

TOM FORD

THE FUTURE OF FASHION

LXFM 730 MARKETING STRATEGIES FOR
LUXURY BRANDS AND EXPERIENCES

CORY PARK
IAN VICENTE
LAQUANIUS CUTNER
TONI EPPS

PROFESSOR ALESSANDRO CANNATA



**“ I AM AMUSED WHEN
PEOPLE ALWAYS ASK
ME IF FASHION IS
COMPATIBLE WITH
BUSINESS. MY GOAL
AS A FASHION DESIGNER
IS TO CREATE SOMETHING
PEOPLE FEEL THEY
CAN'T LIVE WITHOUT.
WHEN THEY HAVE
TO HAVE IT, THEY BUY IT.
WHEN THEY BUY IT,
WE HAVE SALES.
WITH SALES, WE HAVE
BUSINESS.”**

Table of Contents

Historical Review	6
Pestel Analysis	8
Current Status	16
Market Overview	28
Size of the Market	30
Growth Potential and Opportunities	32
Competitive Landscape	34
Key Success Factors	36
Future Trends	38
Future Target Customer	42
Goals and Objectives	49
Luxury Ingredients Diamond	50
Executive Summary	59

After leaving Gucci as their Creative Director, in 2005 Tom Ford announced his partnership with Marcolin Group to produce and distribute optical frames and sunglasses, as well as an alliance with Estee Lauder to create Tom Ford Beauty Brand. The designer created buzz in 2006, for his new company when he posed on the cover of *Vanity Fair* wearing Tom Ford Menswear, said to debut later that year in the fall. Within the same year, 2006, Tom Ford launched his signature fragrance, Black Orchid, a unisex scent. Upon opening his two-story flagship store on Madison Avenue in Manhattan, he debuted Tom Ford menswear and accessories.

In 2010, Tom Ford returned to womenswear, showcasing his first collection on the ground-floor salon of his flagship in Manhattan with a small, intimate setting. The garments were adorned by celebrity friends and models such as Beyonce, Julianne Moore, and Marisa Berenson. As mentioned in Andre Leon Talley's *Chiffon Trenches*, it was viewed by spectators such as Elizabeth Saltzman of *Vanity Fair* and Sally Singer of *Vogue*, receiving high praises of "great fashion" from fashion critics like Cathy Horyn of the *New York Times*.

Tom Ford joined London Fashion week in 2013, showcasing womenswear and menswear for the first time at London Collections. In that same year, Ford was featured in Jay-Z's song "Tom Ford" from the *Magna Carta Holy Grail* album and collaborated with Justin Timberlake on his cover art and music video for song "Suit & Tie", affirming his position as an affluent mega brand.

Today, there are 98 freestanding Tom Ford Stores and shop-in-shops in locations such as Milan, Tokyo, Las Vegas, Dubai, Zurich, New Delhi, Shanghai and Russia.

Receiving recognition throughout his career spanning 28 years and collecting accolades such as CFDA International award to GQ Man of the Year award in 200, Tom Ford has collected a vast array of titles, with the most significant one in fashion being the Chairman of the Council of Fashion Designers of America.

TOM FORD WOMENSWEAR
Spring/Summer 2019
Look 28

Featured on the right
Pg. 7



Historical Review



Pestle Analysis

“Glamour is something more than what you put on your body. It has to do with the way you carry yourself and the impact you have on others.”

-Tom Ford



ECONOMIC

ECONOMIC GROWTH

Before the subprime mortgage crisis, the global economy grew in the US and Europe despite high oil and raw materials prices. In 2006, the GDP of the United States was \$13.8 trillion, an increase of 2.9% over the previous year (Worldbank, 2006).

The beauty sector that Tom Ford started with Estee Lauder was also growing without stagnation. In particular, the US cosmetics market was the largest globally, and the market size in 2006 was \$382 million, an increase of 2.8% from the previous year (Korean Trade Insurance Corporation, 2019).

Tom Ford, who faced the great recession period between 2007 and 2009, after the company was founded, showed confidence in the luxury market by saying that the luxury product market still exists as long as luxury brands deliver the right products to customers (Rotman, 2007).



POLITICAL

When Tom Ford was founded, the United States was in the war in Iraq, but the US had a stable political environment. New York still attracts a large number of luxury consumers to live or travels, where Tom Ford's first boutique shop is located.

As all the governance indicators illustrate, the US is one of the most prosperous places in applying the rule of law, control of corruption, and government effectiveness ("Worldwide Governance Indicator," 2006). In 2008, it was also the year that Barack Obama, the first black president in the history of the US constitution (History, 2021)

POLITICAL



SOCIAL



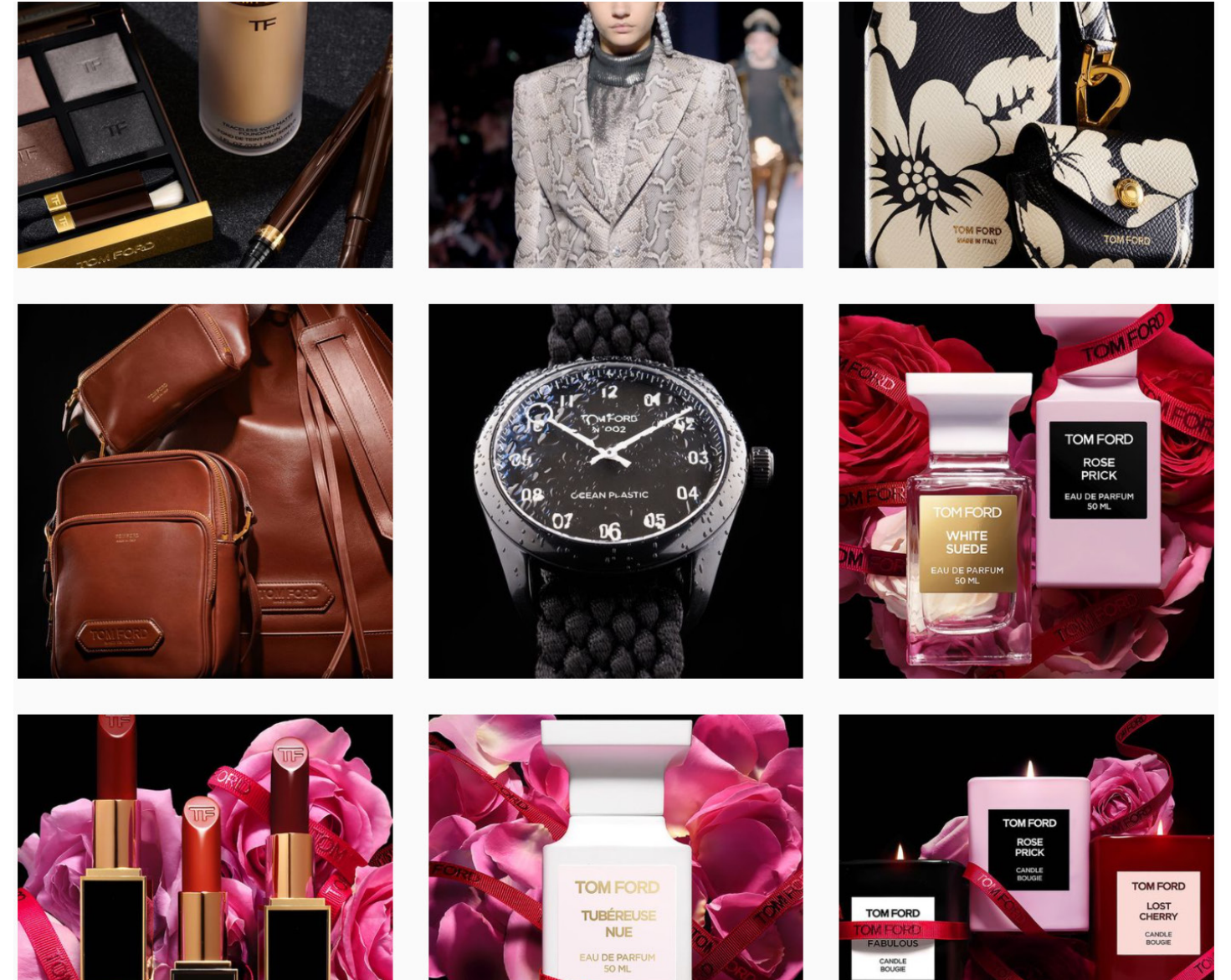
SOCIAL OUTLOOK

The social atmosphere after the mid-2000s has been cluttered. The economic downturn caused by the subprime mortgage crisis persisted, and inequality and relative poverty worsened. As the unemployment rate increases and many companies were bankrupt, businesses were becoming more concerned about sustainability.

In the US, Barack Obama was elected the first black president, people became more interested in human rights and egalitarianism, and the social atmosphere began to have a sense of inclusion.

In an interview in 2007, Tom Ford said, "For many people today, true luxury comes from being able to enjoy beautiful things that haven't had a destructive impact on the planet or other people." It means that Tom Ford considered sustainability and diversity of people from the time the company was founded (Yotka, 2007).

TECHNOLOGY



TECHNOLOGY ADVANCEMENTS

The world has gotten smarter since the unveiling of the iPhone in 2007. People use mobile phones to make calls, take photos, search the Internet, and the advent of various apps, making people's lives more convenient. Social media that can communicate with multiple people have also emerged. Twitter and Facebook appeared, Google bought Youtube for US\$1.65 billion ("10 big news stories that happened in 2006"). Since then, the number of social media users has exploded, and social media has grown into a vital fashion advertising platform.

Besides, e-commerce continued to grow due to the development of digital devices, the Internet, and communication networks, and consumers enjoyed shopping at home and on mobile. In the industry, IT technology has also contributed to enhancing the efficiency of companies. They introduced ERP (Enterprise Resource Planning) to control at a glance how the company's performance and supply chain system. Tom Ford also promoted its efficiency by introducing information technology to corporate like inventory management (Prant, 2019).

