One well-known example is the sale of more than 15,000 lipsticks in five minutes by Li Jiaqi<sup>61</sup>, one of the most prominent live broadcasters in China. The same principle applies to fashion: Burberry immediately increased conversions and created over a million interactions during a livestreamed catwalk show on WeChat.

Buying in this situation is frequently quick, emotional, and reactionary. Customers find products through captivating audiovisual material, are captivated by viral dispersion and narratives, and feel pressured to purchase before the deal expires. The "limited drop" approach works incredibly well: things that are limited, time-sensitive, and shared instantly gain enormous symbolic value. Owning a branded or exclusive capsule piece is a means of communicating status and cultural currency for many urban Chinese shippers, particularly in places like Shanghai, Beijing or Shenzhen.

Because of this dynamic, consumers' purchasing habits become less devoted but more dynamic: the brand needs to continuously reinvent itself, surprise consumers, produce content, form partnerships, and develop new experiences. Loyalty is founded on relevance in the present, not legacy. As a result,

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<sup>61</sup> Li Jiaqi, also known as the "Lipstick King", is one of China's most prominent live streamers, famous for selling thousands of cosmetic and fashion items in minutes during live broadcasts on Douyin and Taobao.

numerous Western companies including Dior, Prada, Balenciaga, and Louis Vuitton, have set up specialized teams for the Chinese market and are creating collections based on local digital artists, the zodiac dragon, or Lunar New Year.

Japanese consumers, on the other hand, tend to be quieter, more contemplative, and pickier about their purchases. Japanese consumers approach fashion in a more introspective, deliberate, and individually sensitive way than Chinese customers, who frequently exhibit outward, performative, and public consumption tendencies. Cultural qualities including moderation, harmony, attention to form, and social discretion are reflected in this. Instead of being viewed as a social display, consumption is perceived as an artistic, nearly ritualistic activity.

A product's inherent quality, longevity, brand consistency, and cultural integrity are all highly valued by Japanese consumers. The buying process consists of several steps: looking at the product, reading about it, researching it, talking to boutique employees (who are frequently educated to provide incredibly high service standards), and assessing the brand's reputation. Making repeated trips to the store is a demonstration of respect for the choice itself, which is viewed as a financial and symbolic commitment, rather than hesitation.

Customers in Japan anticipate a discrete, cohesive, and sophisticated approach, in contrast to China, where communication is immediate, explosive, and multimodal. Because of this, well-known Western brands in Japan steer clear of overtly promotional language in favour of cultural narrative, partnerships with regional craftsmanship's art exhibits, and calm, meticulous stores. One such example is the Gucci Salon in Ginza<sup>62</sup>, where the company blends Japanese omotenashi (the art of hospitality) with Florentine savoir-faire, providing customers who prioritize quality over quantity with an intensive yet calm sensory experience.

Brand loyalty is more common in Japan, although it takes time to gain. Just as they reward consistency and respect with sustained commitment, customers also find it difficult to forget a bad experience. Brands who take short routes or don't match their statements with their deeds run the risk of being shut out for good. Reputation is more important in these businesses than visibility.<sup>63</sup>

In conclusion, Japanese conduct is influenced by introspection and aesthetic awareness, while Chinese purchasing behavior is influenced by outside stimuli and emotional acceleration. These

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<sup>62</sup> Ginza is Tokyo's most prestigious shopping district, known for its concentration of luxury boutiques, department stores, and high-service flagship stores.

<sup>63</sup> Long-term consistency, brand integrity, and exceptional service are the foundations of customer loyalty in Japan. It can be challenging to restore brand trust after a single unsatisfactory encounter.

represent two different worldviews rather than just two consumption patterns: Japan turns to tradition with balance, grace, and depth, while China looks to the future with ambition, speed, and drive. Ignoring these distinctions puts Western brands at danger of failure. Building genuine and long-lasting relationships with Asian consumers requires an understanding of their cultural codes, fundamental motivations, and expectations.

### 2.2.3 The Role of Key Opinion Leaders (KOLs) and the Digital Community

The function of the Key Opinion Leaders (KOL) has been increasingly important in influencing consumption patterns in Asian economies, particularly in China, in recent years. KOLs in Asia serve as cultural agents, symbolic authority, and intermediaries between consumer language and brand messaging, going beyond simple influencers in the Western sense. Their role is closely linked to younger generations' hyperconnected and visually oriented tendencies, as well as to a digital media framework that skilfully combines storytelling, relationship-building, and business.

WeChat, Xiaohongshu (RED), Douyin, and Weibo are examples of closed, highly engaged digital ecosystems in China where KOLs operate. These platforms are immersive spaces where branding, entertainment, shopping, and customer service all cohabit in real time, and they are more than just places to house content. KOLs in these digital venues do more than just share content; they create relational settings around businesses, create visual narratives, act out identity narratives, and use interactive, aspirational, and emotional dynamics to encourage purchases.<sup>64</sup>

An entire capsule collection can be sold out in an hour thanks to a well-followed KOL's live stream on Douyin. Creating desirability through a captivating presence and language that the buyer finds genuine, impromptu, and in line with their online community is more important than merely "promoting" a product. Content becomes visual storytelling in which the product is lived, contextualized, and appreciated; it is never just promotional.<sup>65</sup> A lot of KOLs serve as storytellers, taste judges, and curators of the arts.

The KOC (key Opinion Consumer) is a comparable figure that has become increasingly relevant and decentralized in China. These are regular customers who have a big impact on other people's purchasing decisions because of their reviews' high credibility and perceived genuineness. Their ability to display the product in authentic, verifiable, everyday settings is their strongest point.

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<sup>64</sup> When it comes to eliciting quick purchase behavior in digital commerce, KOL's emotionally charged storytelling frequently works better than traditional advertising.

<sup>65</sup> Chinese consumers prefer "relatable" marketing where the product is shown in everyday contexts by trusted personalities, rather than polished brand-controlled messaging.

Sometimes more successfully than a brand's official marketing, waves of interest can be generated by a passionate comment, a brief review, or an unboxing video on Xiaohongshu.

One structural aspect of Chinese media culture that makes KOLs successful is the high level of interpersonal and community-based trust in contrast to the low level of institutional trust.<sup>66</sup> Because they are “one of us”, yet skilled; not objectives, but sympathetic, KOLs act as trust bridges in a world where brand message is frequently seen as aloof or self-serving. To put it another way, the KOL makes the company more relatable.

Angelababy<sup>67</sup>, a Chinese celebrity who worked with Dior on a digital campaign for Lunar New Year, is a prime example. The selection was not only aesthetically pleasing but also deeply cultural: Angelababy is a representation of a young, strong, and contemporary Chinese woman who can effectively represent the brand's ideals in a way that appeals to the local market. The success of the ad was attributed to Dior's ability to engage its consumers in cultural discourse rather than luxury per se.<sup>68</sup>

Although influencers have a role in Japan as well, their meanings are significantly different. Expertise is valued above entertainment, authority over popularity, and consistency over spectacle in Japanese digital artists are therefore typically more discrete, specialized, and discriminating. For instance, influencers like Naomi Watanabe<sup>69</sup> are valued for both their performance and their capacity to represent a hybrid style that blends pop culture from throughout the world with Japanese tradition.

Accounts that provide educational, artistically chosen content, never combative or unduly promotional, are followed by Japanese users. Soft tones, gentle rhythms, and in-depth examinations of materials, craftsmanship, and product provenance are common ways that communication occurs on social media sites like Instagram and YouTube. In Japan, fashion bloggers rarely pose as entertainers; instead, they are visual curators with a tone that is frequently more businesslike than intimate. Emotional involvement is less important than aesthetic authority.

Collaborations with companies must therefore follow a certain level of nuance. Forced promotions, loud campaigns, or large sponsorships are seen with suspicion and can harm a brand's reputation.

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<sup>66</sup> In China, trust in institutions, such as corporations or governments, is relatively low, making peer recommendations and influencer credibility crucial to brand success.

<sup>67</sup> Angelababy (Angela Yeung Wing) is a Chinese actress, model, and influencer with massive digital reach, often representing modern femininity in Chinese luxury campaigns.

<sup>68</sup> Effective campaigns in China focus on cultural resonance and emotional storytelling rather than simply showcasing brand prestige.

<sup>69</sup> Naomi Watanabe is a Japanese comedian and fashion icon known for combining pop culture with body positivity and global-Japanese aesthetic fusion.

Promotion in Japan needs to be understood, well-thought-out<sup>70</sup>, and strongly linked to the influencer's credibility and personal preferences.

The expanding significance of online communities as venues for creating meaning around items is what connects China and Japan together.<sup>71</sup> Buying is now a cultural and symbolic act that is mediated by connections, narratives, and local authority rather than just being the outcome of economic or commercial stimuli.

For Western firms to successfully enter a new market, they must embrace listening, give up complete control over their messaging, and assign some of their communicative identity to people from different cultural backgrounds. These figures translate the brand, not merely “represent” it.

Success in China and Japan ultimately depends on who tells the story, how they tell it, and the digital ecosystem in which that narrative circulates, rather than just what is being sold. Working with semiotic communities and realizing that a brand's meaning is never unilateral but rather the outcome of an ongoing, dynamic interaction between sender, interpreter, and audience are key components of communication in Asia.

## 2.3 Fashion, Luxury, and Cultural Identity

Fashion and luxury have a highly symbolic and identity-building significance in modern Asian civilizations especially in China and Japan, where they serve as instruments of expression, differentiation, belonging, and personal narrative in addition to meeting practical or aesthetic demands. It is frequently a cultural act, a nonverbal language that conveys values, social standing, goals, and one's place in the world, to wear a particular item, exhibit a brand, or adopt a particular style. In this way, how people create and portray themselves within the social fabric is intricately linked to fashion and luxury.

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<sup>70</sup> Brand collaborations in Japan must align with the influencer's values and style to preserve credibility and consumer trust.

<sup>71</sup> Online communities function as symbolic arenas where products acquire cultural relevance through shared narratives and interactions.

### 2.3.1 Fashion as a Marker of Distinction and Status Symbol in Asia

A new middle and upper class that sees fashion and luxury consumption as means of social mobility, recognition, and symbolic entrance to the international arena has emerged in China because of the nation's economic growth over the past few decades. Fashion becomes a potent tool for establishing and preserving one's social image in society where the idea of *mianzi* (面子), which is roughly translated as "face" or social reputation, is fundamental. Even if only momentarily, flaunting ownership of a well-known Western brand, such as an Omega watch, Burberry coat, or Chanel purse, can indicate involvement in a cultural and economic elite.

Often viewed through the prism of conspicuous consumption (*Veblen*, 2899), this phenomenon takes on unique characteristics in China, where luxury is not just a symbol of riches but also of modernity, cosmopolitanism, and the capacity to engage with a global cultural imagination. The pressures of career achievement, metropolitan competition, and family approval heighten the need to "show you've made it" with branded products.

However, a new dimension is emerging among younger generations. Fashion, which combines Western components with traditional Chinese allusions and digital visual languages, is increasingly viewed as a platform for individual expression. Clothes are now more than simply a status symbol; they are a canvas on which to write a dynamic, changing identity.<sup>72</sup> With their hybrid, narrative-driven styles, brands like Off-White, Balenciaga, and Alexander McQueen have found success with looking for a more unconventional, satirical, and international kind of luxury.

Although it takes a different form, the affinity with fashion is just as strong in Japan. Cultural ideals like minimalism, respect for form, the search of harmony,<sup>73</sup> and attention to detail have a significant influence on the introspective, rigorous, and aesthetically cohesive language used here to communicate identity. Luxury is a whisper, not a shout. Wearing something that conveys elegance, care, and authenticity through its cut, material, or craftsmanship is more essential than showing off the name.

The discerning Japanese buyer finds luxury in the unseen indicators of quality, such as a silk inner lining, a perfect stitch, or the aroma of hand-tanned leather, rather than in obvious logos.<sup>74</sup> The brand

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<sup>72</sup> For younger Chinese consumers, fashion functions as a tool of individual expression, mixing global aesthetics with digital identity.

<sup>73</sup> Japanese fashion values subtlety, precision, and balance, reflecting Zen and wabi-sabi principles in design.

<sup>74</sup> Instead of using overt branding, Japanese consumers frequently evaluate luxury based on subtle indicators of craftsmanship and material quality.

is important, but it shouldn't take centre stage. Rather, it ought to become part of the wearer's own story. In this way, companies like Comme des Garçon, Yoji Yamamoto, and Issey Miyake<sup>75</sup> are more than just labels; they are visual expressions of a way of living that values uniqueness, discretion, and a close relationship with time and the natural world.

Inurbane subcultures like Shibuya and Harajuku, where clothes are used as a means of symbolic resistance and as identity costumes, Japanese fashion also has a significant tribal and performative component. Young customers create distinctive outfits that subvert prevailing aesthetic conventions and transform the street into a runway label with vintage items, traditional clothing, and even cosplay components.

Notwithstanding their differences, fashion acts as a link between the individual and society, between individual aspirations and a sense of community. This is what binds China and Japan together. In both nations, clothing is never a neutral act<sup>76</sup>; rather, is a conscious decision that communicates one's role in the group and helps to construct oneself. However, the dominant form in Japan is characterized by aesthetic coherence and symbolic depth, whereas in China it is relational and aspirational.

Offering high-quality items is therefore insufficient for Western brands; they also need to comprehend the type of identity that these products contribute to creating a show as well they will be perceived, reinterpreted, and valued inside regional symbolic systems. In Shanghai, a Burberry trench coat or Hermès bag might represent different things than in Tokyo. The way something is lived, told, and performed is more important than the actual object.

In summary, luxury and fashion in Asia are more than just niche markets; they are platforms for cultural discourse, sites for identity narrative<sup>77</sup>, and windows into the continues social change that is taking place. Because of this, anyone who wants to work in these environments needs to cultivate a strong sense of intercultural sensitivity and be able to listen to the hidden desires and symbolic logistics that influence Asian consumers' hearts in addition to trends.

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<sup>75</sup> These well-known Japanese fashion designers are renowned for their minimalist designs, avant-garde aesthetics, and ability to combine innovation and tradition.

<sup>76</sup> Fashion is a major means of expressing identity, values, and social positioning within societal norms in both China and Japan.

<sup>77</sup> In Asia, fashion is not just a commercial activity; it is a component of a continuous cultural discourse in which style is used to convey social change and individual identity.

### 2.3.2 Mutual Cultural Influence: From West to East (and vice versa)

Western fashion and Asian consumers were thought to have a one-way relationship for decades. European and American fashion firms established, defined, and enforced style norms, which were then absorbed, imitated, and bought by the fast expanding and modernity-seeking Asian markets. According to this conventional perspective, the East was the aspirational consumer, and the West was the hub of creativity. But if this story ever really captured the intricacy of today's dynamics, it is no longer sufficient. The East is now actively co-creating the aesthetics, values, and languages that impact global fashion rather than only being a passive observer in a process of natural cultural influence.