INFLUENCE & MOVIES

Tom Ford has influenced American contemporary artists; Andy Warhol, Franz Kline, Morris Louis, Lucio Fontana, and Alexander Calder. Tom Ford took a style lead at Warhol for a pop art-inspired campaign in women's wear fall and winter collection in 2013 (London, 2013).

In addition, Tom Ford is a filmmaker and photographer as well as a fashion designer. He was influenced by Fritz Lang, a German-American filmmaker who was dubbed the "Master of Darkness," and Wong Kar Wai, a Hong-Kong filmmaker who is famous for vivid cinematography involving bold, saturated colors (Berk, 2016). He has made two films, *A Single Man* and *Nocturnal Animals*, so far, both have had artistic and commercial success, and they played a significant role in promoting his talent.

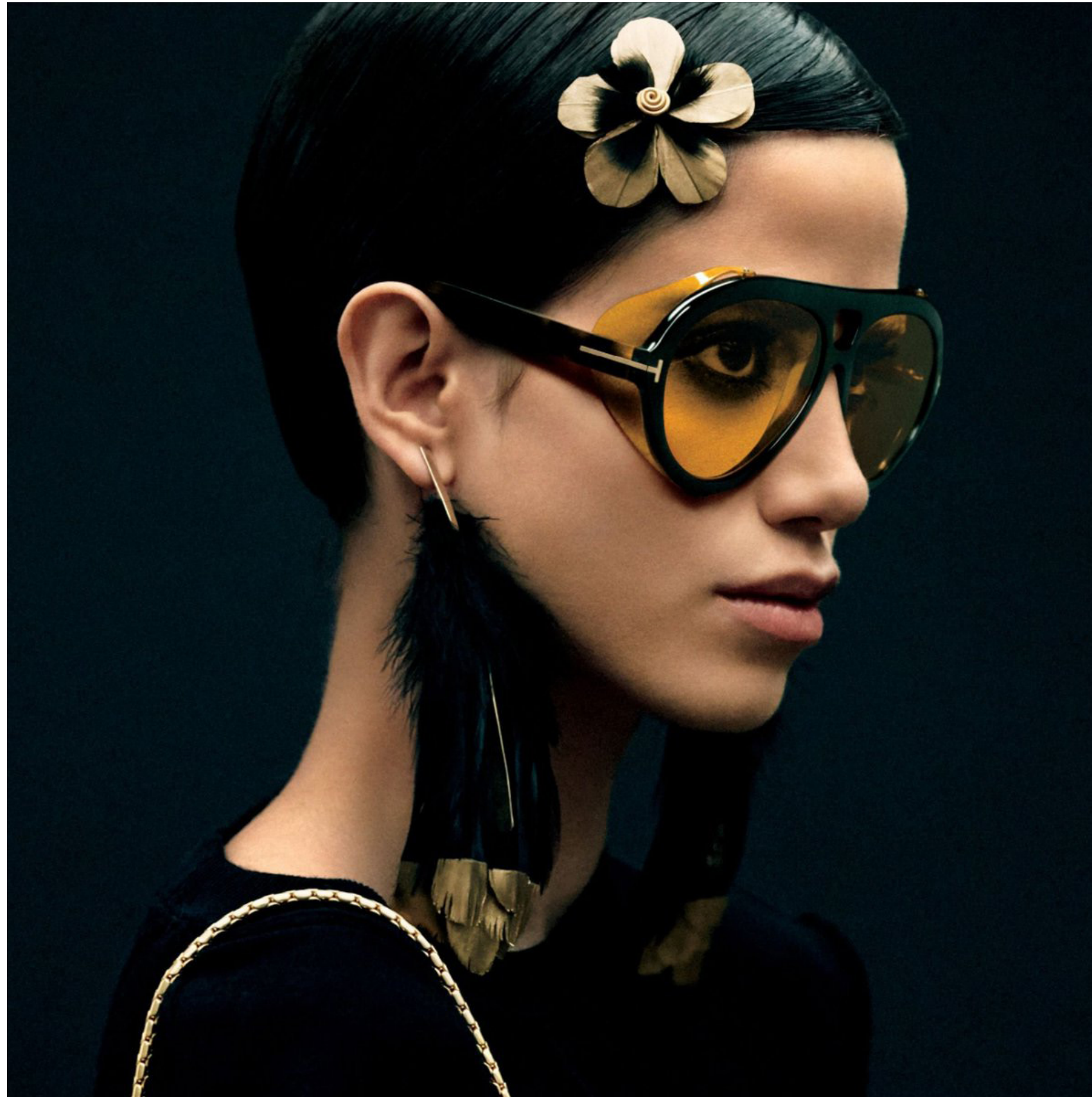
Tom Ford has the muse; New Mexico, Lauren Hutton-model and actress, Julianne Moore-actress, Roy Halston Frowick-actor, New York City in the 70s (Conlon, 2017). They have a dominant influence on Tom Ford's fashion world and expressed his signature aesthetic.

ART & — LITERATURE

Current Status

Tom Ford is a privately owned fashion business worth \$2 billion. He is currently the chairman of the Council of Fashion Designers of America. Tom Ford recently put out another movie, "The Delicacy", in 2020 and is working on another one (Haskell, 2019).





MISSION

Tom Ford is the first luxury brand of the 21st century and places a priority on delivering the highest quality product and the greatest standard of service.

SWOT

STRENGTHS

Tom Ford's strength is being the brand himself. Signifying a company that has seen a positive growth rate since its inception, the company has grown to have many store locations to include the ability to shop online via e-commerce as well as on social platforms. Tom Ford's constant high branding position coupled with his independent design aesthetic has given him an entry into the entertainment industry. Being a reputable brand and now showing progression towards environmental awareness which has contributed to the brand loyalty.



WEAKNESSES

The brand has seen a challenge when having a strong connection with the new generation Z and some later millennials. Although this is an issue it has not kept him from making \$2 billion in revenue. The brand could benefit from a patent ownership as it is a private company. Not having a conglomerate to shelter the brand from any economic downturn.





OPPORTUNITIES

To foster more brand awareness, Tom Ford continues to build brand associations. Furthermore, there are other markets that have come to the forefront during COVID lockdowns which are home decor and wellness. As Tom Ford continues to grow with the industry, he has opportunity to stretch into the home decor market. His knowledge of architecture and arts will tie well into the new venture.

THREATS

Currently, the decline of the economy is a threat to Tom Ford as well as his competitors. In turn, another threat that stems from a declining economy are the competitive pricing strategies of other competitors in the fashion industry.



BRAND IDENTITY

AAKER'S MATRIX

BRAND AS A PRODUCT

COLOR ATTRIBUTES
Black, Grey, White

SCOPE
ARABIAN
Apparel, Shoes, Bags, Accessories,
Fragrance, Beauty Eyewear,
Watches, Small leather goods

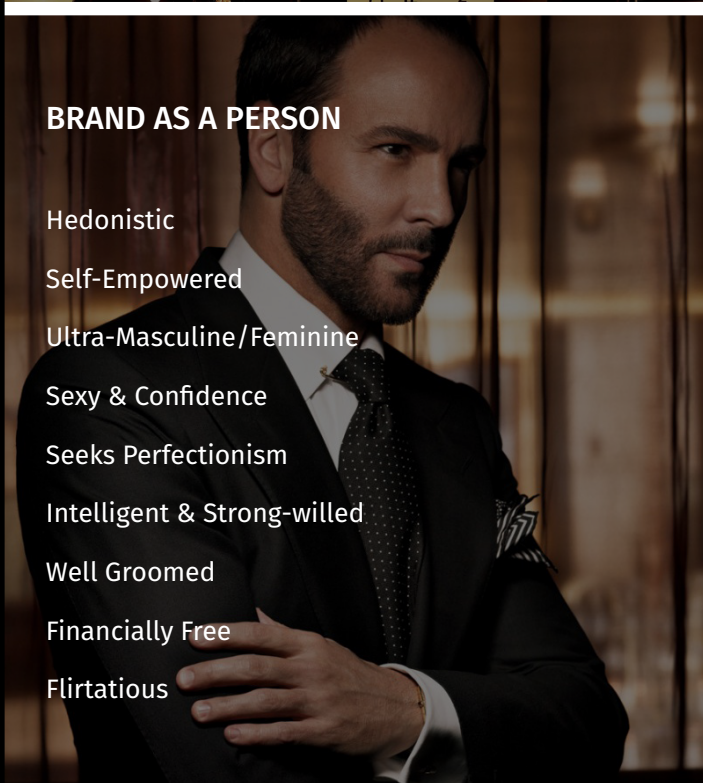
ATTRIBUTES
Ultra-Luxurious, Exquisite Quality,
Cosmopolitan