The West's impact may still be seen in Asia, particularly in the way that some brands are still seen as symbols of exclusivity, legacy, and authority.<sup>78</sup> Brands such as Chanel, Hermès, Dior, and Valentino continue to exude a sense of distinction associated with the European ideal of sophistication and elegance. Many Japanese and Chinese consumers still identify these companies with a traditional, accepted definition of luxury, one that bestows cultural recognition and social status. The aspirations of China's growing middle and upper classes, who view Western goods as symbolic keys to inclusion in a global and elite society,<sup>79</sup> are a testament to the "European dream". For many people, the thought of owning a Cartier bracelet or a Louis Vuitton bag is still connected to cosmopolitanism, prosperity and social advancement.

However, a counter current, Eastern influence on the West, is also becoming more noticeable. Both the visual and the intellectual levels are affected. On the one hand, a lot of Western firms have started incorporating Asian cultural elements into their designs, whether they be narrative, material, or visual. Prints with Chinese calligraphy influences, tailoring inspired by kimonos, and significant motifs such as cranes, dragons, or cherry blossoms have become mainstays in the collections of international design brands.

However, this goes beyond simple style inspiration; it is a process of appropriation and reinterpretation that is occasionally hailed as creative cross-pollination and other times decried as cultural appropriation.

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<sup>78</sup> In Asian markets, European luxury brands still carry symbolic weight associated with heritage, craftsmanship, and historical prestige.

<sup>79</sup> Luxury consumption in China is often aspirational, serving as a gateway to perceived global status and cosmopolitan identity.

This dynamic is demonstrated by notable examples. Yayoi Kusama, a Japanese artist, and Louis Vuitton collaborated to create collections that combined French luxury traditions with the psychedelic elements of Japanese pop art. Gucci has created Chinese New Year-themed advertising campaigns that recreate the brand's iconic themes using Asian zodiac symbols. In turn, the Japanese company Uniqlo has revolutionized the idea of global fashion by fusing practical minimalism with all-around attractiveness, setting the standard not just in Asia but also in Europe and North America.

In addition to visual design, communication models are also a part of this exchange of aesthetic codes. Marketing tactics have changed so quickly and creatively in China that they are already affecting methods in the West. For instance, the live commerce phenomena, which was first introduced on sites like Taobao Live and Douyin,<sup>80</sup> has encouraged Western firms to imitate comparable features on Instagram, Tik Tok and Twitch. Global marketing agencies now use WeChat's integrated mini campaigns as case studies because they combine customer support, buying, and storytelling in a single interface.

The impact of fashion on Western culture in Japan is more profound than is frequently recognized. Numerous Western design collections have included the idea of wabi-sabi, which is the beauty of imperfection, impermanence, and simplicity. To produce basic, understand, and sophisticated clothing that defies the logic of quick fashion, companies such as The Row and Acne Studios clearly reference Japanese aesthetics.<sup>81</sup> This is not just the significance of a fashion trend; it is the adoption of a whole way of wearing that is more sustainable, slower, and more personal.

Western brands are at a crossroads in this new environment: they can either keep copying pre-established models of communication and style, which could lead to obsolescence or neo-colonial overtones, or they can embrace cultural dialogue and acknowledge that future fashion will increasingly be the product of mutual exchanges, cross border partnerships, and shared codes.

In other words, the East-West relationship in fashion is now about co-producing meaning rather than exporting culture. Instead of being a one-way language, luxury is now a contested space where consumers, designers, brands, and creatives all contribute to the creation of new, frequently hybrid, and increasingly global meanings. The most intriguing changes arise in this area of interchange, when fashion turns into a forum for sincere cross-cultural communication.

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<sup>80</sup> Live commerce emerged in China as a hybrid of livestreaming and e-commerce, with influencers directly selling products to viewers in real time.

<sup>81</sup> Western minimalist brands like The Row adopt Japanese principals such as quiet elegance, functional clarity, high material quality.

## 2.4 Strategic Considerations for Entering Asian Market

More than just business aspirations are needed to enter Asian markets like China and Japan; cultural sensitivity, strategic localizations, and sustained dedication are also necessary. Although these markets have a lot of rooms to grow, there are drawbacks, such as the need for local relevance, reputational sensitivity, and cultural distance. Key aspects of market entry are examined in this part, including the need of developing culturally relevant brand strategies, the risks associated with reputation and geopolitics, and the balance of opportunities and difficulties.

### 2.4.1 Opportunities and Challenges for Western Brands

One of the most difficult and strategically significant difficulties facing Western fashion and luxury firms today is breaking into Asian markets, especially China and Japan. These markets have enormous growth potential despite their structural differences, but they also present operational, symbolic, and cultural obstacles that necessitate a thoughtful, highly tailored strategy.

China is still positioned as the global powerhouse of luxury, and according to *Bain & Company* (2023), the country's luxury market is predicted to surpass 40% of global demand by 2030<sup>82</sup> due to urbanization, rising disposable income, and the symbolic value of luxury among younger generations. The success of local platforms such as WeChat, Douyin, and Xiaohongshu, as well as advanced digitalization and the widespread adoption of social commerce, give brands the opportunity to test out new customer engagement strategies based on speed, personalization, and interactivity (*Wang et al.*, 2020).

Japan presents significant prospects as well, especially for companies that can respect the Japanese consumer's renowned loyalty, attention to detail, and quality, as well as engage with the local aesthetic culture (*Moore & Birtwistle*, 2005). Western firms can develop their global brand identity and credibility by using the refined Japanese consumer as a "reputation gym".<sup>83</sup>

These opportunities do, however, present some formidable obstacles. First and foremost, local cultural relevance must be developed. Internationalization solutions that do not include significant cultural adaptation components are likely to fail in high cultural distance environments, as noted by *Craig & Douglas* (2006). By skilfully fusing innovation with national tradition, reinterpreting

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<sup>82</sup> China is expected to become the largest global market for luxury goods, driven by rising affluence, digital fluency, and symbolic consumption patterns.

<sup>83</sup> Japan's demanding consumers test brands' consistency, quality, and cultural sensitivity, offering a reputational benchmark for global success.

Chinese symbols, colours, and patterns in stylish ways, local businesses like Li-Ning and Bosideng<sup>84</sup>, for instance, have increased their market share in China and fostered a sense of cultural pride and emotional connection.

Organizational structure is a second important factor. Control from a central location is no longer enough. Instead, brands need to create local teams that are autonomous in both operations and culture. These teams should be able to react quickly to changes in the market without compromising the coherence of the global brand (*Chevalier & Mazzalovo, 2020*). In contexts where cultural sensitivity significantly influences brand perception, brands run the danger of communicating in a way that comes across as aloof, manufactured, or even insulting if they lack this local response.

The length of the investment is another strategic factor. Building confidence in Asia, especially in Japan, takes patience, consistency, and integrity, as *Chadha & Husband (2006)* point out. Customers don't tolerate superficiality or contradictions. When brands enter these industries with opportunistic or short-term thinking, they run the danger of quickly harming their reputation and jeopardizing both present and future performance.

Furthermore, it is necessary to consider the semiotic and symbolic aspects of fashion. Depending on the context, a product, logo, or visual icon might have drastically different meanings. Fashion is a specialized cultural system, not a universal language, as *Kawamura (2005)* highlights. Symbols are interpreted and re-signified by each market according to its own history, values, and shared aesthetics. Because of this, a marketing message that is effective in Europe could not be as effective, or even backfire, in Asia.

In conclusion, entering Asian markets necessitates more than just a business plan; it also calls for cultural intelligence, which is the capacity to listen, adjust, and communicate brand identity in ways that are respectful yet agile, global yet local and cohesive yet culturally sensitive. Western brands can only leverage the enormous potential of these dynamic and demanding markets into long-term competitive positioning and sustainable growth by creating such a nuanced approach.

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<sup>84</sup> Bosideng International Holdings Limited is the largest Chinese company specializing in down jackets. It was founded in 1976 (or 1975) in Shanghai by tailor-turned-entrepreneur Gao Dekang.

#### 2.4.2 Reputational Risk and the Geopolitical Context

Reputational risks is one of the most subtle yet significant risks in the internationalization process<sup>85</sup> for Western brands that are present in or intend to enter Asian markets. A brand's reputation is strongly correlated with ethical consistency, cultural sensitivity, and perceived political positioning rather than just product quality or advertising effectiveness in countries like China and Japan, which are marked by strong cultural identities and growing geopolitical awareness.

The importance that local consumers place on national identity in China increases the risk to one's reputation. A narrative of pride and revival has accompanied the nation's economic growth, which has encouraged a rise in nationalism in consumer behavior<sup>86</sup> (*Wang & Lin, 2021*). Because of social media virality and state-controlled media amplification, any statement that is viewed as insulting, stereotyped or politically unsuitable can cause an instant reputational crisis. The Dolce & Gabbana incident of 2018 is a well-known example. It involved a commercial that was judged disrespectful to Chinese culture, which led to a strong backlash that included boycotts, viral anger, the withdrawal of the goods from key e-commerce platforms, and long-term harm to the brand's reputations (*Zang & Kim, 2020*).

In China, reputational risk goes beyond marketing as well. A geopolitical perspective is frequently used to interpret political and business issues. For example, companies like H&M, Nike, and Adidas who cut Xinjiang out of their supply chains because of human rights issues were heavily criticized by the Chinese public, charged with "Western interference" and the target of delegitimization efforts spearheaded by the government. In these situations, brands are torn between the necessity to remain operational in a strategically important market and the global demands for corporate social responsibility. The stakes are significant because harm to one's reputation can swiftly result in monetary loss, exclusion from business, and a decline in worldwide brand equity (*Jin, 2021*).<sup>87</sup>

Japan has its own distinct cultural sensitivities, while having a less unstable political climate. Here, disregard for cultural values, aesthetic codes, or unspoken communication norms puts one's reputation at jeopardy. Consumer alienation can result from excessively forceful advertising, Western-centric storytelling, or poorly aligned relationships in a market that values caution, harmony, and authenticity. Reputational harm is frequently indicated by consumer silence rather than overt

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<sup>85</sup> Reputational risk includes potential damage to a brand's image due to cultural insensitivity, ethical missteps, or political misalignment.

<sup>86</sup> Chinese consumer nationalism has intensified, especially among younger generations, influencing their preference for culturally respectful or domestic brands.

<sup>87</sup> Brand equity can be damaged by geopolitical controversies that alienate domestic consumers or contradict global values.

complaint. In a market where emotional control is expected, a lack of involvement, fewer in-store visits, or a drop in repeat business can all be signs of severe dissatisfaction.

The difficulty of preserving worldwide coherence in brand reputation is another important factor. Actions in one market are immediately seen and evaluated in another in today's hyperconnected society. In Western markets, a brand may be viewed as opportunistic or inconsistent if it uses overtly nationalist rhetoric to appeal to Chinese consumers. According to *Craig and Douglas (2006)*, it is crucial to manage reputation with a glocal perspective, striking a balance between local cultural sensitivity and global story coherence. Reputation needs to be in line with the brand's larger identity and values while also reflecting local expectations.

Strategically, addressing reputational risk in Asia necessitates a large investment in localized communication governance, perception monitoring, and cultural listening. Preventing symbolic discord between audience interpretation and brand aims just as important as foreseeing catastrophes. In-house teams or specialized consultants with a thorough understanding of the political, social, and cultural aspects of Asia markets are essential for brands. Navigating possible reputational hazards requires multilevel communication tactics and quick response mechanisms.

Reputation is the cornerstone of brand legitimacy in culturally complex environments like China and Japan; it is not an asset-on asset. In addition to facing business rivalry, Western brands venturing into Asia must brace themselves for unprecedented political and symbolic exposure, where every strategic, ethical, or stylish decision becomes a public art that is scrutinized and judged. To manage this complexity, one must acknowledge that reputation cannot be forced; rather, it must be negotiated daily through ongoing discussions with the local context.

#### 2.4.3 The Concept of "Local Relevance" in Branding Strategies

One of the most strategically important ideas for Western brands entering Asian markets is local relevance, which is the capacity to seem emotionally, symbolically, and culturally relatable to local customers. This entails striking a deep chord with the values, sensitivities, and symbolic codes of a specific cultural setting while maintaining the brand's global character. It goes much beyond just translating a slogan or changing a campaign.

Brands that can understand local cultural conflicts and provide identity narratives that make sense to local consumers are those that are successful in becoming cultural icons in international markets, according to *Holt (2004)*. This strategy goes beyond traditional multinational marketing (*Levitt, 1983*) and is more in line with strategic cultural branding, where the brand is woven into the local society's

symbolic fabric. In Asian markets, where consumption has a particularly deep and complex meaning, local relevance is a requirement for brand legitimacy rather than an option.

In China, a genuine conversation with both tradition and modernity is necessary to attain local relevance. Lunar New Year-themed campaigns, collections that reimagine Chinese cultural icons (such dragons, auspicious red, or zodiac signs), and partnerships with regional designers, artists, and thought leaders are all effective means of forging strong emotional connections. Dior, Louis Vuitton, Burberry, and Gucci have all created digital storytelling projects and capsule collections that honour Chinese ethnicity without devolving into folklorization or caricature. A poorly understood sign can cause dissonance or worse, backlash, whereas a symbol that is respectfully integrated might generate recognition and a sense of community pride. The key is in the level of cultural reference and the attention to detail (*Joy et al., 2012*).

Local importance assumes additional philosophical and artistic dimensions in Japan. Subtlety, consistency, and understated beauty are valued by Japanese sensibility. Western companies that exhibit a strong regard for design culture, artisanal skill, and the experiential value of luxury are more likely to establish enduring relationships with Japanese consumers. Among the ways a company might demonstrate a “implicit understanding” of the context include partnerships with regional designers, limited editions created specifically for the Japanese market, and shop spaces influenced by Zen philosophy<sup>88</sup>. Long-term stability and subtle refinement are the foundations of this type of relevance rather than spectacle or immediacy.

One important thing to remember is that local relevance does not imply weakening or compromising the brand’s core values. Instead, it refers to the ability to transform data into codes and languages that the local audience can understand and find relevant. According to *Douglas and Craig (2011)*, strong international companies use strategic dualism, which entails both deep and flexible cultural adaptation and identity consistency. In Asian markets, where customers are becoming more affluent, discriminating, and aware of cultural coherence and authenticity, businesses can establish enduring value because of this tension between universality and individuality.

Investing in cultural research, local creative teams, strategic alliances, and content co-creation are all necessary to operationally achieve local relevance. The most culturally conscious firms are increasingly incorporating the brand into the social fabric, listening to local communities, engaging native key opinion leaders, and taking part in cultural festivals. The goal is to switch from broadcast

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<sup>88</sup> Zen design emphasizes minimalism, asymmetry, stillness, and natural materials, key values in Japanese retail aesthetics.

logic to conversational logic, in which the brand “speaks with” the context rather than “speaking to” it.

In the end, the main strategic problem facing international brands is local relevance in Asian markets. Being relevant is a question of cultural legitimacy rather than trend. Brands will only gain the trust of increasingly discriminating and culturally aware consumers if they can establish genuine, respectful, and long-lasting relationships with local cultures. This will turn their market presence from temporary to permanent.

# CHAPTER 3

## Marketing Strategies in Localization Processes

### 3.1 Adaptation vs. Standardization in Global Fashion Marketing

One of the main challenges faced by global brands in the context of market globalization is the decision between local adaptation and global uniformity. In the fashion sector, where the product's cultural and symbolic aspects make its link with the local context particularly crucial, this theoretical debate, which was elaborated by scholars like *Levitt (1983)* and *Vrontis & Thrassou (2007)*<sup>89</sup>, takes on particular significance. Brands must strike a balance between their global identity and strategic localization that can produce authenticity, relevance, and cultural acceptance in Asian markets, where this tension is much more noticeable.

#### 3.1.1 Theoretical Reflection: Levitt vs. Vrontis & Thrassou - Cultural Adaptation or Global Consistency?

The primary theoretical issue in international marketing is conflict between local adaptation and global uniformity, which becomes a strategically significant issue for Western fashion firms doing business in Asian markets. The main query is: how much can (or ought to) a business keep its worldwide brand identity and communication consistent, and when should it modify its strategy to become culturally relevant?

Theodore Levitt (1983) developed the most well-known argument in support of standardization, claiming that globalization will cause consumer preferences to converge globally. With an emphasis on production and communication efficiency, Levitt claims that global markets will allow businesses to sell the same goods everywhere, saying that “companies must learn to operate as if the world were one large market”<sup>90</sup>. According to this perspective, the adoption of consistent tactics and standardized communication is justified by the universality of ideals like efficiency, quality, design, and status.<sup>91</sup>

Later researchers, however, have made significant revisions and criticisms to Levitt's paradigm. Specifically, *Vrontis and Thrassou (2007)* put out a more situational and dynamic approach,

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<sup>89</sup> The “global standardization” argument is frequently attributed to Theodore Levitt's 1983 essay in Harvard Business, although Vrontis & Thrassou (2007) further nuanced the discussion by putting forth a range of approaches rather than a rigid dichotomy.

<sup>90</sup> Although Levitt's vision mirrored the 1980s optimism about efficiency and globalization, it was later critiqued for underestimating the influence of cultural factors on customer behavior.

<sup>91</sup> The economic optimism of the post-war era, when American businesses were actively growing overseas and believed in the establishment of a new economy, was in line with Levitt's thesis.

emphasizing the necessity for businesses to incorporate local adjustments with standardized components, particularly in situations with significant cultural distance. The authors contend that the standardization and adaptation dichotomy is misleading because, rather than being diametrically opposed, these two extremes represent a spectrum that can be used to articulate a variety of intermediate strategies based on variables like consumer preferences, product type, local competition, and brand maturity in the market.

Because Asian markets differ significantly from Western ones in terms of aesthetic standards, symbolic codes, consumption patterns, and distribution routes, this viewpoint is especially pertinent there. To attain authenticity and resonance in these situations, cultural adaptation is not just advised but necessary. The significance of a “glocal approach”, the use of global strategies that maintain brand coherence while staying adaptable enough to modify offerings, communication, and customer experience to local specificities, is emphasized by Vrontis and Thrassou.

Understanding the development of Western fashion brands, which must adapt their worldwide identities to diverse cultural contexts without sacrificing their integrity, is made easier with the help of this framework. In this sense, the fashion business is representative since it is a field with a lot of symbolic content and where brand values, positioning, and storytelling are all essential to the final product. Therefore, adaptation cannot be limited to linguistic or visual localization alone; it must also include more profound elements like artistic collaborations, identity narratives, and audience engagement strategies.

Ultimately, although Levitt urges us to think globally, Vrontis and Thrassou remind us that brands must act locally as well, carefully balancing their strategic choices along the spectrum between universality and specificity, to thrive in culturally complex markets like those in Asia.

### 3.1.2 The Strategic Dilemma in High Cultural Distance Markets (China and Japan)

Because Western countries’ value systems, aesthetic norms, and consuming patterns are so different from China’s and Japan’s, the application of the trade-off between standardization and adaptation becomes especially complicated in high cultural distance markets. A major strategic dilemma that faces global brands in these situations is whether to maintain their global identity or adapt to local logics.

*Hofstede (1980)* coined the term “cultural distance”<sup>92</sup> to describe the variations in core values that distinguish various societies. His research indicates that China and Japan have high degrees of social contextual control, long-term orientation, power distance, and collectivism. These characteristics have a significant influence on how people view fashion, how they construct their identities, and how they perceive luxury.

Purchase motivation in China is heavily influenced by the idea of *mianzi* (面子, “face”, or social repute and appearance)<sup>93</sup>. Particularly among young urban customers in Tier 1 and Tier 2 cities, luxury is frequently seen as a means of social differentiation and legitimization. Western brands therefore place a strong emphasis on prestige, exclusivity, and recognizability while simultaneously transforming their messages into forms that resonate with different cultures. These include influencers, KOLs, capsule collections that draw inspiration from traditional symbols (dragons, lucky colours, zodiac signs)<sup>94</sup>, and instantaneous, emotionally compelling storytelling.

Japan’s consumption culture, on the other hand, is more introspective, aestheticized, and guarded. The relationship with fashion products is greatly influenced by the aesthetic concepts of *wabi-sabi* (the beauty of imperfection and transience) and *omotenashi* (thoughtful and unobtrusive hospitality). Buying is not a spectacle in this environment, but rather a symbolic and personal act. Japanese buyers favour visual subtlety, narrative coherence, and inherent quality. A formulaic or overly flamboyant approach could be viewed as overbearing or unauthentic.

The non-linear character of internationalization is shown by this cultural division. It is not enough for businesses to simply replicate a global format; they also need to consider the significance that their codes acquire in a different cultural setting. In markets that are culturally distant, the same visual design, packaging, or brand may have conflicting or contrasting meanings. Furthermore, whereas change happens more slowly in Japan but is fuelled by long-standing aesthetic standards and a strong emphasis on brand consistency, the quick evolution of consumer tastes in China, shaped by social media and digital communities, requires ongoing and adaptable adaptation.

This means that Western brands must deal with a strategic conundrum that calls for a sophisticated ability to mediate cultural differences rather than a one-size-fits-all answer. In marketplaces where

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<sup>92</sup> International marketing has made extensive use of Geert Hofstede’s cultural aspects model, which has been attacked for its static conception of culture and disregard for the mixed effects of globalization.

<sup>93</sup> In Chinese society, the idea of *mianzi* is fundamental and pertains to maintaining harmonious relationships, social repute, and dignity. Consuming luxury goods is frequently used as a tactic to uphold or safeguard one’s “face”.

<sup>94</sup> More than just business prospects, Lunar New Year capsules frequently represent symbolic rites, with gold and crimson being traditionally linked to success and prosperity in Chinese culture.

cultural sensitivity is a basic manifestation of respect, there is a risk of both commercial failure and the depletion of symbolic and reputational capital.

### 3.1.3 Forms of Adaptation Among Fashion Brands

Language translation and official product localization are only two examples of adaptation in the context of global expansion. Instead, it manifests in a variety of ways that impact different aspects of brand identity and experience. Adaptation becomes a multifaceted strategic process for Western fashion businesses working in culturally diverse markets like China and Japan with the goal of improving cultural relevance without sacrificing global uniqueness.

The fashion industry exhibits at least four main types of adaptation: *aesthetic adaptation, narrative adaptation, experiential adaptation and relational adaptation*.

*Aesthetic Adaptation*. The visual identity of the brand, colours, cuts, materials, and symbols utilized in collections, is adapted in this way. During instance, a lot of firms in China release capsule collections during the Lunar New Year that have commemorative packaging, zodiac symbols, and red and gold hues. Maisons that have adopted these aesthetic decisions while retaining style recognizability include Dior, Gucci, and Louis Vuitton. Collaborations between European maisons and Japanese designers, like as Issey Miyake and Rei Kawakubo<sup>95</sup>, who are renowned for their minimalism and formal sensibility, demonstrate how aesthetics are more subtle, organic, and conceptual in Japan.

*Narrative Adoption*. One of the most important tools in modern branding is storytelling. Western companies modify their stories in Asia to emotionally connect with local customers. This entails reinterpreting core brand principles from a local perspective, incorporating local characters (celebrities, artists, and KOLs), and making references to culturally particular values (family, harmony, and social achievement). Dior's use of Chinese star Angelababy in a campaign that combines French tradition with contemporary Asian female empowerment is a noteworthy example.

*Experiential Adaption*. The design of the retail experience and the customer journey are equally subject to adaptation. Brands are experimenting with live streaming, social media-integrated e-commerce, immersive QR codes, and tailored digital environments (e.g., Burberry's Social Retail Store in Shenzhen, Gucci on WeChat) in China, where speed is valued and digitalization is advanced. The experience is calm, elegant and ritualized in Japan: stores such as Gucci Salon Ginza combine

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<sup>95</sup> Louis Vuitton's early collaborations with Japanese artists in the 1990s foreshadowed later international ties with Murakami and Kusama. Japan was one of the first Asian markets where Western brands experimented with local-inspired aesthetics.

Japanese omotenashi with Italian savoir-faire to provide a private, sensual experience that honours the client's time and space.

*Relational Adaptation.* Lastly, brands use cultural mediation figures to inform their interaction strategy. Key Opinion Leaders (KOLs) and Key Opinion Consumers (KOCs) are symbolic brand ambassadors in China. They are not just endorsers; they are storytellers who can “translate” the brand into the local digital community’s language. As seen by the Louis Vuitton x Yayoi Kusama collaboration<sup>96</sup>, which fused Japanese pop iconography with the recognizable Monogram language, partnerships with artists, illustrators, or regional businesses further strengthen the authenticity of the relationship.

Therefore, adaptation is a combination of strategic and selective behaviours that are triggered by cultural specificities, market brand maturity, intended positioning, and local customer expectations rather than being a uniform process. The brands with the best chance of securing a unique and long-lasting presence in Asian markets are those that can develop a credible dialogue with the host context without sacrificing their essential identity.

### 3.1.4 Concrete Examples: Lunar New Year Capsule Collections vs. Standardized Prêt-à-Porter

To have a better understanding of how Western brands manage cultural adaptation and global consistency in Asian markets, it is helpful to look at strategic applications, beginning with one of the most iconic events: the Lunar New Year. In recent years, this celebration, which is especially important in China and other Asian nations, has evolved into a privileged platform for the introduction of regional capsule collections that combine aspects of Chinese cultural symbolism with Western luxury values.

Designer labels like Gucci, Dior, Louis Vuitton, and Burberry have created collections especially for Chinese New Year that reinterpret zodiac signs, the fortunate colours red and gold, mythological animals like dragons, and graphic elements derived from Asian floral themes or calligraphy. By paying attention to and respecting local customs, these capsule collections enhance the brand’s cultural relevance while also maintaining a strong link to the brand’s global identity through iconic silhouettes, high-end materials, and narratives that are consistent with the maison’s basic principles. Gucci’s 2021 “Chinese New Year” capsule, which was inspired by the Year of the Ox, is a noteworthy example. It featured playful illustrations inspired by Doraemon, a popular character in Japanese pop culture who is also very popular in China, along with iconic brand elements like the GG Supreme canvas and the monogram. Significant digital interaction resulted from this project, demonstrating that symbolic adaptation may take place without sacrificing corporate identity.

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<sup>96</sup> In addition to being a financial success, the partnership with Kusama (2012 and 2023) was a symbolic act of cultural respect because the artist’s polka dots served as a link between Japanese pop art and Western luxury standards.

Like this, Louis Vuitton has started several Lunar New Year commercials that highlight the brand's French background while fitting in with the joyous and family-friendly vibe of the season. These campaigns frequently include Chinese KOLs or celebrities like Kris Wu and Liu Yifei. These advertising 'visual language, bright photography, auspicious symbols, and cozy, familiar tones, is adapted to local preferences. By restating essential brand characteristics like craftsmanship, elegance, and refinement, the Maison simultaneously preserves worldwide consistency.

Some firms, on the other hand, follow a uniform prêt-à-porter approach, keeping their visual and stylistic language same throughout markets. For instance, Chanel typically promotes a global aesthetic vision founded on rigor, sobriety, and narrative continuity rather than creating locally relevant collections. Chanel emphasizes the validity of its artistic code<sup>97</sup> and the symbolic power of constancy, projecting the same image of elegant, ageless femininity even while aiming to appeal to Asian markets.

This strategy works particularly well in economies like Japan, where customers place a high emphasis on formal quality, stability, and aesthetic consistency. Instead of being a restriction in this situation, standardized prêt-à-porter turns into a guarantee of identity and value. Even Chanel, however, makes smaller but important adjustments, such as in boutique in service, training local employees, and the use of digital channels for interacting with Japanese customers.

These illustrations show that there is no one-size-fits-all approach, but rather a range of strategic reactions that brands adjust according to timing, cultural context, target demographic, and brand positioning. Standardized prêt-à-porter can strengthen a feeling of global identification and desire, while localized capsule collections are effective instruments for symbolic involvement. Finding the ideal level of flexibility without losing the spirit of the brand is the true problem.

### 3.1.5 Risks and Challenges of Excessive Adaptation or Rigid Standardization

While striking a balance between standardization and adaptation offers Western brands a strategic advantage in Asian markets, it also comes with several risk and significant difficulties that could jeopardize global positioning consistency, brand perception, and eventually the long-term viability of international presence.

One of the main risks is excessive adaptation, sometimes known as "over-localization", in which the brand's uniqueness is diluted to attain cultural relevance. In these situations, the brand loses situations, the brand loses visual and narrative coherence, which could make it seem opportunistic or inconsistent to both domestic and international customers. As a result, the brand loses its uniqueness

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<sup>97</sup> Chanel's decision to forgo localized capsule collections has strengthened its reputation for classic exclusivity, but some contend that this tactic runs the risk of offending younger customers in rapidly evolving Asian countries.

and appears to be a less genuine version of itself that is more focused on winning over local consumers than on reaffirming its identity. This mistake frequently occurs when businesses completely delegate communication to local teams without effective global governance or when cultural symbols are embraced superficially without the necessary awareness or tact.