COUNTRY OF ORIGIN
Headquartered in London,
United States



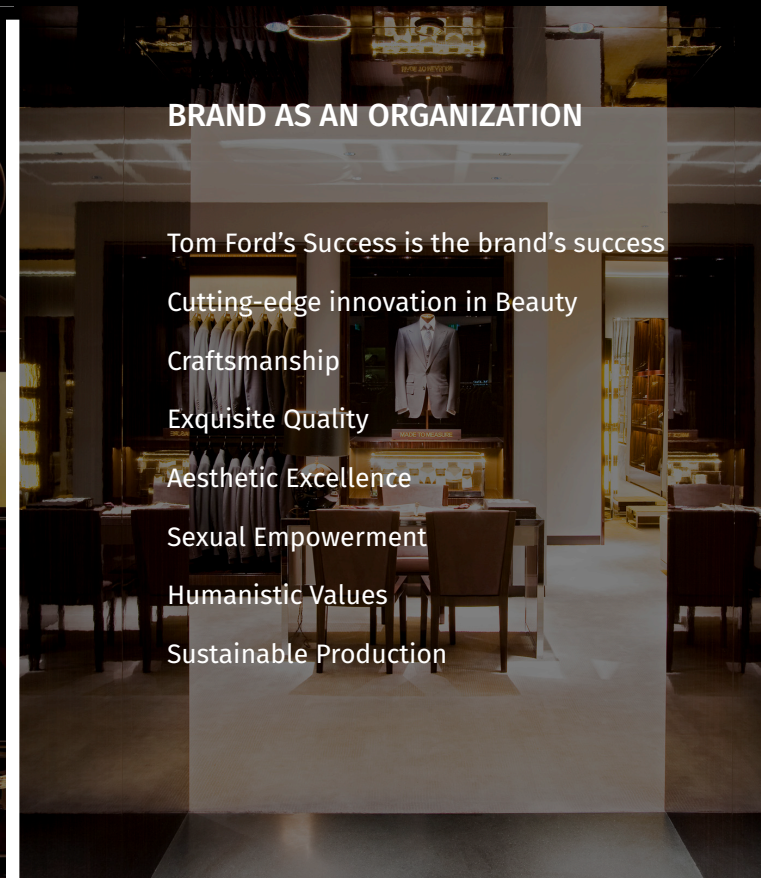
BRAND AS A PERSON

Hedonistic
Self-Empowered
Ultra-Masculine/Feminine
Sexy & Confidence
Seeks Perfectionism
Intelligent & Strong-willed
Well Groomed
Financially Free
Flirtatious



BRAND AS AN ORGANIZATION

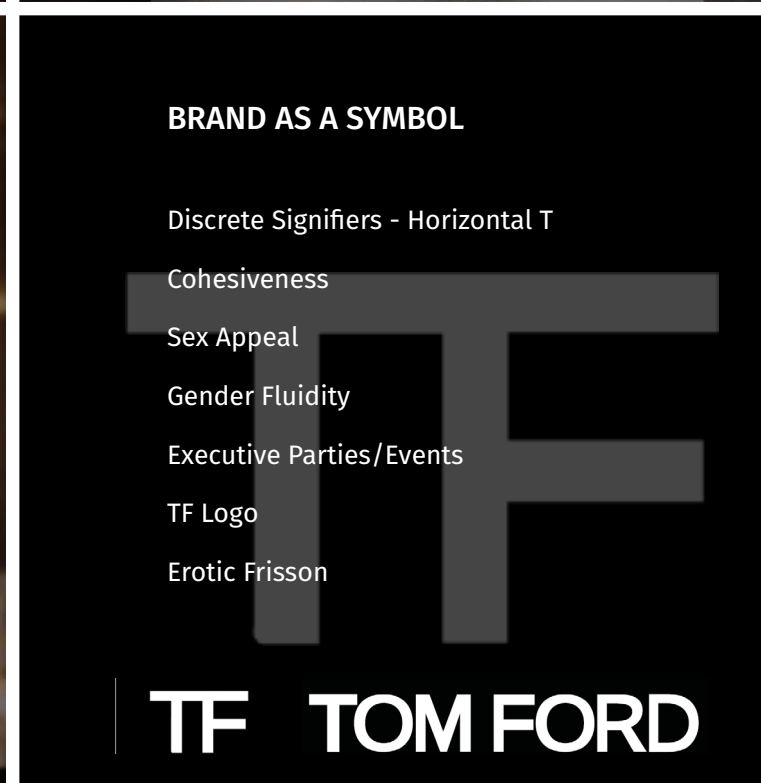
Tom Ford's Success is the brand's success
Cutting-edge innovation in Beauty
Craftsmanship
Exquisite Quality
Aesthetic Excellence
Sexual Empowerment
Humanistic Values
Sustainable Production



BRAND AS A SYMBOL

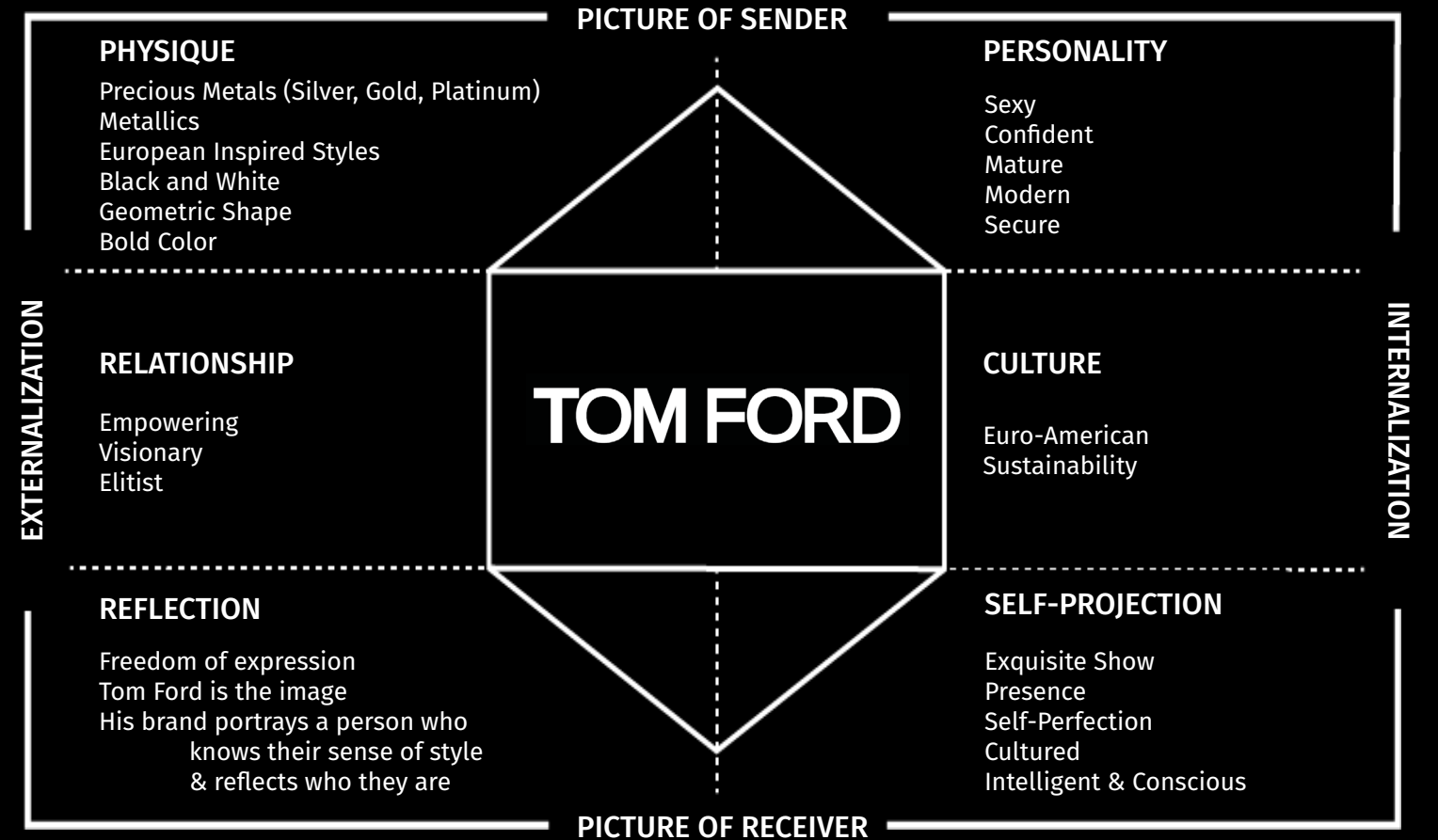
Discrete Signifiers - Horizontal T
Cohesiveness
Sex Appeal
Gender Fluidity
Executive Parties/Events
TF Logo
Erotic Frisson

TF TOM FORD



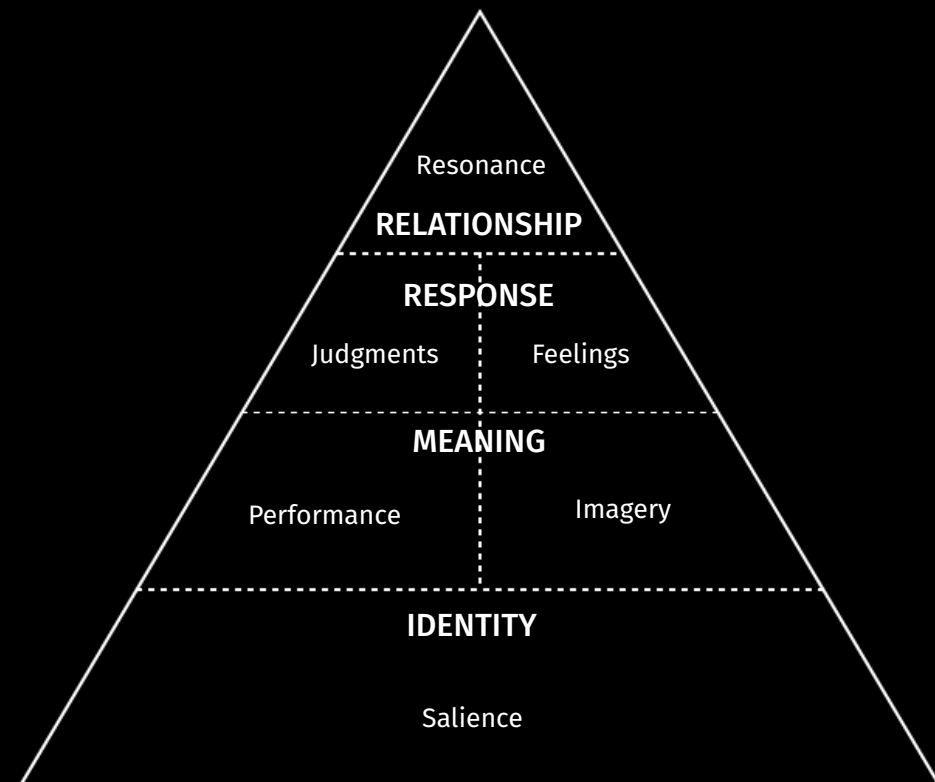
BRAND IDENTITY

KAPFERER'S PRISM



BRAND EQUITY

KELLER'S PYRAMID



RELATIONSHIP

RESONANCE

Customers are engaged with the brand via social media and follow his interviews. Due to his perfectionist attention to detail and personal service, his customers have shown brand loyalty.