One famous instance is the Dolce & Gabbana issue in China (2018), when a stereotype video campaign with an Asian model trying to eat Italian food with chopsticks caused a significant social media outcry in China. Due to the campaign's perceived offensiveness and condescension, it caused massive boycotts and permanent harm to its reputation. This instance demonstrates that adaptation needs to be sympathetic, knowledgeable, and culturally sensitive; it cannot just be ornamental.

On the other hand, overly strict standardization can cause alienation and cultural detachment<sup>98</sup>. A brand runs the danger of coming out as aloof, uncaring, and unable to establish deep connections with local consumers when it insists on using the same messaging, visual aesthetic, and distribution strategy across markets that are very different from its place of origin. Such inflexibility could be interpreted as cultural haughtiness or shortsightedness in Asia, where customers are extremely sensitive to symbolic codes and cultural acknowledgment.

For instance, the Japanese market has frequently reacted coldly or indifferently to companies that disregard regional aesthetic standards, preferring those that can interact with tact, restraint, and formal coherence. Regardless of the brand's worldwide strength, in China, a lack of digital adaptation, such as not being active on WeChat or not working with local KOLs, can lead to operational irrelevance.

The biggest danger in both situations is the decline of customer confidence. The ability of a brand to comprehend the social and symbolic context in which it functions is intimately linked to brand trust in Asia. Inconsistencies between global communication and local conduct, or between message and action, can cause cracks that are hard to heal.

In conclusion, success in Asian markets depends more on a deeper capacity to manage brand consistency via the prism of cultural adaptation than it does on the quality of the products or the aesthetics of the collections. Not only must brands "translate" their language, but they also need to negotiate meaning and hybridize codes while doing it with tact, consideration, and strategic acumen.

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<sup>98</sup> A common example is Abercrombie & Fitch's failure in Asia, when the company tried to copy its U.S. formula without making enough local adjustments, which resulted in shop closures and a deterioration in its reputation.

## 3.2 Glocal Branding and Intercultural Communication

Western fashion brands face the difficulty of effectively communicating in culturally different situations while retaining a strong sense of brand identity when they expand into Asian markets. One crucial strategic competency is the capacity to strike a balance between a global perspective and local relevance, which is made feasible by techniques like “glocal banding” and the use of intercultural analysis framework<sup>99</sup>.

To show how businesses interpret symbols, values, and languages to create genuine and long-lasting connections with local audiences, this section examines the primary theoretical and practical models that guide communication strategies in markets with substantial cultural distance.

### 3.2.1 The Concept of the “Glocal Brand”: Visual Globality + Local Relevance

One of the most important theoretical pillars for comprehending how Western fashion businesses handle development into Asian markets is the idea of the “glocal brand”. The phrase “glocalization”, which was first used by Roland Robertson in the 1990s<sup>100</sup>, describes the process of adapting global components to local characteristics to produce a culturally hybrid and strategically cohesive identity. This method views localization and globalization as complimentary processes rather than as mutually exclusive.

Applying the idea to branding means creating a brand identity that engages with local cultural codes in a way that seems relevant and genuine to customers, all the while maintaining a strong and identifiable global vision. A glocal brand may interpret and reflect the values of various contexts without losing its internal coherence since it is a storytelling organism rather than a rigid entity.

The most successful global companies, according to Douglas Holt (2004)<sup>101</sup>, are those that can “culturalized” their service, or turn into local emblems while maintaining their core global identity. According to Holt, this is known as cultural branding, a process whereby the brand takes on a particular meaning within the social context in which it functions and becomes an essential component of regional discourse, goals, and cultural customs. This involves accessing the consumers’

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<sup>99</sup> the sociological theory of “glocalization”, which was later applied to marketing, emphasizes how local cultural peculiarities always interact with globalization.

<sup>100</sup> In the context of global sociology, Robertson coined the term “glocalization”, which describes how local and global processes are entwined rather than antagonistic.

<sup>101</sup> According to Holt’s “cultural branding” theory, international brands become symbols when they get ingrained in local cultures and transform consumption into a symbolic activity.

systems of meaning and forging a common and identifiable identity on a local and global scale, going beyond simply changing advertising messaging.

Strong and cohesive visual globality, made up of logos, legacy, design, and aesthetic values, is shown to be expressed in the fashion industry. It is regionally “translated”, through partnerships, collaborations, capsule collections, and communication tactics with regional stakeholders. The global visual codes of the brand are still identifiable, but they are appropriate for the culture.

Louis Vuitton is a prime example, preserving its classic French luxury style but reimagining it through regional partnerships with artists like Yayoi Kusama and Takashi Murakami<sup>102</sup>. In these instances, the brand’s distinctive Monogram, a worldwide symbol, is combined with aspects of Japanese pop aesthetics to create a communication style that is both culturally immersing (local) and coherent (global).

One of the Gucci’s distinguishing features is glocal branding, which involves using a globally uniform visual language enhanced with narrative and symbolic allusions to regional contexts. This is demonstrated by its Chinese New Year WeChat videos, partnerships with Asian illustrators, and retail initiatives like Tokyo’s Gucci Ginza, which combines Japanese sensibilities with Italian aesthetics. In this instance, glocalization is a deep intercultural conversation encompassing language, geography, experience, and identity rather than just a visual adaption.

The capacity to turn a brand into a flexible cultural tool that enhances its worldwide standing through local embeddedness is what gives glocal branding its strategic worth. A “glocal” brand serves as a bridge between worlds, a platform for creating hybrid affinities, personal narratives, and symbolic affirmations, and it is neither wholly foreign nor fully domestic to Asian customers.

In this way, the glocal brand also offers an evolutionary response to your research question: it creates a fluid, dialogical identity that is intricately woven into local codes while preserving the consistency of a global identity and giving it value through cultural adaption.

### 3.2.2 Intercultural Communication Tools (Hofstede, Hall): Conveying Shared Values Across Cultural Contexts

Brand communication in the context of global growth cannot be thought of as a neutral or universal process since it is culturally coded, and a brand’s capacity to understand, translate, and modify its

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<sup>102</sup> These partnerships are seen as turning points in the conversation between high-end fashion and modern art, transforming goods into hybrid cultural artifacts that are shown in museums as well as retail establishments.

messaging to fit the target market's value systems determine how effective it is. The likelihood of semantic errors, symbolic misinterpretations, or adverse reactions is especially high in markets with substantial cultural distance like China and Japan.

To create visual, narrative, and experiential messages that local audiences can comprehend, accept, and absorb, fashion firms must use intercultural analytical methods. Geert Hofstede and Edward T. Hall created two of the most pertinent theoretical frameworks, whose models aid in the methodical deciphering of cultural variations.

A key analytical tool for comprehending national cultural variations and successfully directing brand communication in the fashion business is Hofstede's model of cultural dimensions. Three of Hofstede's dimensions have important ramifications for marketing tactics in Asian markets, even if all six are pertinent. The first is Power Distance, which measures how much a community accepts and legitimizes hierarchical institutions. In high power distance contexts, such as China, social hierarchies are perceived as natural, and consumers are more likely to be drawn to brands that symbolize social distinction, prestige, and status.

Messages in these areas should highlight the product's superiority in terms of symbolism, exclusivity, and quality. Collectivism vs Individualism is the second dimension. China and Japan are examples of collective cultures that place a high value on social respect, community cohesion, and contextual adaptation. Advertising campaigns should therefore emphasize common identities, familial ties and community values rather than messages focused on self-assertion. Long-Term Orientation, the third dimension, is a feature of civilizations like Japan's where linear storytelling, consistency, and enduring excellence are highly prized.

Products and campaigns that seem unduly trend-driven or transient may be viewed with suspicion in such settings. By incorporating these cultural factors into strategic planning, brands may connect their messaging's tone, content, and symbolism with regional value systems. In Tokyo or Shanghai, where cultural values value nuance, harmony, and group pride, a campaign that succeeds in New York, centered on self-expression and the defiance of conventions, may be viewed as counterintuitive. Edward T. Hall complements Hofstede's framework.

Hall's idea of communicating context, which provides an extra perspective for understanding cross-cultural interactions. Hall makes a distinction between civilizations with high and low context. Many Asian societies are high-context cultures, which mostly rely on symbolic and implicit meanings that go beyond spoken language. Visual signals, nonverbal indicators, tone, existing relationships, and

even silence are all important components of communication. It is typically subtle, allusive, and indirect. Low-context cultures, which are prevalent in Western nations, on the other hand, place more value on logic, clarity, and explicitness; communication is more straightforward, open, and forceful.

Brands doing business in China and Japan must therefore create multi-layered messages that honour cultural subtext, where each component, from backdrop colour to figure positioning in an ad, can have profound meaning. The utilization of local celebrities or influential figures must also be culturally appropriate; it is not just a matter of popularity but also of the values that they represent in the community. This strategy involves a paradigm shift: rather than merely marketing a product, the brand is creating a symbolic environment where Asian consumers may recognize themselves without dealing as though their identities are being torn apart.

The application of these theoretical models has several strategic implications for fashion brands: it helps them steer clear of cultural blunders that could damage their reputation, like stereotypes, appropriation, or oversimplification; it enables the creation of campaigns that are relevant locally and meet the audience's cultural and value-based expectations; and it facilitates the development of a hybrid narrative identity where the brand is seen as "global yet culturally attuned", able to listen and show respect. Knowing local cultural standards is essential for market legitimacy in fashion marketing, since aesthetics serve as means of implicit communication. It is not an optional improvement. According to this perspective, intercultural competency is a strategic necessity rather than just a tactical benefit.

### 3.2.3 Hybrid Storytelling and Symbolic Reinterpretation

Storytelling is a crucial strategic component in the fashion industry for creating an emotional bond between the customer and the brand. A hybrid storytelling approach, on the other hand, is required when brands operate in markets that are culturally different from their home country, like those in Asia. This approach must create a narrative that is consistent with the global identity while also symbolically resonating with the values, imagery, and expectations of the local audience.

The process of symbolic reinterpretation is known as narrative hybridization. To ensure cultural relevance, content must be "transformed" rather than just "translated". A brand's symbols, values, aesthetics, and emotions must be filtered via the target market's cultural sensitivity; otherwise, the message runs the danger of being misinterpreted or disregarded. The effectiveness of a narrative technique in Asia, where communication is frequently very symbolic, visual, and emotive, rests on its capacity to evoke significant and shared cultural allusions.

Dior's strategy in China, where local celebrities like actress Angelababy enhance the classic representation of European femininity (the Bar Jacket, French heritage, Parisian elegance), is a good example of hybrid storytelling. This story creates a new, fluid, and inclusive imagery by fusing the local dimension, the beauty and strength of modern Chinese women, with the global element, European savoir-faire.

The historical symbolism of Monogram has also been effectively combined with visual elements that are firmly ingrained in Japanese society through Louis Vuitton's partnerships with Takashi Murakami and Yayoi Kusama. As a result, the brand's Western background is celebrated and reimagined through Asian codes that create a powerful emotional and cultural bond, creating a hybrid visual narrative that speaks to two worlds at once.

These are high-value cultural initiatives where the brand creates a narrative identity that changes according to its setting, not just decorative operations. In this way, hybrid storytelling is a dynamic and unique synthesis that can communicate to various audiences without losing the brand's unique voice, rather than just a collection of local and global components.

Visual semiotics is a key component of this process; colours, patterns, postures, settings, and artistic or cultural allusions are all essential to the story and need to be precisely calibrated. For instance, crimson has many symbolic meanings in China<sup>103</sup> (prosperity, joy, and luck), whereas white in Japan can, depending on the situation, represent both grief and purity. A careless usage of these components could result in misunderstandings or even damage to one's reputation.

Digital language is another important component of hybrid narrative, and it differs depending on the Asian setting. Campaigns must be created to elicit instant engagement, micro-narratives, and virality in China, where they are frequently shared through WeChat, Weibo, RED (Xiaohongshu), or Douyin. In general, the tone is more muted and personal in Japan, emphasizing rituality, aesthetic coherence, long-term narrative consistency, and attention to detail.

In conclusion, fashion firms may create genuine cultural connections between their fundamental beliefs and those of the local market by using hybrid storytelling. It is an essential tool for answering your research question because it enables the maintenance of a worldwide brand identity using a narrative language that is firmly anchored in the cultural quirks of the Asian audience. The degree to

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<sup>103</sup> Red is a popular colour for weddings, festivals, and luxury branding because it is closely linked to wealth, joy, and celebration in Chinese culture.

which local components are successfully incorporated into the brand's DNA determines the process's success, not how many are used.

### 3.2.4 Cultural Partnerships and Symbolic Strategies: Artistic Collaborations and KOL Engagement

Cultural ties and strategic collaborations with local actors are crucial instruments for establishing cultural proximity and symbolic relevance in the localization process of fashion companies in Asian markets. Through these partnerships, businesses can enhance their perceived authenticity, become more visible, and become ingrained in the local audience's collective psyche.

Two types of partnerships are particularly effective in the Asian context:

Artistic Collaborations: Blending Brand Heritage with Local Culture: art and fashion are becoming increasingly entwined, and many international brands have taken advantage of this to create hybrid narratives that combine the visual languages of local artists with their own. Collaborations in the arts are authentic acts of cultural mediation rather than just "marketing operations". They aim to simultaneously activate visual codes that are culturally and locally acceptable while also enhancing the brand's aesthetic value while maintaining coherence.

A prime example is Louis Vuitton, which has collaborated with Yayoi Kusama, the well-known Japanese artist famous for her "polka dots" and psychedelic, repeating visual language, on several capsule collections and art installations. Through this partnership, the brand was able to show itself in Japan as a polite visitor that honours and integrates Japanese art into its vision rather than as an alien creature. Through cultural fusion, the global identity is strengthened rather than eliminated.

Another noteworthy example is Dior's collaboration with the *China Art Museum*, in which the maisons staged cultural events and exhibitions to establish itself as a prominent cultural mediator. These programs transform the brand from a supplier of products to a cultural force, which is particularly valued tactic in Asian nations where symbolic capital and cultural reputation are strongly correlated.

#### Collaborations with KOLs (Key Opinion Leaders) and KOCs (Key Opinion Consumers)

KOLs and KOCs play a crucial role in fostering closeness and trust with the people in China and, to a lesser extent, Japan. Asian KOLs are viewed as cultural mediators who can translate the brand's rhetoric into their communities' everyday conversation, in contrast to Western influencers, who are frequently viewed as aloof aspirational characters.

KOL partnerships work well because they give marketers access to local circuits of meaning by partnering with well-known, trustworthy, and symbolically significant individuals. Among the pertinent examples are:

- Burberry, through livestreaming events on WeChat and Douyin hosted by local KOLs, transformed brand communication into participatory, authentic, and real-time narrative.
- Gucci and Chinese singer Chris Lee (Li Yichun), an icon of genderless style and urban modernity, who helped the brand position itself disruptively in the Chinese market.
- Prada and Cai Xukun, a young Chinese pop icon featured in campaigns combining Italian minimalism with Eastern visual sensitivity.

Brands typically choose less invasive ambassadors in Japan, a market more sensitive to caution and relationship quality. These ambassadors are frequently from the fields of art, design, or urban youth culture. In this case, KOL strategy prioritizes reputation, value, coherence, and aesthetic refinement over virality.

These collaborations are effective instruments for symbolic glocalization in both situations. They enable brands to move beyond the top-down logic of global communication and into co-created, horizontal, and culturally placed partnerships, in which the brand listens, participates, and adapts rather than imposing itself.

By collaborating with artists and KOLs, businesses build a believable and complex narrative while also strengthening their cultural validity and local relevance. One of the most obvious indicators of effective localization techniques is the capacity to accomplish symbolic hybridization.

### **3.3 Customer Experience and Distribution Strategies**

It is impossible to think of the consumer experience in Asian markets as a simple copy of the Western model. Fashion brands need to create culturally sensitive distribution and engagement strategies that can integrate technology, service, and symbolism in places like China and Japan. From physical retail to omnichannel ecosystems, from customized service to territorial micro-targeting, this section examines how Western corporations adapt their global identities into regional experiences. The objective is to comprehend how localizing the customer experience turns into a tactical tool for establishing emotional ties, relevance, and authenticity with customers who are culturally aware.

### 3.3.1 Phygital Retail and Omnichannel Strategies in Asian Contexts

Western fashion brands operate in Asian markets, especially in China and Japan, which are distinguished by high standards for service, advanced digitalization, and a strong preference for experiential innovation. The “phygital” approach, which combines digital and physical channels to offer a seamless, immersive, and highly customized shopping experience, is the strategic react to these dynamics.

The concept of phygital retail is built upon the integration of three core dimensions:

1. Physical presence (boutiques, pop-ups, flagship stores)
2. Digital technologies (apps, augmented reality, QR codes, AI)
3. A personalized and immersive customer journey

In the Chinese market, where a mobile-first culture and digital platforms that combine entertainment, e-commerce, and content drive consumer behavior, this reasoning is fully accepted. Therefore, to remain relevant, Western businesses need to rethink the physical store’s function as an experiential hub that is tightly entwined with regional digital ecosystems rather than as a place of sale.

Burberry’s Social Retail Store in Shenzhen<sup>104</sup>, which was created in collaboration with Tencent, is a noteworthy example. This area serves as an integrated ecosystem where each product is linked to unique digital material through QR codes, enabling real-time WeChat interaction, virtual experience unlocking clothing customization, and access to secret communities. The store transforms into a relational space where the digital and physical aspects support one another.

Like this, Gucci has used phygital tactics in China<sup>105</sup>, combining interactive games, AR filters, in-store experiences, and app-unlockable material with WeChat ads. The customer experience is designed as an interactive, modular story that promotes involvement, discovery, and exclusivity. Younger, digitally native demographics (Chinese Gen Z and Millennials) respond especially strongly to this experiential approach since they anticipate direct brand involvement, immediacy, and interaction.

The phygital model is used in several ways in Japan. The market is very sensitive to the fusion of discreet technology, service, and aesthetics, even though social commerce does not control it as much.

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<sup>104</sup> The Shenzhen store, which combines online and in-person experiences through WeChat integration, is frequently cited in business reports as China’s first real “phygital” luxury retail model.

<sup>105</sup> To improve consumer engagement, Gucci frequently incorporates gamified experiences and augmented reality filters into their interactive WeChat promotions.

Here, flagship stores transform into multimodal, ceremonial environments where innovation is necessary but subtle. For instance, the Gucci Ginza Salon provides an invitation-only experience that blends Japanese minimalist design, Italian craftsmanship, and integrated technology for VIP client management, all without upsetting the environment's formal and symbolic equilibrium.

Even Uniqlo, a Japanese company, has established important omnichannel standards: in-store pickup is a component of a click-and-collect logic that prioritizes efficiency and discretion; inventory is updated in real-time; and in-store experiences are completely linked with the mobile app.

For Western firms looking to enter Asian markets, the phsgital model and omnichannel strategy become more than just operational tools; they become components that define their culture and identity. Omnichannel retailing is particularly associated with modernism, innovation, and social relevance in China. Companies run the risk of going unnoticed if they don't incorporate local digital platforms like WeChat, Xiaohongshu, and Douyin. In contrast, integration improves discretion, efficiency, and continuity of experience in Japan. When innovation improves the quality of services, it is valued.

Asian customers expect a seamless, customized, technologically sophisticated, yet culturally aware interaction; they do not distinguish between the online and offline domains. The capacity to create physical experiences that capture the values and customs of the local setting without sacrificing global brand identification is the true competitive advantage for Western brands, not just the product itself.

### 3.3.2 Service Personalization and the Role of Local Staff

The fashion retail experience in Asian markets is deeply ingrained in a wider cultural understanding of service as a symbolic gesture, and it goes well beyond interaction with the product. A meaningful brand experience is shaped by several important factors, including the quality of the relationship, attention to detail, linguistic sensitivity, and the capacity to read non-verbal clues.

Service personalization takes on strategic significance in this situation; it is not only a means of “pampering” the customer but rather a gesture that shows consideration, respect, and knowledge of regional cultural norms. The most profound facets of brand–consumer interaction often occur within the physical retail environment; therefore, Western firms must adapt their relational strategies not only across digital platforms but also within in-store settings.

The phrase “omotenashi”, which is difficult to translate, is a deeply ingrained cultural norm that establishes the benchmark for exceptional customer service in the Japanese market. It embodies a

philosophy of discrete, anticipatory, and true hospitality, wherein subtlety, sensitivity, and respect define the client experience. Japanese customers expect store employees to anticipate their requirements without bothering them, speak in a courteous and restrained manner, provide a smooth, effective, and peaceful shopping experience, and transmit product knowledge with calm expertise.

To comply with this cultural expectation, western fashion firms must not only invest in locally tailored employee training but also embrace a significant change in corporate philosophy, viewing the customer as a guest to be respected rather than just a target to be convinced. This strategy has been improved by upscale stores like Gucci Ginza and Chanel Namiki, which provide individualized services from highly skilled local advisers and integrate shopping customs that capture the tempo and sensibilities of Japanese society.

The Chinese market, on the other hand, offers a distinct set of demands based on effectiveness uniqueness, and online interaction. Here, a fast-paced, hyperconnected lifestyle<sup>106</sup> shapes personalization, especially in large cities where customers demand to be treated as affluent, sophisticated individuals with high standards and expect instantaneous, multichannel experiences. Store employees need to be able to communicate effectively with consumers who are digital natives and spend a large portion of their lives on smartphones. Integrated CRM systems and social media platforms like WeChat are often used to manage the customer journey.

In these settings, invites to special events, VIP services, and personalized post-purchase experiences are used to convey exclusivity. Companies like Burberry, Prada, and Louis Vuitton have set up in-store teams<sup>107</sup> that are able to handle customer interactions much beyond the actual point of sale. These teams can develop direct WeChat contacts with high-end clients, provide personalized product recommendations, and organize unique services.

The strategic value of local employees is very clear in both markets. These people serve as more than just front-line staff; they are cultural intermediaries who connect the brand's global identity with the complex demands of Asian consumers. In addition to allowing for cultural adaptation in terms of communication style, relational sensitivity, and customer rituals, their training is an essential investment that guarantees the maintenance of brand values, including heritage, aesthetics, and tone.

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<sup>106</sup> Through integrated CRM solutions, China's "super-apps" like WeChat have revolutionized personalization and allowed firms to stay in touch with high-value customers one-on-one.

<sup>107</sup> Through WeChat, high-end employees in China frequently oversee VIP clients directly, setting up unique events, tailored offers, and private meetings.

Additionally, they improve operational flexibility by retaining clients, providing individualized service, and correcting problems in real time. To ensure that brand values are interpreted in ways that are culturally relevant, some luxury brands use “glocal” training approaches, which blend local cultural knowledge with global brand expertise. For instance, Hermès and Chanel run training programs in which local trainers assist in transmitting French savoir-faire. Ultimately, individualized service in Asian markets is not a mere competitive advantage, but a cultural obligation.

Customers in China and Japan evaluate brands not only based on the quality of the products offered, but also on the calibre and authenticity of the relationships they cultivate. It is a form of partnership that must be flexible, respectful, informed, and deeply attuned to local cultural norms.

### 3.3.3 Micro-targeting and Localized Distribution Strategies (Tier Cities, Department Stores, Digital Platforms)

Distribution methods cannot rely on standardization or centralized decision-making when Western fashion businesses expand into Asia markets. Rather, they necessitate adaptability, suppleness, and accurate spatial calibration. Often called micro-targeting, this strategy aims to maximize relevance, accessibility, and perceived prestige in each market by customizing the brand’s physical and digital presence based on regional socioeconomic, cultural, and geographic segmentations.

An important illustration of this reasoning may be seen in China, where urban segmentation is loosely organized around the “Tier city” system, an unofficial but popular classification scheme based on factors including purchasing power, average income, infrastructure development, and population size. Tier 1 cities, such as Beijing, Shanghai, Guangzhou, and Shenzhen<sup>108</sup>, are examples of highly developed and crowded luxury markets where exclusivity, innovation, and visibility are key factors in competition.

To increase their cultural capital, brands set up flagship locations, immersive showrooms, and partnerships with well-known artists and Key Opinion Leaders (KOLs) in these cities. On the other hand, luxury is still seen as respectable and aspirational in Tier 2 and Tier 3 cities, which are developing metropolitan centres. In this case, brands take a more curated strategy, setting up smaller shops with fewer product selections and mostly depending on digital interaction via WeChat, livestreaming, and distant clientele.

Educating these customers while preserving an air of exclusivity is the main obstacle. At the same time, digital distribution is quite important in the Chinese retail market. In addition to creating integrated touchpoints through WeChat Mini Programs, livestream commerce, and localized content initiatives, brands must make sure they are present on major local e-commerce sites like Tmall Luxury

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<sup>108</sup> Although it is not an official classification, brands and consulting firms (like McKinsey and Bain) sometimes utilize the “Tier city system” to divide up China’s diverse market.

Pavilion, JD.com, and Xiaohongshu.<sup>109</sup> The end effect is smooth, closed-loop ecosystem where the distribution channel also acts as a route for client loyalty, service, and communication.

Japan's retail culture, which is firmly anchored in tradition, aesthetic sensibility, and symbolic value, informs distribution strategy. High-end department shops like Isetan, Mitsukoshi, and Hankyu serve as both economic and cultural hubs; a brand's presence there is a sign of distinction, coherence, and sophistication. Monobrand stores that are situated in well-known neighbourhoods, such as Shinsaibashi in Osaka or Ginza in Tokyo are important venues for enhancing brand identity because they provide individualized customer service and architectural coherence that complements the brand's story. Furthermore, discretion and selection are highly valued by Japanese consumers; excessive exposure can weaken a brand's symbolic capital.

Because of this, a lot of brands have a small but well-planned retail presence, with each store serving as an extension of the brand's narrative rather than just a place to buy. Japan's digital ecosystem is strategically significant even if it is less centralized than China's. Customers anticipate e-commerce platforms to be aesthetically pleasing, straightforward to use<sup>110</sup>, and consistent with the in-store experience. Features like online reservations with in-store pickup and first-rate after-sale support are deemed necessary. To ensure a consistent brand experience across platforms, digital channels must maintain the same style, tone, and quality requirements as physical retail locations.

Micro-targeted distribution tactics in Asia provide several strategic benefits for Western fashion firms. They enable optimized geographic deployment, lowering risk and operational costs in developing but high-potential area; they respect culturally specific consumption patterns, avoiding intrusive, impersonal, or overly centralized approaches; they facilitate the flexible integration of physical and digital touchpoints tailored to local preferences; and they permit dynamic brand positioning that adjusts to local contexts without compromising global identity. In the end, distribution in Asian markets becomes a cultural and symbolic act that goes beyond practical reasons. Whether a brand chooses to sell in-person or online, its choices regarding where, how, and with whom convey its identity, values, and positioning to consumers who are both culturally aware and extremely sensitive to contextual subtleties.

### 3.4 Case Studies: Western Fashion Brands in Asian Markets

It is especially helpful to look at specific instances of tactics used in high cultural distance contexts linked China and Japan to comprehend how Western fashion businesses manage to strike a balance between global brand coherence and cultural adaptation in Asian markets. By applying a comparative

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<sup>109</sup> Alibaba's 2017 debut of Tmall Luxury Pavilion, which now houses more than 200 international brands, established itself as China's top online luxury shopping destination.

<sup>110</sup> Japanese consumers anticipate that online platforms will replicate the design and level of service provided in-store; discrepancies between digital and physical interactions can damage a brand's reputation.

lens to three iconic case studies, Gucci, Louis Vuitton, and Burberry, this part examines how these companies modify their global identities for local markets, resolving the conflict between localization and standardization and producing workable solutions.

Gucci is an important example of “creative luxury” that has demonstrated remarkable adaptability to local cultural norms while retaining a strong sense of global coherence in terms of aesthetics and brand values. The brand, which aims to appeal to a youthful, multicultural audience in Europe, has centered its identity around ideas like gender fluidity, self-expression, and visual maximalism. However, Gucci has effectively reinterpreted this identity in the Chinese market through targeted initiatives like Lunar New Year capsule collections, which reframe the brand’s imagery through symbols associated with luck and prosperity. One such collection is the 2021 collection, which was inspired by Doraemon<sup>111</sup>, a popular cultural icon in China.

Using interactive livestreams, AR filters, and mini programs, integrated digital campaigns have been used to promote these activities on local platforms like WeChat, Xiaohongshu, and Douyin. In contrast, the company has taken a more subdued and selective approach in Japan, highlighting the unique experience of the Gucci Ginza Salon<sup>112</sup>, a by-invitation boutique that combines Italian savoir-faire with Japanese simplicity in line with local service culture and aesthetic tastes.

Similarly, Louis Vuitton has created a very successful localization plan without sacrificing its well-known brand worldwide. The Maison emphasizes craftsmanship, heritage, and aesthetic coherence to establish itself as a symbol of classic French luxury in Europe. However, in Asia, the brand has improved its image by collaborating with regional artists like Yayoi Kusama and Takashi Murakami. These collaborations have strengthened Louis Vuitton’s standing as a dialogic and culturally aware brand in addition to introducing aspects associated with modern Japanese aesthetics (Jing Daily, 2023).