"Luxury will increasingly be synonymous with extreme attention to detail and personal service that goes above and beyond."
- Tom Ford

MEANING

PERFORMANCE

Tom Ford is one of few brands that will meet the customer in their own space. The brand offers custom garments as well as refined, luxury ready to wear.

IMAGE

Adds sexual energy while still giving an elevated look that accentuates the body.

RESPONSE

JUDGMENT

Credibility of the brand lies in Tom Ford's public life and image.

FEELINGS

Most consumers, by the comments on the brand's social media pages enjoy the sexual connotations the ads exude. The obsession with the brand is strong in its followers.

IDENTITY

SALIENCE

Tom Ford is a brand that speaks to the sexuality of both men and women. The brand's structural, bold, and sexy aesthetic gives power to the consumer that adorns the garment. It is a modern, yet timeless brand that continues to innovate year after year through perfectly tailored garments as well as products that allure its target audience to confident, forward thinking individuals.



BRAND STRATEGY ANALYSIS

What Is The Unique Revelation?

Tom Ford is for the mature, liberated, patron of exceptional design and detail. The ideal customer knows who they are, what they love, and how they desire to be seen. They are self-empowered, and secure in their fashion choices.

What Is The Belief System?

Tom Ford believes in luxurious style and freedom of choice in expressive living. The style sought by his ideal customer is business chic with the relative aesthetic being neat and particular. At the core, this brand errs on the side of Glamour Minimalists.

What Are The Brand Rituals?

The TOM FORD customer seeks quality, innovative evolution of design and cohesiveness at the brand's core. Logos do not define this consumer and do not dominate the Tom Ford product. If & when they are shown, it is to compliment or define the design of an item, not overtake. The placement of the logo is discreet within the overall core-product matrix and acts as a benefactor of the brand's distinctive lexicon.

What Is The Distinctive Lexicon?

The language of the brand is elitist in values; representing an identity that is formed around values of high attention to detail, unquestionable quality, high intellect, wealth, and perfectionist design. The brand's resonance revolves around one's own self-concept and self-image that is grounded in a projection of maturity & know-how. Sensuality and freedom is engrained in TOM FORD's vision and is recognized as a sign of maturity.

Market Overview

“A fashion designer’s job is to take a feeling that’s in the air and turn it into something tangible that people can buy, to be able to tap into the zeitgeist and figure out what sort of physical thing can be created that people can buy into. What kind of shoe does a certain mood or feeling turn into?”

- Tom Ford



TOM FORD NOIR

LUXURY MARKET SIZE

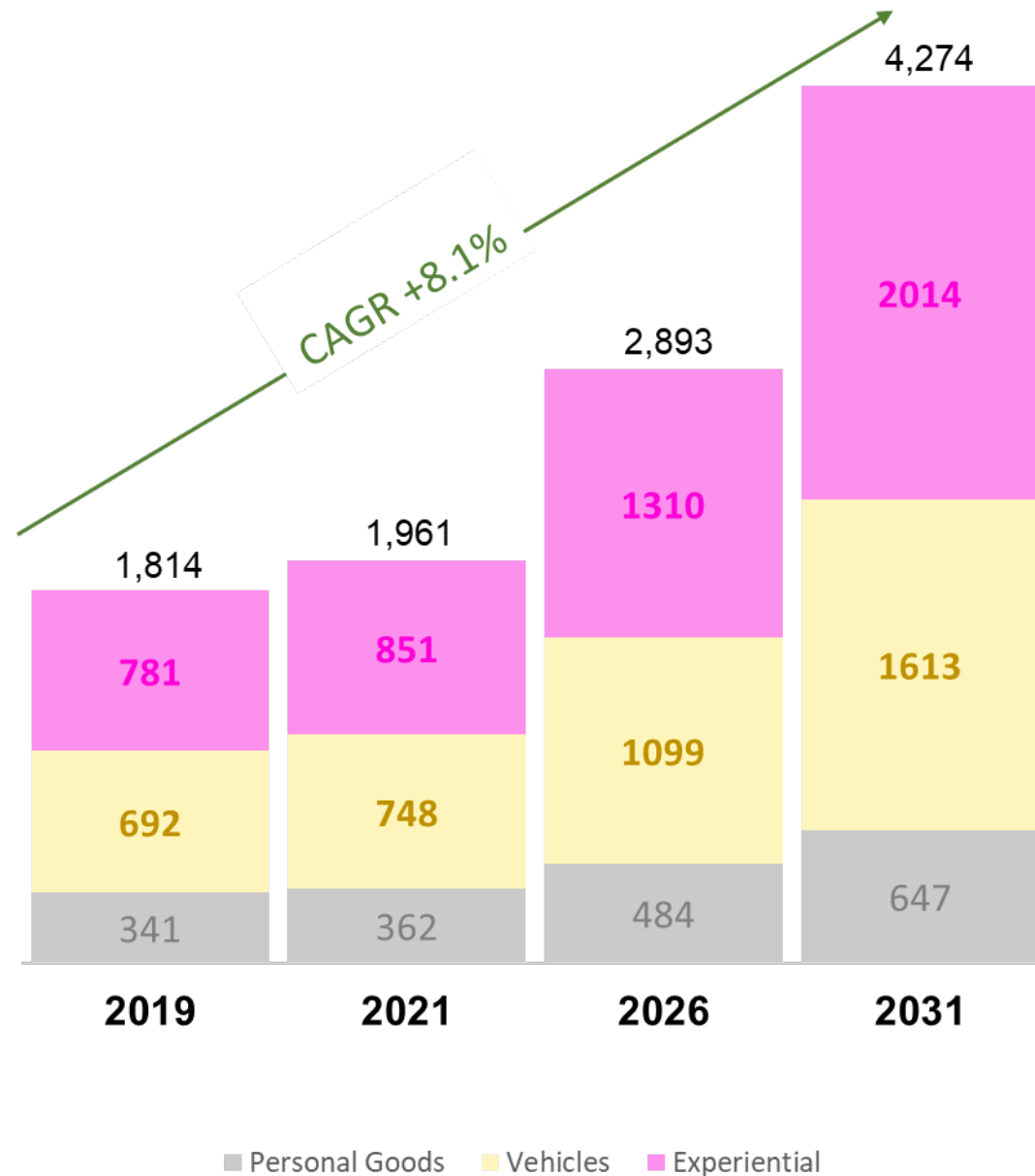
The luxury market includes both products and services. Products are classified into personal luxury goods, vehicles, and environments, and services are composed of personal improvement and travel & lifestyle (Cannata,2015).

According to Statista, personal luxury goods were worth \$ 341 billion, vehicles were \$ 692 billion, and experiential service was \$ 781 billion in 2019. However, the experiential services market included only high-end food and wine, fine hotels, and exclusive holidays.

Overall, the luxury market grew Compound Annual Growth Rate-CAGR 8% for the past decade, to an estimated \$1.8 trillion globally, with positive performance across most segments.

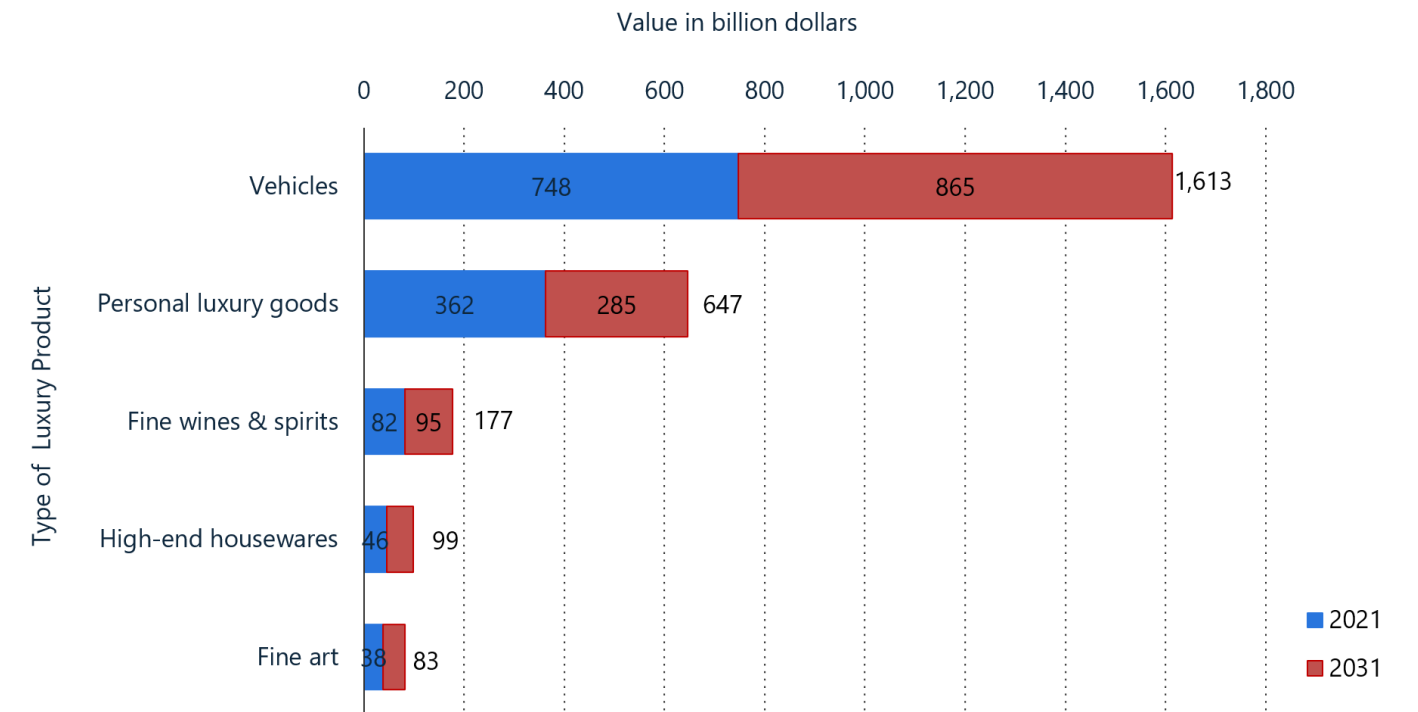
If the growth of the luxury market goes with the GDP growth trend, OECD predicts that the CAGR of 2% over the past 10 years will remain until 2031. Therefore, if the luxury goods market also maintains its current growth rate of 8% in the next 10 years, it will reach \$4.2 trillion in 2031, becoming 1.3 times larger than the current.