The company has made significant investments in the local digital ecosystem in China, opening a flagship store on Tmall Luxury Pavilion and modifying its advertising to conform to Chinese consumers’ cultural norms and consumption patterns. Examples of this include regionally relevant Lunar New Year content and narrative-driven videos for local platforms. Even flagship stores’ architectural layouts, like Tokyo’s Omotesando site, are intended to blend in with the surrounding urban environment and represent the host market’s cultural norms.

Finally, Burberry is a particularly intriguing example of technology innovation and identity restructuring suited to Asian markets. Through urban and modern narrative, the brand continues to

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<sup>111</sup> Gucci’s usage of the 1969 manga character Doraemon, a major icon in East Asia, connected the company to pop culture and nostalgia while preserving its upscale image.

<sup>112</sup> The Salon, which combines Italian savoir-faire with the Japanese principle of omotenashi, is Gucci’s most exclusive retail concept in Japan and is open to invitation only.

take inspiration from its British roots in Europe. However, Burberry has adopted a far more digital strategy in China, opening the first Social Retail Store in the world in Shenzhen in collaboration with Tencent.

Through QR codes, unique content, gamified experiences, and customized services through WeChat, the physical experience is completely connected with digital channels in this area. In this case, the consumer is an active participant in a longer brand connection that extends beyond the actual store, in addition to being a buyer. Burberry has chosen to reduce its distribution in Japan, where brand saturation from previous overexposure has resulted, by investing in a carefully chosen group of boutiques that place a premium on formal elegance, secrecy, and service quality.

Several common strategic directions may be identified from these case studies. First, local symbols, stories, and culturally relevant outlets are used to reinterpret global brand coherence rather than discard it. Second, developing significance in Asian markets requires the capacity to combine local influencers, artistic partnerships, and specialized distribution methods with global aesthetics. Third, technology is emphasized as a major mediator of brand experience, especially in China, but in Japan, the relational aspects of luxury call for a more sophisticated and selective approach.

These illustrations demonstrate how “glocal” approaches, where global identity functions as a solid basis given significant by intercultural communication, narrative adaptability, and observance of local codes, can resolve the conflict between standardization and localization. By doing this, businesses successfully address the main issue raised by this study: how to balance cultural relevance with global consistency in incredibly varied situations.

## CHAPTER 4

# Bridging Theory and Practice: Managerial Perspectives on Global-Local Dynamics in Asian Fashion Markets

### 4.1 Introduction

As the empirical component of the thesis, the fourth chapter aims to connect the theoretical framework developed in the previous chapters with the real-world experience of a professional working in Asia's luxury market. This chapter attempts to provide a direct viewpoint from the field by analysing the literature on localization, globalization, and cultural dynamics in China and Japan. It does this by demonstrating how abstract notions are used in actual business operations.

The research is predicated on the idea that understanding Asian markets completely requires an insider's perspective that can communicate the managerial and cultural complexity of the area. This understanding cannot be achieved merely by using theoretical models or quantitative data. Accordingly, the interview with a specialist in charge of organizing and coordinating media activations and launches throughout the Asia-Pacific (APAC) region at a well-known Western luxury fashion brand provides a unique chance to delve deeply into the thesis' main theme: striking a balance between local cultural adaptation and global brand identity consistency.

The objective is not only to describe personal experiences but also to critically assess them and contextualize them within pertinent theoretical frameworks.

As a result, the interview makes it possible to discuss subjects like:

- The importance of intercultural competencies and soft skills in global cooperation.
- The responsibilities and challenges associated with organizing operations across several markets.
- Future developments and the abilities required to function in a dynamic environment.
- The role opinion leaders and digital platforms play in building trust.
- Glocal communication tactics, paying special attention to how Chinese and Japanese consumers differ from one another.

Thus, this part of the thesis acts as a link between theory and practice: on the one hand, it validates and enhances the concepts offered in the literature; on the other hand, it expresses the viewpoints of

those who are directly involved with the difficulties of internationalization in Asia. The research's value is not in extrapolating the results, but rather in offering thorough qualitative observations that shed light on the localization processes and cultural adaption logics as they are encountered in real-world situations.

By demonstrating how the global-local conflict is a dynamic and negotiated process that manifests in the everyday decisions made by professionals involved in coordinating global strategies with local cultural contexts, the chapter seeks to advance knowledge of the phenomena.

## **4.2 Methodology of the Research**

This study follows the tradition of qualitative exploratory research, which is especially well-suited to studying complicated and unusual phenomena like how Western luxury brands localize and internationalize in Asian marketplaces. Rather than generating statistically generalizable statistics, the objective is to offer a thorough and contextualized understanding of the cultural logics and practices that support the equilibrium between local adaptability and global identity.

Because it respects the subjective opinions of specialists and enables the development of interpretations, stories, and insights that would hardly fit into standardized quantitative instruments, the qualitative method was selected. In this approach, the study's exploratory design adds an empirical viewpoint based on professional practice to the theoretical models covered in the previous chapters.

The instrument employed was the semi-structured interview, which was based on a framework with five theme sections:

1. Academic path and personal background: to rebuild intercultural competencies and academic training.
2. To comprehend duties, difficulties, and organizational dynamics, one should have professional experience in the fashion sector.
3. Examining the thesis's main research question: global identities and local adaptation.
4. Examining platforms, channels, and interaction methods in Asian markets: media strategy, KOLs, and digitalization.
5. Skills, advancements, and guidance: to emphasize the competences needed in the industry today and the trends that will emerge in the future.

While making sure that all pertinent topics were covered, the semi-structured framework allowed the interviewee to freely offer personal views and specific examples from her professional experience while maintaining a balance between rigor and flexibility.

The participant was chosen based on her competence-related and strategic profile. She coordinates and aligns media activations and launches throughout the Asia-Pacific (APAC) region for a well-known Western luxury fashion brand. Her career path is increasingly focused on integrating global strategies with Asian markets, which complements her excellent linguistic and cultural capabilities, which were established through an academic background in China Studies and enhanced by study and research experiences at Chinese universities.

Her testimony is especially pertinent because:

- she is directly in charge of organizing media campaigns in the Asia-Pacific area, which is a major focus of the research theme.
- She is also qualified to mediate cultural issues due to her intercultural competencies, which she has developed via her academic studies and extensive experience in China.
- Her position explicitly addresses the thesis's key ideas, such as the significance of opinion leaders and digital platforms, the differences between Asian markets, and striking a balance between localization and globalization.

Inspired by the paradigm put forward by *Braun and Clarke (2006)*, theme analysis was used to evaluate the interview to guarantee methodological rigor and transparency. The steps in the procedure were as follows:

1. *Transcription and familiarization*: To get acquainted with the content and form preliminary observations, the interview was thoroughly transcribed and read multiple times.
2. *Initial coding (open coding)*: the most pertinent passages were chosen, and they were given descriptive codes that encapsulated the main concepts and recurrent themes.
3. *Category construction (axial coding)*: Academic background and intercultural competencies; APAC challenges and coordination; global identity and local adaptation; media strategy and digitalization; and future trends and organizational capabilities were the main clusters that emerged, and these codes were grouped into broader thematic areas that corresponded to these clusters.
4. *Selection of illustrative quotations*: sample quotes were selected for every category and utilized as factual proof to back up the conclusions.

5. *Interpretation and theoretical triangulation*: to find any overlaps, additions, or differences between theory and practice, the findings were contrasted with the literature in Chapters 1-3.

This process made it possible to move from rich and intricate qualitative data to a methodical analysis that maintains the interviewee's genuine voice while placing it within an interpretive framework that aligns with the goals of the study.

These factors make the testimony particularly useful for answering the research issue and fusing theoretical viewpoints with verifiable practical data.

Element	Description
<b>Research Objective</b>	To explore how a Western luxury fashion brand manages its expansion in Asia by balancing global brand identity with local cultural adaptation.
<b>Type of research</b>	Qualitative, exploratory in nature.
<b>Data collection tool</b>	Semi-structured interview, divided into 5 sections (profile, professional experience, global vs local identity, media strategy, competences and trends).
<b>Participant</b>	Professional working in media strategy coordination for the APAC region at a Western luxury fashion brand; academic background in China Studies and direct experience in Asian markets.
<b>Selection criteria</b>	<ul style="list-style-type: none"> <li>- Direct involvement in coordinating and aligning APAC media activities.</li> <li>- Intercultural and linguistic competences.</li> <li>- Relevance to the Research Question (global vs local adaptation).</li> </ul>
<b>Geographical scope</b>	Asian Markets, with a focus on China and Japan.
<b>Analytical approach</b>	Thematic analysis (Braun & Clarke, 2006): transcription → open coding → thematic categories → quotations → interpretation and comparison with literature.

Tables 1 – Overview of the Research Methodology

### 4.3 Limitations of the Research

As with any qualitative investigation, it is important to recognize some limits to preserve methodological transparency and to make clear the extent of the results. This research is not unique; it is based on a single in-depth conversation with a specialist responsible for coordinating and synchronizing media activations for a well-known Western luxury brand throughout the Asia-Pacific (APAC) region.

The study only used one interview; thus the results cannot be applied to the whole Western luxury fashion market in Asia. This is the first drawback pertaining to the study's participant count. However,

concentrating on a single example enables a comprehensive and contextualized viewpoint that can highlight subtleties, dynamics, and characteristics that would be challenging to portray using large-scale analyses or quantitative methods.

The participant's particular role is the subject of a second constraint. The insights may not address difficulties that would arise from other areas like supply chain management, creative design, distribution, or offline customer experience because the interviewee works in media strategy and communication.

The business environment that is being examined gives rise to a third limitation. The parameters found reflect the dynamics of this market segment because the study focuses on a luxury brand in the West. Companies in other categories (such fast fashion or accessible luxury) or local Asian businesses may take rather different tacks.

Another factor to consider is the temporal dimension. A specific historical period, characterized by post-pandemic changes, rapid digitization, and rising concern in sustainability, is reflected in the interview. Because consumer trends and opinions are changing so quickly in dynamic countries like China and, to a lesser extent, Japan, certain conclusions may only be relevant in the short term.

Lastly, it's critical to acknowledge the existence of potential interpretive biases. The data represent the subjective viewpoint of the interviewee as well as the researcher's interpretation, as is the case with all qualitative research. This mediation should be viewed as a natural aspect of qualitative research, which prioritizes interpretive depth above the quest for total objectivity, rather than a weakness.

Notwithstanding these drawbacks, the study makes a significant contribution by offering a thorough examination of how a Western luxury brand aims to strike a balance between local adaptation and global identity in Asian markets. Its importance is not in providing all-encompassing answers, but rather in producing critical thinking and exploratory ideas that can form the basis of further studies, whether they employ comparative multi-case analyses or quantitative techniques on bigger samples.

## 4.4 Thematic Analysis of the Interview

The examination of the interview with a professional coordinating media efforts in the APAC region for a well-known Western luxury fashion company reveals five main thematic areas that are closely tied to the concepts discussed in the previous chapters: (i) educational background and multicultural competencies; (ii) the coordination/mediation function and the problems of APAC; (iii) local adaptation and global identity; (iv) media strategy and digitization; (v) future trends and professional skills.

### 4.4.1 Intercultural competences and educational background

The interview's first major theme focuses on how the interviewee's educational background and intercultural competencies have influenced her career path. Her academic background, which focused on Sinological studies and led to a PhD in China Studies, was a true strategic advantage rather than merely a preface to her job in the luxury sector. She was quite skilled in Chinese thanks to her linguistic study, but her capacity to understand regional social dynamics and cultural customs was the most useful result.

The years spent in Sun Yat-sen, Renmin, Nanjing, and Shenyang universities in China proved to be pivotal. This experience involved more than just learning in a new academic setting; it involved living in Chinese society daily and being exposed to social conventions, tacit rules, and the meaning systems that govern interpersonal relationships. According to the interviewee, this background helped her "read cultural subtexts" and comprehend the value that China places on social peace, reciprocity, and relationships built on trust, elements that are frequently covered in the literature under the umbrella of *guanxi*.

The respondent lists the following transversal soft skills that were developed during this time, in addition to language proficiency:

- Cultural adaptability, or the capacity to adjust to changing conditions and non-Western reasoning.
- The ability to observe and listen, which reflects a mindset of lifelong learning and cognitive humility in intricate cultural systems.
- A mediating attitude, which is the propensity to promote understanding between people, lower barriers to communication, and bridge divergent points of view.

Despite having been learned in a classroom, these skills have immediately helped her in her work. A thorough awareness of local culture aids in predicting customer responses, identifying reputational

hazards associated with cultural misunderstandings, and creating more effective communication plans. In this way, cultural capital turns into an asset for the business and a competitive advantage for the individual.

According to theory, the interviewee's experience is a prime example of Cultural Intelligence (CQ), which is the capacity to perform well in culturally heterogeneous settings (*Earley & Ang, 2003*).

Her background connects to each of the four CQ dimensions:

- Cognitive: being aware of cultural norms and social customs.
- Metacognitive: considering how such information influences choices made in the workplace.
- Motivational: the readiness to interact with various situations to comprehend them better.
- Behavioural: the ability to modify speech and conduct in situations involving different cultural norms.

Her experience serves as more evidence of the significance of the cultural broker function (*Craig & Douglas, 2006*), which involves mediating between corporate headquarters and local markets by converting strategies, beliefs, and communications into formats that appeal to local audiences. In the luxury market, where striking a balance between cultural proximity and brand uniqueness is one of the most delicate difficulties, this mediating role is especially important.

The role of humanistic education, which is sometimes seen as ancillary to marketing, is another significant factor that offers special benefits in globalized settings. The interviewee demonstrates how cultural awareness enhances professional competencies by going beyond the simple "linguistic localization" of advertisements to a thorough cultural translation that considers symbols, values, and deeper sensitivities.

This part has at least three significant ramifications for the thesis's research question:

1. Human capital is essential for striking a balance between local adaptability and global identity, even outside business strategy. Interculturally competent professionals serve as a bridge between the two.
2. To develop the sensitivity needed to modify messaging appropriately while maintaining the global essence of the brand, education and firsthand experience in the target market are crucial.

3. Intercultural soft skills are a competitive advantage for both individuals and enterprises in culturally complex markets, such as those in Asia.

All things considered, the interviewee's educational and multicultural background offers an essential interpretative lens for comprehending how a luxury brand's global principles can be coherently transformed into forms that resonate with different cultures. It also serves as the biographical cornerstone of her career path.

#### 4.4.2 Coordinating and aligning media activations in APAC

The interview's second main theme focuses on the difficulties that a Western luxury company faces when coordinating its media efforts in Asian markets. The respondent emphasized that the primary goal is to coordinate and synchronize media activations and launches between the global strategy and local priorities, rather than "managing" in a hierarchical sense.