Luxury Market evolution (\$ B | 2019–2031)



Source: "In-depth luxury goods 2020", "Value of the global personal and experiential luxury market," Statista

Value of various global luxury markets in 2020, by market type (in billion euros)



Source: "In-depth luxury goods 2020", "Value of the global personal and experiential luxury market," Statista

GLOBAL LUXURY MARKETS

The luxury market includes both products and services. Products are classified into personal luxury goods, vehicles, and environments, and services are composed of personal improvement and travel & lifestyle (Cannata,2015).

According to Statista, personal luxury goods were worth \$ 341 billion, vehicles were \$ 692 billion, and experiential service was \$ 781 billion in 2019. However, the experiential services market included only high-end food and wine, fine hotels, and exclusive holidays.

Overall, the luxury market grew Compound Annual Growth Rate-CAGR 8% for the past decade, to an estimated \$1.8 trillion globally, with positive performance across most segments.

If the growth of the luxury market goes with the GDP growth trend, OECD predicts that the CAGR of 2% over the past 10 years will remain until 2031. Therefore, if the luxury goods market also maintains its current growth rate of 8% in the next 10 years, it will reach \$4.2 trillion in 2031, becoming 1.3 times larger than the current.

GROWTH POTENTIAL & OPPORTUNITIES



POTENTIAL CONSUMER

The luxury customer base is expanding and getting younger. Billionaire and HENRY (High-Earners-Not-Rich-Yet, annual income \$100,000-\$250,000, 43 age) increased globally. In 2020, millennials and Generation Z accounted for 40% of the luxury market, and they will share over 58% by 2025. In particular, Mainland China currently has 400 million millennials, five times more than the U.S., making China the largest market for the luxury market (Statista, 2020).

SINGLE PERSON HOUSEHOLDS

Single households are skyrocketing around the world. Over 2016-2030, single households will grow from 330 million to 450 million (Euromonitor International, 2020). This demographic is being driven by younger singles exchanging relationships for careers and education, as well as the growing divorced group, large in developed countries. Within 10 years, single households will become a major luxury consumption group.

EXPERIENCE VALUE

Customers want to be enriched in a way that extends beyond the practical, functional, or aspirational benefits to the emotional and spiritual benefits. As a result, more and more brands embrace holistic wellness, purposefulness, and ethical business philosophies in the luxury industry (Ho, 2019).

SUSTAINABILITY

Luxury brands are moving in a sustainable direction, focusing on the origin of ingredients, raw materials, animal welfare, and the social and environmental impact of their products. Also, this trend is driving the growth of the resale market in the luxury market.

CASUALIZATION & COLLABORATION

The luxury casual wear segment increases with growth driven by sneakers and jeans and the expansion of loungewear. Besides, an era of growing, cross-genre luxury collaborations. From the H&M collaboration with Jeremy Scott's Moschino to Vivienne Westwood's capsule collection for Burberry, fashion collaboration is one of the hottest trends in retail have now crossed genres (Ho, 2019).

ONLINE CHANNEL

Online luxury doubled its weight in the total market in 2020 (\$60 Billion). And 80% of luxury customers have digitally influenced (Statista, 2020). Brands with conservative tendencies online are also investing heavily in e-commerce.

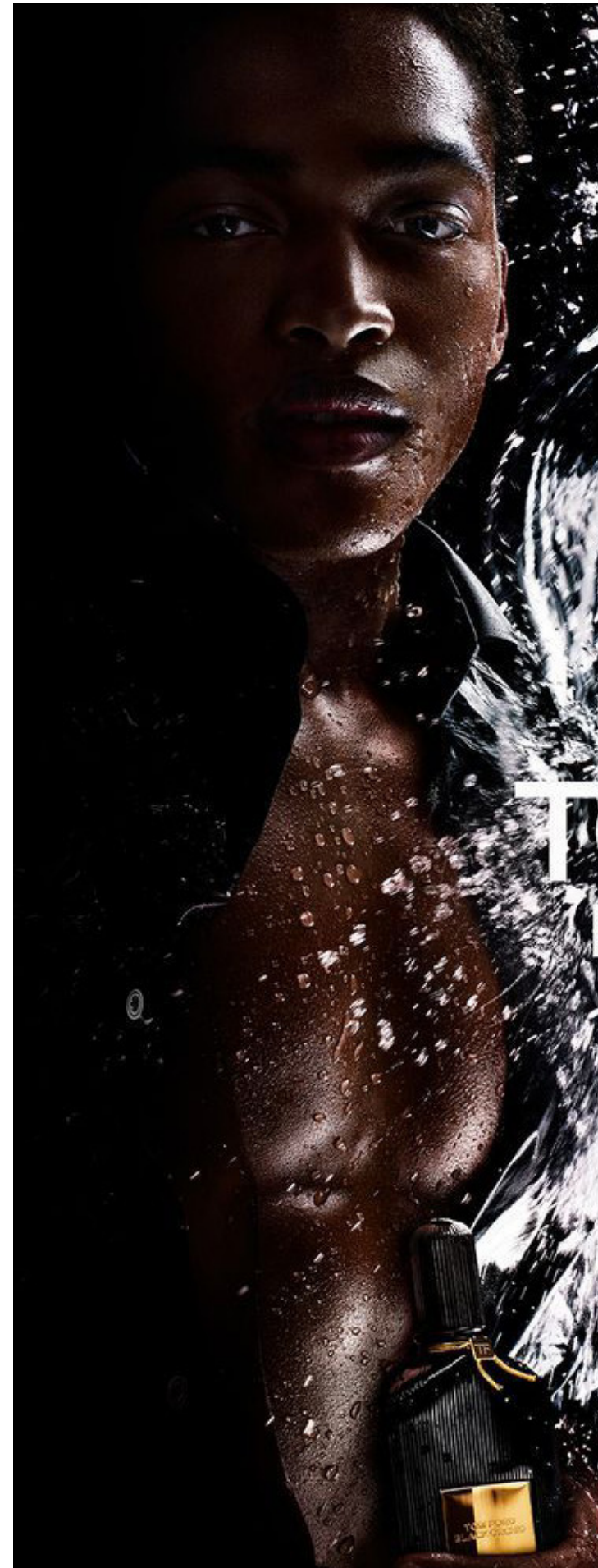


Competitive Landscape

“Ultimately as a designer, you give the world your personality. The world then reacts to your personality. You make an impact, or not, and you keep doing variations of your personality for the rest of your career. You have to be true to yourself and to your customer and to what you are, and to what people have typecast you as.”

-Tom Ford





KEY SUCCESS FACTORS

Tom Ford is a new brand compared to other heritage luxury brands, but it has a high industry status. The key success factors for Tom Ford's success in 15 years are brand density, excellent product quality based on the Italian craftsmanship, extraordinary tailoring service, glamorous IMC campaigns, and 110 premium store locations (Tom Ford, Homepage). The rectangular logo, cohesive design codes-glamorous, innovative, and sexual empowerment became a symbol of Tom Ford. The strong leadership of Tom Ford, the brand hero, was sufficient to accumulate Tom Ford's brand equity.

MAJOR COMPETITORS

The prominent players in the luxury market are Louis Vuitton, Gucci, Dior, Burberry, Giorgio Armani, and Saint Laurent. They do men's and women's apparel, bags, shoes, accessories, and beauty businesses.



Louis Vuitton, the most well-known luxury brand, is the flagship brand of LVMH and has a French heritage of 167 years. It reached sales of \$15 billion in 2020 (Forbes, 2020).

CORE COMPETENCIES

Brand awareness: LV Monogram and Damir
 Cohesive and innovative creativity
 Excellent product quality: Craftmanship, Ultimate handmade quality
 French heritage: Spirit of the traveler
 Glamorous IMC campaigns
 Extraordinary customer service
 Extensive distribution and 460 premium store locations

GUCCI



Gucci, like Louis Vuitton, is a brand with high brand awareness and is the core brand of the Kering group and has a heritage of 100 years. One of Gucci's core competencies is its agility in response to social issues and movement online. Gucci's sales in 2020 reached \$ 9 billion (Kering annual report, 2020).