To maintain consistency with the brand's worldwide identity, the task entails making sure that the directives from headquarters are comprehended, modified, and translated in a culturally relevant manner for the various APAC markets. Because it allows the brand to maintain narrative consistency and recognizability while simultaneously guaranteeing relevance and connection to local consumers, this mediating function has both strategic and operational significance.

Reconciling global identity with the language, cultural, and behavioural distinctions that define Asian markets is the most challenging daily task. The theoretical argument covered in Chapter 3 is reflected in this balance: global standardization (*Levitt, 1983*), which strives for uniformity and economies of scale; and glocalization (*Robertson, 1995; Vrontis & Thrassou, 2007*), which emphasizes the necessity of tailoring communications and products to local cultural sensibilities. The interviewee asserts that neither extreme is practical: total standardization runs the danger of alienating customers, while excessive flexibility could jeopardize the brand's reputation and worldwide recognition.

The internal diversity of the region, China, which is very digitalized and community-driven; Japan, which is known for its reflective and quality-driven approach; and South Korea, Singapore, and Indonesia, each of which has unique characteristics, increases the complexity. Coordination thus necessitates a multi-level strategy:

- *Global*: upholding a unified story and set of values.
- *Regional*: encouraging the sharing of resources, protocols, and schedules.

- *Local*: adapting language, content, and platforms to the specific circumstances of each country.

The respondent underlined that this task calls for a high level of cultural intelligence in addition to analytical and digital skills (*Earley & Ang, 2003*). Serving as a liaison between corporate headquarters and local markets requires ongoing listening, translation, and realignment of various demands.

Three significant revelations regarding the thesis's Research Question arise from this thematic core:

1. Daily coordination efforts that require ongoing operational modifications are used to create a balance between cultural adaptability and global identity.
2. A truly glocal strategy is made possible by the pivotal role that the regional level plays between headquarters and markets.
3. A third dimension, the regional level, must be added as a venue for cooperation and synthesis due to the great internal variety of APAC.

The interviewee's experience concludes that the ability to mediate, coordinate, and realign plans in a dialogic process between global and local is more important for success in Asian markets than brand equity or product quality.

#### 4.4.3 Global identity and local adaptation

The third main element that comes out of the conversation is striking a balance between a brand's global identity and its local adaption in Asian markets. This is the main obstacle facing Western luxury brands looking to enter the Asian market without sacrificing the uniqueness and consistency of their positioning.

The interviewee provided an example of a digital campaign for the Chinese New Year that garnered significant participation. While being true to the brand's worldwide ideals, Chinese traditional symbolic and narrative elements, such as colours, mythological allusions, and themes of rebirth and prosperity, were included into the campaign's narrative.

This instance demonstrates that effective tactics necessitate authentic story hybridization as opposed to a straightforward "translation" of the worldwide message. While gaining culturally appropriate connections and hues, the brand maintains its widespread popularity. This strategy, in theory, is consistent with the logic of glocalization (*Robertson, 1995*), which sees localization and globalization as intertwining forces that result in hybrid solutions rather than as opposites.

The interview's comparison of Chinese and Japanese consumers is among its most illuminating features. The interviewee claims that Chinese consumers are vibrant, adventurous, and heavily impacted by online networks and Key Opinion Leaders (KOLs). Japanese consumers, on the other hand, are characterized as modest, contemplative, and focused on quality and continuity. They favour steadiness, sobriety, and long-term relationship trust, yet they are open to novelty and the social aspect of consumption.

In contrast, luxury in Japan is shaped by a more intimate and understated conception, in line with the wabi-sabi aesthetic, which values imperfect beauty and simplicity. This contrast reflects the cultural analyses discussed in Chapter 2. In China, luxury consumption frequently takes the form of conspicuous display (*Veblen, 1899*), with luxury goods serving as status symbols.

There is no one "Asian" model of luxury, as evidenced by the differences between Chinese and Japanese consumers. Rather, businesses need to adapt to a range of cultural norms that call for distinct approaches, such as innovation, digital communities, and interactivity in China, and heritage, quality, and relational continuity in Japan.

Organizational ramifications of this diversity include the need for international teams to acknowledge the internal variability of Asia and implement multi-level, calibrated strategies instead of viewing the region as a homogeneous market. The interviewee underlined the significance of these multi-level strategies:

- *Worldwide*: upholding a consistent narrative structure based on the brand's guiding principles (originality, exclusivity, and legacy).
- *Local*: creating tailored modifications that consider the cultural sensitivities and consumption patterns of each market.

The testimony backs up several important ideas that have been highlighted in the literature:

- The idea of brand consistency (*Kapferer, 2012*), which contends that to protect the symbolic capital that has been established internationally, premium businesses need to maintain their identity.
- Cross-cultural consumer behavior research (*De Mooij, 2019*), which shows how cultural values influence how marketing messages are received.
- The idea of glocalization, which offers a framework for comprehending the coexistence of local adaptation and global consistency.

Regarding the Research Question, three primary consequences become apparent:

1. Hybrid narratives that preserve a brand's core values while incorporating them into culturally significant symbols and allusions help to attain the global-local balance.
2. Differentiated adaptive techniques are required due to intra-Asian variety; in Japan, where caution and continuity are valued, what works in China (community dynamism, KOL influence) could not work there.
3. Rather than being a single, homogeneous region, Asia should be viewed as a constellation of cultural and consumer ecosystems. Coordination and alignment of these disparate contexts while preserving the global consistency of the brand are essential for success

In the end, Section 4.4.3 demonstrates that the secret to success in the region for a Western brand is its capacity to convert its global character into forms that resonate with local cultures, avoiding both the rigidity of uniformity and the dilution of excessive adaptation. The China-Japan contrast and the Chinese New Year campaign offer verifiable proof of the intricacy and depth of the glocal process.

#### 4.4.4 Media strategy and digitalization

The interview also revealed a major theme on the role of digitalization in Asian markets and the coordination of media strategy. The interviewee emphasized how the complexity of the APAC region is also reflected in the need to adopt differentiated media strategies, specifically mentioning China and Japan, two markets that represent opposite poles in terms of consumer behavior, digital infrastructures, and dominant platforms.

Luxury communication in China is strongly linked to a unique and closed digital ecosystem that is dominated by WeChat, Weibo, Xiaohongshu, and Douyin. In China, brands must function in a highly regulated and fragmented environment influenced by government monitoring and distinct cultural dynamics, in contrast to Western markets where they establish a presence on international platforms like Instagram, TikTok, and Meta.

- WeChat is a centre that combines social commerce, customer care, and support in addition to being a messaging app.
- Weibo is a forum for public discourse and visibility that is useful for raising awareness.
- Xiaohongshu (RED) serves as a hub for authenticity and aspirational values, influencing consumption through user-generated content and reviews.
- Douyin, the Chinese version of TikTok, is essential for emotionally charged advertising since it allows for instant communication and enjoyment.

The interviewee claims that to develop a consistent media environment that reaches consumers at various points along the communication funnel, from awareness to conversion, effective methods in China necessitate the integration of multiple channels.

Different dynamics are evident in the Japanese context. In contrast to China's hyper-digital environment, platforms like LINE are essential for fostering personal communication and loyalty. Experiences offline are still highly prized, and digital communication enhances rather than replaces in-person interactions. Long-term relationships in Japan are valued for their continuity and trust, and digital platforms serve to fortify existing bonds rather than encourage immediate interaction.

Additionally, the interview emphasized the increasing significance of Key Opinion Consumers (KOCs) and Key Opinion Leaders (KOLs). KOLs, who are frequently well-known influencers or celebrities, provide the brand credibility in the eyes of the public and bring about a lot of media attention. Conversely, KOCs are frequent shoppers who provide impromptu and genuine material, which increasingly influences buying choices, especially on sites like Xiaohongshu. This combination of user-generated and professional content represents a larger dynamic in digitally first contexts, such as China, where consumers and brands co-create trust. The idea of value co-creation is directly related to the concept (*Prahalad & Ramaswamy, 2004*).

According to the interviewee, an international story framework serves as the foundation for the communication process, which is then modified by cultural allusions, visual styles, and tones. This is a cultural translation that permits local and global components to coexist peacefully rather than a replacement of the global message. In China, this sometimes manifests as advertising campaigns that draw inspiration from customary holidays and emblems like the Chinese New Year or Lantern Festival. In contrast, narratives in Japan typically emphasize attention to detail, artisanal skill, and continuity.

This strategy shows that for businesses to successfully modify communication while maintaining their basic principles, they need to have a high level of cultural knowledge. It is consistent with research on brand consistency (*Kapferer, 2012*) and cross-cultural adaption (*De Mooij, 2019*).

This section has three major ramifications for the research question:

1. The balance between local adaptation and global identity is primarily implemented through media strategy, where local platforms and content guarantee relevance while the global framework preserves coherence.
2. In Asian markets, KOLs and KOCs serve as cultural mediators, confirming authenticity and assisting businesses in gaining credibility.
3. Distinct intra-Asian dynamics call for distinct approaches: China's hyper-digitalization encourages quick, community-driven interaction, whereas Japan values continuity and careful storytelling.

In conclusion, Section 4.4.4 demonstrates that media strategy is the operational space where the daily balancing act between local adaptation and global vision occurs. The capacity to match global storylines with local cultural translations is what will determine success in Asia, not copying Western strategies. This endeavour is demonstrated by the variety of digital ecosystems, the power of opinion leaders, and the reasoning behind a common global framework.

#### 4.4.5 Future trends and organizational capabilities

The interview's last theme focuses on the professional and organizational skills needed to handle current shifts as well as the upcoming developments that will probably influence Asia's luxury sector. This forward-looking viewpoint is helpful for comprehending present issues as well as for predicting how Western brands will be able to stay relevant and competitive in the medium to long term. According to the interviewee, the main factor is the growing digitalization of luxury, with a focus on cutting-edge technologies like artificial intelligence (AI), augmented reality (AR), and social commerce.

- *AI*: now used to tailor shopping experiences and optimize media campaigns, AI is anticipated to become more significant in real-time content customisation and consumption trend prediction.
- By bridging the gap between the digital and physical worlds, augmented reality (AR) allows for immersive experiences like virtual try-ons and opulent virtual showrooms, which enhance brand narratives.
- *Social commerce*: particularly important in China, where websites like WeChat and Douyin seamlessly integrate retail, leisure, and social media into one ecosystem. The distinction between media and commerce blurs here, necessitating methods that are totally integrated.

These factors add credence to the idea that luxury in Asia will be phygital, a seamless fusion of online and offline experiences, rather than exclusively digital, with clients moving between channels without any problems.

The interviewee also highlighted the growing significance of sustainability as a trend. Sustainability is becoming more popular in Asia, especially among younger, tech-savvy generations, since it is already well-established as a crucial value in Western markets. In the luxury market, it is increasingly being used as a criterion of legitimacy as well as a differentiator. Instead of depending solely on beauty advertising, firms should incorporate sustainability into their supply chains, material sourcing, and storylines. Transforming sustainability into culturally relevant standards while avoiding greenwashing—which can be easily detected in highly digitalized environments—is the difficult part.

The interviewee emphasizes the need of having a balanced set of hard and soft abilities when discussing competencies:

- *Hard skills*: sophisticated digital competencies, such as social media analytics, platform-specific knowledge, and integrated e-commerce; strong project management foundations for managing intricate cross-cultural projects; and analytical skills for managing huge datasets.
- *Soft skills*: intercultural sensitivity, cultural flexibility, and diplomatic communication. These are essential for handling extremely complicated situations when miscommunications pose serious hazards to one's image.

According to the respondent, young professionals and students should add cultural and linguistic training, ideally obtained by firsthand experience in Asia, to their marketing education. This kind of exposure is a tactical advantage that sets those who can interact with local institutions and customers in a genuine way apart from others who only do business from a distance.

The emphasis on sustainability is related to the literature on corporate social responsibility and brand legitimacy (Kapferer, 2012); the integration of digital and physical logics echoes the concept of the omnichannel customer experience (Verhoef *et al.*, 2015); and the significance of intercultural competencies reflects the frameworks of Cultural Intelligence (CQ) (Earley & Ang, 2003) and cultural brokerage (Craig & Douglas, 2006). These perspective points to several theoretical strands that were covered in previous chapters.

These considerations reveal three important implications for the research question:

1. The global-local balance will be shaped more by technology: social commerce, AI, and AR allow for hyper-localized content while maintaining global frameworks.
2. Although sustainability is being interpreted differently in different cultures, it is becoming a worldwide force. As a result, brands need to develop storylines specifically for markets like China, Japan, and others.
3. Human capital is still essential: even the most cutting-edge technologies run the risk of being ineffectual or even harmful in the absence of intercultural competencies and mediation abilities.

This part concludes by highlighting how the future of luxury in Asia will be shaped by the convergence of cutting-edge technologies, phygital experiences, and sustainability. However, technology is not enough on its own. The capacity of experts to convert global aspirations into locally relevant plans through a well-balanced combination of digital expertise and international soft skills will remain the deciding factor for Western luxury businesses.

Category	Subcategory	Interview Quote	Interpretation
Intercultural competences and background	Developed soft skills	<i>"I would say above all cultural flexibility, the ability to observe and listen, and the attitude to mediate between different visions and approaches."</i>	In complicated situations like Asia-Pacific, intercultural competencies are a strategic asset rather than an add-on.
	Training experiences in China	<i>"Living on site taught me to read cultural subtexts, to interpret behaviours and to understand the value of interpersonal relationships."</i>	A thorough grasp of cultural conventions, in which is essential for luxury marketing, is made possible by field experience.
APAC challenges and coordination role	Coordination between global and local priorities	<i>"The greatest challenge is to maintain consistency with the brand's global identity while respecting the cultural, linguistic, and consumer differences that characterize each market."</i>	This illustrates the main idea of the thesis, which is to balance adaptation and standardization through continuous coordination.
Global identity and local adaptation	Glocal campaigns	<i>"A significant example was a digital campaign developed on the occasion of Chinese New Year... integrating symbols and storytelling rooted in local culture."</i>	The campaign shows that it is possible to get high participation by combining local cultural rules with global values.
	China vs Japan differences	<i>"The Chinese consumer tends to be more dynamic...in Japan, instead, a</i>	Different approaches are needed for the two markets: continuity and

		<i>more reflective approach prevails, with strong attention to quality and discretion.”</i>	quality in Japan versus digital dynamism in China.
<b>Media strategy and digitalization</b>	<b>Key platforms</b>	<i>“In China, platforms such as WeChat, Weibo, Xiaohongshu and Douyin are essential. In Japan, instead, LINE and, in part, Facebook and X dominate.”</i>	The media architecture differs depending on the context: Japan has a hybrid digital and traditional ecosystem, whereas China has a closed ecosystem that prioritizes digital.
	<b>Role of KOLs and KOCs</b>	<i>“KOLs and KOCs are central: the former provides visibility and aspiration, while the latter give authenticity and closeness.”</i>	Since both desire and authenticity affect conversion and trust, media strategy must strike a balance between both.
	<b>Glocal narrative</b>	<i>“We work on a global narrative framework which is then locally adapted through images, tones and specific cultural references.”</i>	A cohesive story that has been culturally translated is the foundation of effective communication.
<b>Future trends and professional capabilities</b>	<b>Digital innovation</b>	<i>“I believe above all in advanced digitalization (AI, augmented reality, social commerce), phygital experiences, and a growing focus on sustainability...”</i>	Customer experience and media strategy are being redefined by new technology, and sustainability is also becoming a bigger factor in Asia.

Tables 2 – Thematic Analysis of the interview

## 4.5 Discussion of the results

Several empirical conclusions that are closely related to the theoretical frameworks developed in Chapters 1–3 can be drawn from the analysis of the interview. Question for Research: *How can Western fashion firms strike a balance between cultural adaptation in Asian markets and maintaining a consistent worldwide brand identity?*

First, according to the interviewee's experience, the rigid distinction between global standardization and local adaptation (Levitt, 1983) has been broken. The daily difficulty is striking a balance between these two demands: preserving brand consistency while accounting for regional preferences. The glocalization paradigm (Vrontis & Thrassou, 2007), which was presented as an intermediary model in the theoretical chapters, is reflected in this process. What seems to be a purposeful high-level strategy in the literature is a dynamic process consisting of daily interactions with regional teams and tailored adaptations for the unique peculiarities of each market.

Secondly, the results validate the significance of brand identity. According to theory, safeguarding luxury's symbolic capital requires maintaining a strong value base (*Kapferer, 2012; Holt et al., 2004*). By demonstrating how hybrid storytelling techniques—preserving the global structure while enhancing it with regional references—translate this concept into reality, the interview bolsters this viewpoint. The Chinese New Year advertising serves as an example of how local symbols enhance cultural resonance rather than supplant universal values, so reinterpreting rather than diminishing global identity.

Third, the testimony casts doubt on the idea that Asia is a single, cohesive continent. The interview highlights the sharp contrast between Chinese customers, who are energetic and community-oriented, and Japanese consumers, who are introspective and quality-driven, in accordance with cross-cultural consumer behavior research (*De Mooij, 2019*). This demonstrates that intra-Asian variety is a key consideration in strategy creation rather than a secondary feature, supporting the argument presented in Chapter 2.

Media strategy is another significant theme. The results highlight the importance of digital platforms in Asian markets, but they also highlight the stark differences in configurations: WeChat, Weibo, Xiaohongshu, and Douyin form a closed and highly integrated ecosystem in China, whereas digital interaction enhances rather than replaces physical retail in Japan. By demonstrating how cultural and infrastructure factors influence platform use, this enhances theoretical work on digital and omnichannel journeys (*Verhoef et al., 2015*).

It also becomes clear that Key Opinion Leaders (KOLs) and Key Opinion Consumers (KOCs) play an important role. KOCs add authenticity and intimacy, especially through platforms like Xiaohongshu, while KOLs offer visibility and aspirational legitimacy. This subtlety exemplifies the trend toward value co-creation, in which customers actively participate in crafting the brand's story (*Prahalad & Ramaswamy, 2004*).

The significance of intercultural competences is another important topic. The interviewee's thoughts are consistent with ideas of cultural intelligence (CQ) (*Earley & Ang, 2003*) and cultural brokerage (*Craig & Douglas, 2006*), emphasizing the importance of flexibility, observation, and mediation in bridging the gap between local teams, customers, and global headquarters. Both at the abstract strategy level and via the efforts of experts who can decipher and apply it in practice, the harmony between the global and local emerges.

Finally, the interview offers a forward-looking viewpoint on the integration of digital technologies like AI, AR, and social commerce, the increasing significance of phygital experiences, and sustainability as a competitive factor. While highlighting the uniqueness of the Asian context—where younger generations place a greater priority on sustainability and digitalization speeds up consumer engagement—these patterns also mirror theoretical analyses of the future of luxury (*Verhoef et al., 2015; Kapferer, 2012*).

In summary, the empirical results deepen the theoretical models and validate and enhance them:

- Local narrative modifications strengthen rather than diminish global brand identification.
- the glocal paradigm is a daily mediation activity rather than an abstract idea.
- Asia should not be viewed as a monolithic market, but rather as a patchwork of platforms and cultures.
- To bridge local and global viewpoints, intercultural competencies and mediation skills are crucial.
- New trends necessitate a culturally sensitive integration of technology.

All things considered, this conversation demonstrates that striking a balance between local adaption and global identity is a dynamic process that calls for organizational adaptability, cultural intelligence, and the capacity to convert global strategies into practices that resonate with local cultures.

## 4.6 Conclusion

Chapter 4, which gave a firsthand professional viewpoint on how a Western luxury brand handles the difficulties of growing into Asian markets, supplied the empirical foundation for this study. Investigating the precise mechanisms by which local cultural adaptation and global identity consistency, the main emphasis of this thesis, are balanced in practice was made possible by the interview.

The investigation revealed five main topic areas:

1. *Educational background and intercultural competencies*: demonstrating how cultural experiences and soft skills are essential intangible capital for conducting business successfully in Asian markets.
2. *APAC challenges and coordinating roles*: emphasizing the complexity brought forth by the region's variety as well as the mediating role between local teams and global headquarters.

3. *Global identity and local adaptation*: glocal practices integrate global values with local cultural norms, as demonstrated by hybrid storytelling approaches with an emphasis on China and Japan.
4. *Digitalization and media strategy*: stressing the importance of digital platforms and KOLs/KOCs in building trust and engagement, as well as the necessity of a globally consistent narrative framework.
5. *Future trends and professional competencies*: stressing the significance of combining hard and soft skills with emerging priorities including sustainability, advanced digitalization, and physical experiences.

These results provide empirical depth by demonstrating the practical applications of ideas like glocalization, brand consistency, and cultural intelligence, in addition to validating a large portion of the theory covered in previous chapters. This study makes a distinctive contribution by showing that the global-local balance is a dynamic, negotiated, and context-dependent process that necessitates ongoing adaptation rather than being static or purely strategic.

The research's qualitative and single-case nature, its particular focus on media strategy, its attention on a Western luxury brand, and the time dimension of the patterns discovered were among its shortcomings, which were also noted in the chapter. These limitations do not lessen the findings' significance; rather, they promote their understanding as case-based insights that can direct future research, such as multi-case comparison studies or quantitative approaches on bigger samples.

In conclusion, Chapter 4 has converted theoretical models into useful insights, demonstrating that Western brands' success in Asia is contingent upon their capacity to create media strategies, intercultural competencies, and narrative adaptations that speak to the "cultural language" of local consumers in addition to the strength of their global identity. Thus, the interviewee's viewpoint contributes significantly to the resolution of the thesis Research Question and enhances comprehension of the phenomenon by acting as a useful bridge between theory and practice.

# Conclusion

The analysis in this thesis has demonstrated how the entry of Western brands into Asian markets, especially China and Japan, is a complicated process with intricately entwined managerial, cultural, and economic factors. Understanding how brands manage to strike a balance between the need of local adaptation and the coherence of their global identity was the main goal, and the findings demonstrate how dialogic and negotiated this balance is.

Theoretically, the development of Western fashion over time, from the exclusive first Maisons to the merger of multinational conglomerates, has demonstrated how globalization has gradually expanded the industry's bounds and forced brands to interact with more diverse markets. While the ideas of glocalization and intercultural communication made it possible to place fashion within larger logics of cultural hybridization and identity negotiation, the literature on international marketing, more especially, the argument between standardization and adaptation, offered a helpful framework for understanding today's difficulties.

The importance of China and Japan as strategic laboratories where the global-local friction is most evident was validated by the thorough examination of Asian marketplaces. China demands that marketers use previously unheard-of levels of narrative and technology innovation due to its highly digitalized, dynamic consumers who are heavily affected by online networks and Key Opinion Leaders. In contrast, Japan is known for its intelligent pursuit of quality, continuity, and prudence, which forces Western firms to use methods based on long-standing cultural conversation and tradition. These disparate situations show that Asia cannot be understood as a single, homogeneous bloc but rather as a collection of varied marketplaces that require unique strategies.

The interview with a professional in charge of organizing media activities for the Asia-Pacific area offered empirical proof of how theoretical concepts are applied in real-world situations, demonstrating how ongoing coordination, mediation, and cultural alignment shape the negotiation between local relevance and global identity. The results highlight the value of organizational flexibility, intercultural competencies, and the capacity to turn cultural sensitivities into strengths rather than challenges. For Western companies to succeed, listening, comprehending, and incorporating diverse viewpoints is just as important as the symbolic capital they have amassed over time.

It goes without saying that the study has limits, especially its qualitative scope and dependence on a single case study, which precludes generalizing to the entire sector. However, by capturing subtleties

and dynamics that quantitative analyses frequently overlook, the qualitative approach has made a significant addition to our knowledge of localization processes.

The findings imply that the capacity of Western businesses to implement hybrid tactics that maintain the uniqueness of global identity while generating culturally relevant meanings in local contexts will be crucial to their success in Asia. Beyond Asia, this realization highlights more general issues facing fashion in an increasingly globalized world where cultural relevance, sustainability, and authenticity are becoming essential. By combining qualitative and quantitative approaches through multi-case and comparative studies, future study could build on these findings and deepen our understanding of a rapidly changing issue.

This thesis has demonstrated that fashion functions as a language that may mediate between cultures, identities, and values, transcending its aesthetic and commercial aspects. This intermediary role of converting global aspirations into locally relevant tales is crucial to Western Maisons' success in Asia and possibly to their ongoing capacity to remake themselves globally.

# Abstract

The fashion industry has experienced significant changes in recent decades, evolving from a system with European roots and symbolic capitals in Paris and Milan to a global phenomenon that can influence social identities, lifestyles, and consumption patterns in markets with a wide range of cultural backgrounds. Western Maisons are becoming cultural actors with the power to influence communal imaginaries because of economic globalization, the digitalization of consumerism, and the rise of luxury conglomerates. Asia, especially China and Japan, emerges as a crucial region in this scenario due to the intricacy of its cultural codes as well as its economic significance.

This thesis combines a historical-theoretical reconstruction with qualitative empirical research to examine how Western fashion businesses manage to strike a balance between the coherence of their global identity and the cultural adaption necessary in high-distance environments.

From its aristocratic beginnings and the emergence of the great Maisons to the raise of Made in Italy, the democratization of prêt-à-porter, and the concentration of industrial power within multinational conglomerates like LVMH, Kering, and Richemont, the first chapter describes the historical development of Western fashion. Fashion is examined as a system of culture and symbolism that may create shared meanings through storytelling, differentiation, and the performance of luxury. With the proliferation of customer touchpoints and engagement options brought about by e-commerce, social media, and immersive technology, the digital age further transformed the industry.

Three historical waves are used to examine internationalization strategies: the first, which took place in the 1970s and 1980s and was based on physical expansion into markets like the US, Japan, and the Middle East; the second, which took place in the 1990s and 200s and was characterized by the rise of conglomerates and global standardization with aesthetic adaptations; and the third, which took place in the 2010s and is currently characterized by Asia's centrality, cultural hybridization, and internet dominance. Global supply chain management, sustainability, and social responsibility become important issues that call for the fusion of creativity, artistry, and cultural awareness.

The economic, cultural, and symbolic aspects of China and Japan are examined in the second chapter. With its urban, digital middle class that places a growing emphasis on sustainability, quality, and authenticity, China is the driving force behind modern luxury. The customer journey has been completely reimaged by platforms like WeChat, Tmall Luxury Pavilion, Xiaohongshu, and Douyin, which combine commerce, entertainment and communication into a single, seamless ecosystem.

Despite experiencing economic and demographic stagnation, Japan maintains its strategic relevance due to its highly sophisticated consumer base and cultural impact, which is defined by ritualized, discrete consumerism influenced by values like omotenashi (hospitality) and wabi-sabi (the beauty of imperfection). A contrast between Japanese meditative, introspective, and consistency-oriented consumption and Chinese performative, fast-paced, community-driven consumption is revealed by the investigation. Western brands are forced by this contrast to embrace extremely distinctive methods that steer clear of both too rigidity and oversimplified categorization.

However, instances like Dolce & Gabbana's dilemma in China serve as examples of reputational fragility in extremely delicate situations, demonstrating how legitimacy is dependent on both cultural and political respect in addition to aesthetic rules.

The theoretical argument between adaptability and standardization in international marketing is covered in the third chapter. This conundrum becomes essential in Asian markets, which are marked by a significant degree of cultural distance: too much uniformity runs the risk of becoming irrelevant, while too much adaptation can erode global identity and symbolic universality. The idea of glocal brand, which blends a constant worldwide identity with locally relevant stories created through artistic collaborations, hybrid storytelling, capsule collections based on traditional celebrations, and alliances with Key Opinion Leaders, is the answer.

The way values systems impact brand perception is demonstrated by intercultural communication, as interpreted by frameworks like Hofstede's cultural dimensions and Hall's high-vs. low-context cultures. In China, high-context communication prioritizes symbolic and visual richness, whereas in Japan, discretion, continuity, and adherence to aesthetic codes are more prevalent. Distribution and customer experience also become important areas: phygital and omnichannel strategies combine digital platforms, e-commerce, and flagship stores with unique approaches for major cities and regional markets. Case studies show the danger of cultural misunderstandings or reputational damage in addition to effective hybrid tactics.

The fourth chapter links theory and practice with a qualitative interview with a professional who oversees media operations for a Western luxury brand in the Asia-Pacific area. The empirical findings reveal five important dimensions: the importance of intercultural competencies and training; the organizational complexity of coordinating and aligning activities across diverse APAC markets; the continuous balancing act between global identity and local adaptation; the critical role of digital ecosystems as platforms for branding and community building; and future trends focused on sustainability, resilience, and phygital experiences.

According to the interview, intangible abilities like empathy, cultural mediation, and the capacity to listen and convert universal concepts into locally applicable codes are just as important for success as tangible assets like money, knowledge, and inventiveness.

All things considered, this thesis demonstrates that the introduction of Western fashion companies into Asian markets should not be viewed as the export of pre-established models but rather as a process of co-creation and cultural negotiation. Therefore, finding a balance between local adaptation and global coherence is a dynamic and ever-changing endeavour that calls for strategic innovation, organizational agility, and multicultural sensitivity.

Fashion becomes a favoured lens through which to examine the dynamics of modern globalization since global identities and cultural differences do not negate one another but rather interact, hybridize, and create new forms of communication, consumption, and symbolic belonging.

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