CORE COMPETENCIES

Brand awareness : Double G, Horsebit
 Innovative and traditional with a modern twist creativity
 Excellent product quality based on Italian craftsmanship
 Italian heritage
 First mover in E-commerce
 Glamorous IMC campaigns
 Extensive distribution and 487 premium store locations



GIORGIO ARMANI

Giorgio Armani is a brand that delivers an elite message based on Italian craftsmanship with strong founder leadership. Notable is Giorgio Armani's business expansion model. Giorgio Armani offers different brands for each target and expands its business domain from fashion to beauty, flowers, fine restaurants, furniture, and hotels, from luxury personal goods to services (Kern et al. 2017). Its sales reached 2.6 billion in 2018 ("Giorgio Armani – The Iconic Global Fashion Brand").

CORE COMPETENCIES

Brand awareness
 Italian craftsmanship
 Sense of aesthetics appealing to the elite
 Founder leadership: Brand Hero
 Brand extension: Armani Collezioni, Emporio Armani, Armani Exchange, Armani Jeans, Armani Junior, Armani Casa, Armani Privé, Giorgio Armani, Beauty, Ristorante and Hotels
 Celebrity endorsement
 Extensive distribution and 500 premium store locations

SAINT LAURENT

Saint Laurent is a French brand and belongs to Kering, a company that includes Gucci. The brand's sales in 2020 are \$2.1 billion (Kering annual report, 2020). Every year, the collection presents a distinctive design tailored to essential items. And this brand is showing positive performance in the beauty industry as well.

CORE COMPETENCIES

Brand association
 High-end ready-to-wear clothes-Tailored super essential items: jackets, bikers, bombers, denims-Permanent lines
 Large exposure of beauty
 Glamorous IMC campaigns
 222 premium store locations

FUTURE TRENDS

The rise of Covid-19 in 2020 impacted the way the luxury & fashion sector provides their services and overall sped up many aspects of technology. In the next 10 years we can observe a lot of services that used to be exclusive to being physically in a store right at the user's home. Many will be able to try-on apparel from their favorite brands through augmented reality or deep dive into a brand's world through virtual reality & gaming world. The luxury consumer will still receive a luxury experience through brands that practice a strong data culture. Brands will be able to adapt their messages to specific audiences and specific geography, giving a feeling of a personalized approach while increasing the level of one-to-one treatment. Others will utilize artificial intelligence as a way to gather consumer behaviors and any negative behavior that could deteriorate your brand image.

To give a reason for people to leave their homes, retailers will depend on velocity in order to "refresh" their engagement with audiences. Offering various entertainments that couldn't otherwise be fulfilled in a digital space. As man and technology become closer together, so will their clothing. The emergence of nano technology will provide textiles with invisible abilities the luxury consumer can enjoy first before democratization.



Consumer Trends

MARKET SPACE AND MENTAL SPACE



DEMOGRAPHIC SEGMENTATION

The affluent consumer forms the foundation of Ford's loyal base. TOM FORD's customer was aware of his influence during his time as GUCCI and YVES SAINT LAURANT creative director and head designer and being fans of his work, this group has migrated with him to become the core-customer of the TOM FORD brand. Well educated, middle-aged women & men making \$250,000 or more are the defining demographic values of Ford's primary core-customer and their core-values are centered around aesthetic, investment, and visions of artistic expression.

PSYCHOGRAPHIC SEGMENTATION

Mentalities are formed based on the hedonistic, pleasure-seeking lifestyle of this customer segment. Being financially free, independent and aware of their purchasing power is at the foundation of this segment's inherent ideals of success.

Based on the look, feel, and occasion focused designs of Ford's collections, his core customer resides in urban locations and metropolitan areas. His boutiques are located in heavily populated cities where the wealthy work and reside, making his target audience within reach.

BEHAVIORAL RESPONSE SEGMENTATION

The TOM FORD customer is concerned with projecting an identity that is taken seriously, well-respected and noticed for its chic and sophisticated presence. His ideal customer cares about quality in look, feel, & exquisite design above all. They are the high-class consumer that values timeless pieces and wants to be noticed because of a neat, clean, bold, edgy, appearance.

This customer values aesthetic design and exquisite taste in their lifestyle choices. Ford's collections appeal to those who have business about themselves and frequent social events of the social elite. Cocktail dresses, tailor-made suits, and traditional accessories compliment their looks of formal repertoire. Loyalty is driven based on staying true to

these values and is strengthened by Ford's ability to repeatedly create cohesiveness fashion forward looks and curate a style that is provocative yet classic.

Beauty is a growing market for the TOM FORD brand and he is headed in a direction of creating environmentally conscious and organically sustainable product. With this focus and promise to make a product with purpose, Ford will inevitably attract a younger consumer from the Millennial and Gen-Z generational segments in the future.

Future Consumer

The future target consumer for Tom Ford over the next 10 years will start to include Gen Z, while still nurturing Millennials. They are both tech savvy, yet more of the new generation were born into technology. WWD reports the future consumers will require sustainability practices as well as forward thinking and inclusivity. Millennials and Gen X want to settle without "sacrificing their careers". Thus, creating the career driven consumer. Another consumer are the new optimists within the Gen Z age group. They have a strong sense of self-assurance and self-awareness. They know exactly what they want which is perfect for the Tom Ford brand.

DEMOGRAPHICS

Millenials, born between 1981 and 1996, are current consumers with a range of salary between \$130k - \$490k a year. They are highly educated business men or women and entrepreneurs.

Generation Z are the near future consumer born between 1997 and 2015, with a range of salary between \$120k - \$230k a year. They are well educated tech savvy individuals with entrepreneurial mindsets, psychology and IT careers.

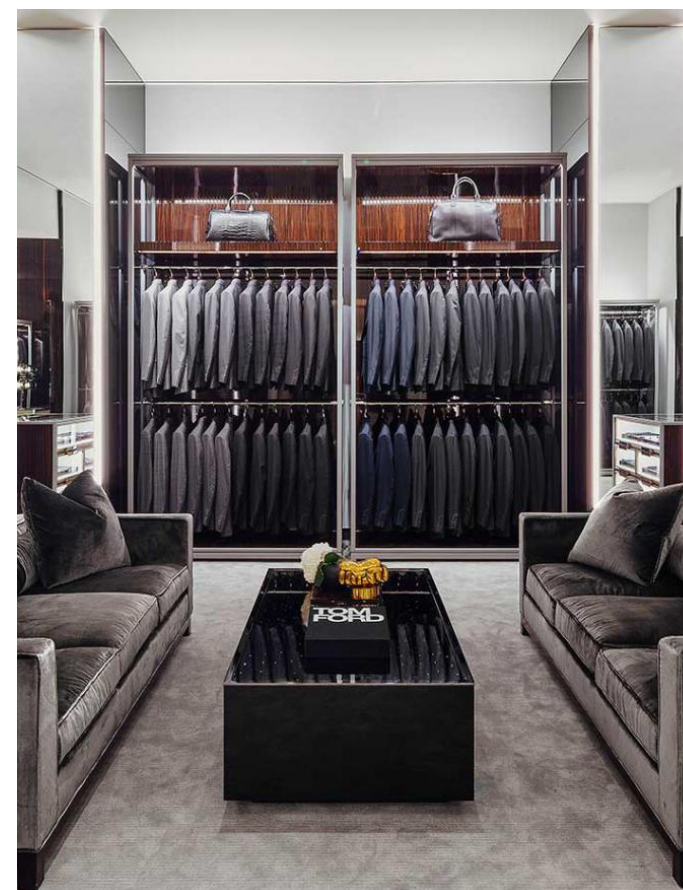
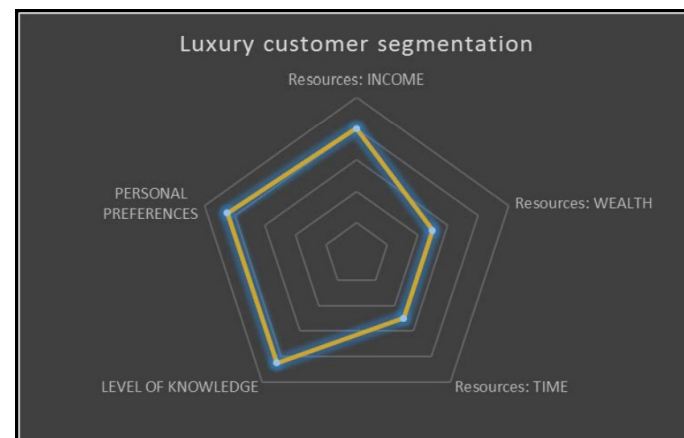
THE CAREER-DRIVEN

Name: Everett
Age: 48
Job: Senior Firm Partner
Salary: \$410,000
Location: New York
Marital Status: Married
Children: 2
Interests: shopping, fitness, reading, museums
Causes: Sustainability, Human rights
Technology: Not a native, but enjoys tech convenience

LUXURY CUSTOMER SEGMENTATION

Income: Money Machine
Wealth: Financially Free
Time: Career focused, but enjoys his free time
Level of Knowledge: Luxury Native
Attitude: Superstar

Millennial, urban, high income earner, financially free, career focused but enjoys his free time. Extremely knowledgeable across a vast array of product categories, he lives a superstar lifestyle.





THE SELF-ASSURED

Name: Nicole

Age: 34

Job: Marketing Director

Salary: \$230,000

Location: Los Angeles

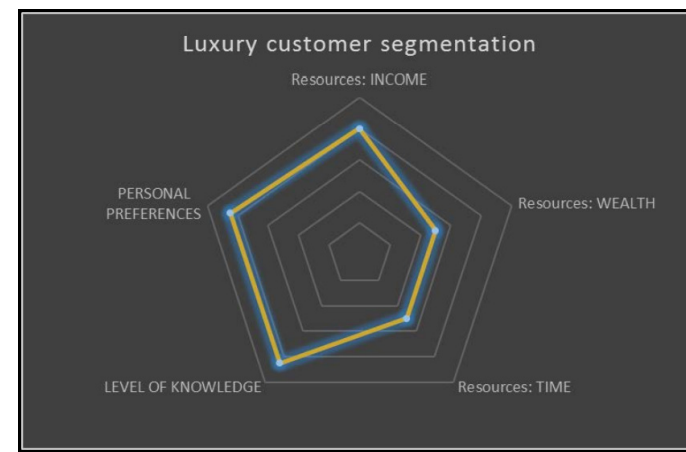
Marital Status: Single

Children: None

Interests: fitness, music, shopping, cooking

Causes: Sustainability, Hunger, Climate Change

Technology: Tech native



LUXURY CUSTOMER SEGMENTATION

Income: High Flyer

Wealth: Financially Secure

Time: Balanced

Level of Knowledge: Luxury Explorer

Attitude: Understated

Gen Z, urban living, high income earner, financially secure, with balanced time. Enjoys exploring everything that luxury brands and products has to offer, she lives an understated lifestyle.

Future Strategy



GOALS & OBJECTIVES

THE FUTURE OF TOM FORD

OBJECTIVE

Our goal is to position Tom Ford as a lifestyle brand in the home decor and furniture markets, while still catering to the fashion industry.

GOALS

Nurture brand associations and brand awareness by utilizing brand density.

Leverage core customers through lifestyle brand stretching operations through selling home decor products.

Present a home decor technology product that blurs the lines between aesthetics and functionality.

STRATEGY

To introduce home decor embedded with technology, we will build new brand associations through licensing with ModLoft for furniture design, as well as Bang & Olufsen for technology expertise.

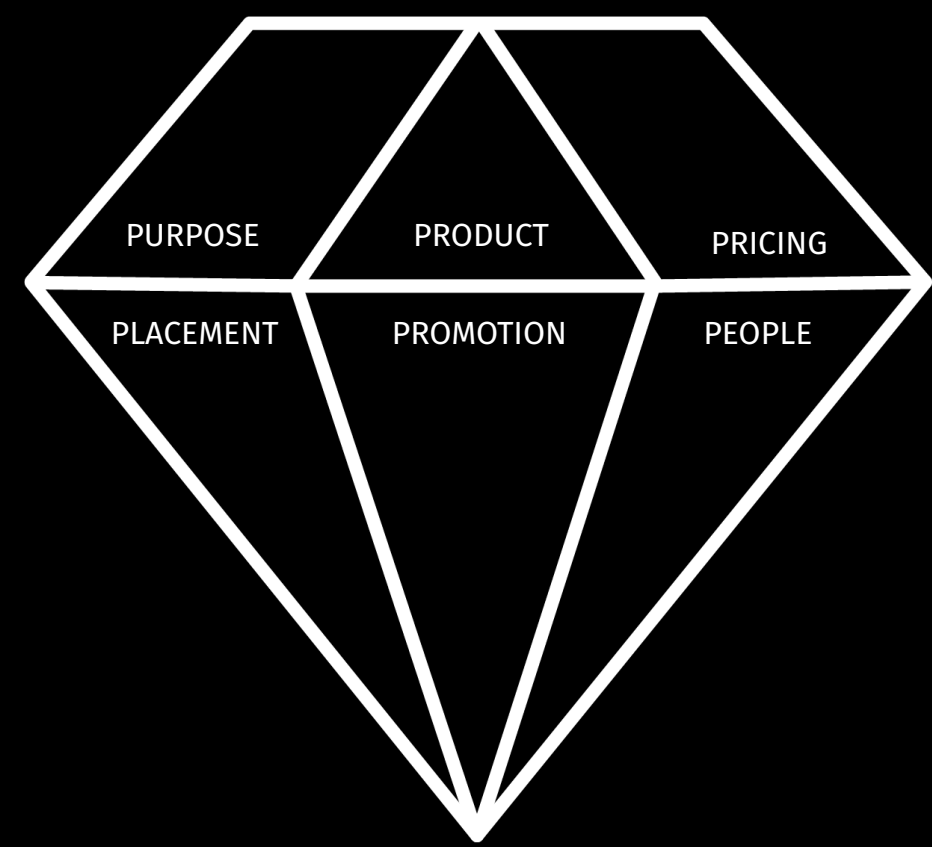
UNIQUE SELLING PROPOSITION

Tom Ford exerts his dominance as a star brand, via a network of goods that accentuates the Tom Ford consumer lifestyle. The collaboration with Bang & Olufsen technology not only serves to distinguish Tom Ford's furniture in the market but also amplify the modern city man/woman. The licensing agreement with ModLoft aims to confirm the presence of connoisseurship, excellence, and luxury.



Luxury Ingredients

Professor Cannata's Diamond



PURPOSE

Tom Ford's artistic expression is based on his own muse, all items reflect on what he is missing on his personal wardrobe while remaining true to what his brand is about. In this pursue on creating clothing that are beautiful and look great on the body he prioritizes quality and the most luxurious of makes. This is reflected through all the different product segments of the brand as he steps into market domination and star brand status. Ford as chairman of the FDA wants to leave his mark on history, campaigning for social justice, equality and sustainability efforts.

PRODUCT

Tom Ford's expansion into the home decor industry with

electronic adaptations is sure to create buzz withing the luxury industry.

The adition of augmented reality makes the brand's world lie more and more towards a multisensory aesthetic experience. The product line gains legitimacy through Tom Ford's deployment of unique know-how. Ford's personal styling now will transcend apparel spilling over to homegoods.

The home decor line will offer a variety of furniture solutions that merchandise among each other. These will be used in Tom Ford's flagship store, each item displayed alone to create visual scarcity. Items will be sold below market demand to ensure exclusivity.

PRICING

Extra Pricing

Products with Bang & Olufsen technology will have a higher price point. This will make our lower gradient items more appealing to consumers with less purchasing power.

Belonging

Our Tom Ford Smart Mirror will be covetted amongst many who won't have this. Not only is it a way to prove your loyalty to the brand but also a way to create free marketing.

Band Wagon Effect

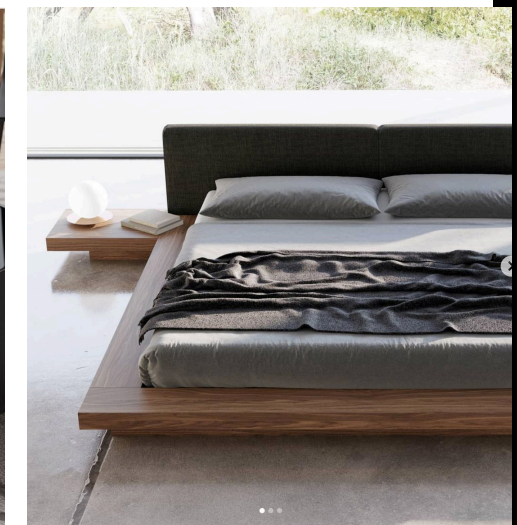
Users will find themselves taking mirror selfies in their home meters to showcase their augmented reality outfits or individual ones. This will hopefully create a bandwagon effect through social media.



Smart Mirror: \$1,500



Coffee Table: \$500



Queen Bed Frame: \$1,749



Cabinet Bar: \$1,500



Side Tables: \$500



Lounge Chairs: \$875



PLACEMENT

The arrangement of luxury houseware with technology begins with stimulating the sense of smell. When houseware is placed, Tom Ford's signature fragrance and soap reinforce Tom Ford's brand association. It also opens a flagship store in New York that can sell mirrors, coffee tables, and men's tailoring wear. This is because it is a product that can appeal to existing male tailoring customers. Also, we manage distal exclusivity. The artistic aspect of the product is emphasized, and the price is not exposed. This website focuses on promoting the product's rare and unique materials, innovative and exquisite Italian craftsmanship. In other words, it focuses on the functional and artistic value of the product, educating potential customers of Tom Ford and introducing new products.

Although Tom Ford is a star brand, new products have different characteristics from existing products. Rather than maximizing exposure, Tom Ford will approach the same way as the connoisseur brand to reinforce brand loyalty at the beginning of the launch. Besides, through alliances with luxury hotel and yacht companies, the money machine and highflyer group are more accessible to customers and expand functional, aesthetic, and symbolic value. Brand associations are reinforced through a limited placement strategy for up to three years after launch, and the placement strategy is revised as the product line expands.

PROMOTION

Next to sales, promotion is the culminating event of getting products to the consumer. Using multiple avenues to finesse the interest of the customer, the brand will introduce the new product via email advertisements, social media campaigns, and intimate event settings, fitted to the brand's identity.

EMAIL

Email marketing to announce the launch of new products. Also a more modern way to invite celebrities and social influencers to the dinner party to be hosted by Tom Ford.

SOCIAL MEDIA

The use of social media platforms will become imperative as an avenue to reach a bigger audience. Collaborating with Bang & Olufsen as well as ModLoft will give Tom Ford two new avenues to promote products while simultaneously using his own brand's platforms. This will bring brand awareness to the brand in new segments.

EVENTS

The brand will host an intimate invite only dinner party in which Tom Ford will have his new furniture pieces available to be viewed. He will host it at his Manhattan, New York flagship location, as the interior has been designed to reflect his exquisite taste in home décor.

PEOPLE

Tom Ford is an eponymous brand. The brand's achievements and his success as a filmmaker made him the brand's hero. Tom Ford started in New York, but its cultural background lies in European luxury. Tom Ford's experience: Italian fashion houses, New York boutiques, and Hollywood filmmaking combine sophisticated European and modern, popular American culture within the brand. It also appears in the value chain with elegant cuts, proprietary materials, and Italian craftsmanship, and in terms of virtuosity, Tom Ford pursues perfection.

Meanwhile, outside the organization, there are fictional ambassadors Nicholas Hoult and Daniel Craig as the legendary secret agent 007. They are all talented British actors, and Nicholas Hoult appeared in fashion pictorials as Tom Ford Ambassador in 2010. His appearance is a person proper for the brand's sexy and elaborate image. On the other hand, Daniel Craig focuses on the role in the movie, not the personality. James Bond is a classic figure but shows off a sophisticated style and uses new products with cut-edge technology. It is in line with Tom Ford's new sector's image, technology houseware, which will positively affect the brand association.





EXECUTIVE SUMMARY

In the next 10 years, Tom Ford will aim to position itself as a lifestyle brand in the home decor market, while still catering to the fashion industry. To achieve this goal, Tom Ford will build new brand associations through licensing with ModLoft for furniture design, as well as Bang & Olufsen for technology expertise. Over the years, Tom Ford has expressed the desire to become a lifestyle brand. Adding technology to everyday household items has become a way of distinguishing one product from another. Incorporating the ability to try on items virtually in home before purchasing not only saves time but saves the supply chain from an influx of reverse logistics.

While the pandemic of 2020 has continued to keep consumers home, the shopping experience does not have to become detached from the exquisite customer service received in store. Tom Ford excels at delivering a memorable luxury service to each customer, he now will be able to do that from the confines of consumer homes via augmented reality. Given his background in architecture and his interest in art, this will be a positive brand stretch into a new market. The new venture will ultimately nurture the brand loyalty of his core customer while bringing brand awareness to a new, younger audience. This new generation of consumers will enjoy the Tom Ford aesthetic and appreciate the instant gratification showcased by the technology embedded in the furniture. Tom Ford has always been an innovative, forward thinking brand, thus the new brand stretch, coupled with the brand associations, is a perfect way to keep the brand relevant for the next ten years to come.

REFERENCES

“Luxury Goods - Worldwide.” Statista, Statista Inc., <https://0-www-statista-com.library.scad.edu/outlook/21000000/100/luxury-goods/worldwide>

“Tom Ford International LLC.” Zoom Company Information, January 2021, 0-advance-lexis-com.library.scad.edu/api/document?collection=company-financial&id=urn:contentItem:5PYD-SXG0-BR7W-12R5-00000-00&context=1516831. Accessed January 27, 2021.

“10 Big News Stories That Happened in 2006 (When OpenLearn Was Born).” OpenLearn, The Open University, 3 Aug. 2016, www.open.edu/openlearn/whats-on/events/10-big-news-stories-happened-2006-when-openlearn-was-born.

“Annual Report on Tom Ford Retail’s Revenue, Growth, SWOT Analysis & Competitor Intelligence.” IncFact, 18 Jan. 2021, incfact.com/company/tom-fordretail-newyork-ny/.

“Aughts Were a Lost Decade for U.S. Economy, Workers.” The Washington Post, WP Company, 2 Jan. 2010, www.washingtonpost.com/wp-dyn/content/article/2010/01/01/AR2010010101196_2.html?hpid=topnews.

“Company Profile.” D&B Hoovers, app.avenation.com/company/86a5ecb0-c610-3a1e-a58d-062ed1085034#report/corporate_overview.

“How TOM FORD Is Rewriting the Rules of Creating a Luxury Brand.” CPPLUXURY, cpp-luxury.com/how-tom-ford-is-rewriting-the-rules-of-creating-a-luxury-brand/.

“The Luxury Report 2020 & Beyond: Matter Of Form.” Matter Of Form: Experience Design Consultancy, matterofform.com/news/articles/the-luxury-report.

“The State of the Luxury Industry 2019 - Luxury’s Past, Present and Future.” LUXUO, 21 Jan. 2020, www.luxuo.com/style/luxury-accessories/the-state-of-the-luxury-industry-2019-luxurys-past-present-and-future.html.

“Tom Ford Announces Partnership with Ermenegildo Zegna Group.” WMido, 26 Feb. 2006, www.wmido.com/tom-ford-announces-partnership-with-ermenegildo-zegna-group/.

“Tom Ford Gets Candid About His Years at Gucci.” The Cut, 20 Apr. 2015, www.thecut.com

“Tom Ford... Influencing Contemporary Culture...” Art Chateau: The World’s Finest Luxury Art & Li, artchateau.com/Article.php?pid=20130.

“Tom Ford’s Religion and Political Views.” The Hollowverse, hollowverse.com/tom-ford/.

“Wearable Technology Market Size: Industry Report, 2020-2027.” Wearable Technology Market Size | Industry Report, 2020-2027, www.grandviewresearch.com/industry-analysis/wearable-technology-market#:~:text=The%20global%20wearable%20technology%20market,15.9%25%20from%202020%20to%202027.

“What Can Tom Ford & Cara Delevingne Teach Us About Online Fashion Marketing @ThoughtShift-UK.” ThoughtShift, 18 June 2014, www.thoughtshift.co.uk/what-can-tom-ford-cara-delevingne-teach-us-about-online-fashion-marketing/.

ARTnews, The Editors of. “Tom Ford on Georgia O’Keeffe: ‘I Thought She Was the Strangest Person I Ever Met.’” ARTnews.com, ARTnews.com, 18 Nov. 2019, www.artnews.com/art-news/news/tom-ford-georgia-okeeffe-13195/.

Bhasin, H. (2018, March 06). Marketing strategy of louis vuitton - louis vuitton marketing strategy. Retrieved February 21, 2021, from <https://www.marketing91.com/marketing-strategy-louis-vuitton/#Segmentation-targeting-positioning-in-the-Marketing-strategy-of-Louis-Vuitton>

Biography.com Editors. “Tom Ford.” Biography.com, A&E Networks Television, 19 Aug. 2020, [www.biography.com/fashion-designer/tom-ford#:~:text=label in 2004.,Who Is Tom Ford?,sales grew to \\$3 billion](http://www.biography.com/fashion-designer/tom-ford#:~:text=label in 2004.,Who Is Tom Ford?,sales grew to $3 billion).

Bryer, Tania. “Who Is the Tom Ford Customer? Who Is the Tom Ford Customer? | CNBC Conversations, 25 Feb. 2015, www.youtube.com/watch?v=btlgsKlvN0M.

Cannata, A. (2021, January 19). Adopting a consumer-centric approach to define the Luxury Industry. Lecture.

Cannata, A. “KSF and Competitive Advantage.”

Carmichael, E. (Director). (n.d.). Tom Ford’s Top 10 Rules For Success [Video file]. Retrieved from <https://www.youtube.com/watch?v=MVWM3yjKWak>

Cathaleen Chen, “Tapping into the Future of Physical Retail”, The Business of Fashion, businessoffashion.com, August 2020.

Conlon, Scarlett. “Scarlett Conlon.” British Vogue, British Vogue, 14 Aug. 2019, www.vogue.co.uk/gallery/tom-ford-mario-testino-nineties-collaboration-campaign-images?image=5d547ef9f64c3c000831ca33

Corbyn, Zoe. “Peter Diamandis: ‘In the next 10 Years, We’ll Reinvent Every Industry.’” The Guardian, Guardian News and Media, 25 Jan. 2020, www.theguardian.com/technology/2020/jan/25/peter-diamandis-future-faster-think-interview-ai-industry.

D’arozio, Claudia, and Federica Levato. Bain & Company, 2020, BAIN-ALTAGAMMA 2020 WORLD-WIDE LUXURY MARKET MONITOR.

DeAcetis, Joseph. “How Millenials Are Changing Age-Long Traditions Of Luxury With Digital Technology.” Forbes, Forbes Magazine, 13 Oct. 2020, www.forbes.com/sites/josephdeacetis/2020/08/29/millennials-changing-age-long-traditions-of-luxury-with-digital-technology/?sh=48eea3bc5a9a.

Dit, Al. “To Russia With Tom Ford.” Tom Ford Fan Page Latest News, Al Dit <https://www.tomford.nl/Wp-Content/Uploads/2019/09/Logo-Tom-Ford-300x100.jpg>, 5 Dec. 2007, www.tomford.nl/2007/12/05/to-russia-with-tom-ford/.

Dudbridge, Saxony. “Tom Ford Biography.” Catwalk Yourself, www.catwalkyourself.com/fashion-biographies/tom-ford/.

Fenner, Justin. “Tom Ford’s Pricey Products Won’t Make You Happy, Says Tom Ford.” GQ, 1 Nov. 2016.

Fernandez, Chantal. “VOICES 2020: How Technology Is Shaping Culture and Consumption.” The Business of Fashion, The Business of Fashion, 2 Dec. 2020, www.businessoffashion.com/articles/technology/voices-2020-how-technology-is-shaping-culture-and-consumption.

Ford, Tom. “Sites-Tomford-Site.” Tom Ford Online Store, 25 Jan. 2020, www.tomford.com/about.

Ford, Tom. Tom Ford Named Chairman Of The Council of Fashion Designers Of America, 19 Mar. 2019, www.prnewswire.com

GDP Growth (Annual %) - United States. data.worldbank.org/indicator/NY.GDP.MKTP.KD.ZG?end=2010&locations=US&start=2003.

Giorgio Armani – the ICONIC global fashion brand. (2020, November 27). Retrieved February 21, 2021, from <https://martinroll.com/resources/articles/branding/giorgio-armani-the-iconic-fashion-brand/>

Giorgio Armani’s Empire - Giorgio Armani the ‘master’ of luxury. (2017, August 10). Retrieved February 21, 2021, from <https://medcraveonline.com/JTEFT/giorgio-armanisquos-empire---giorgio-armani-the-lsquamastersquo-of-luxury.html>

Gupta, Abhaya. “How 3D Printing and Nanotechnology Will Revolutionize Luxury.” Luxurysociety.com, 13 Mar. 2019, www.luxurysociety.com/en/articles/2019/03/traditional-craft-vs-modern-technology-3d-printing-nanotechnology-revolutionize-luxury.

Harris, Zachary. “How to Experience ComplexLand.” Complex, Complex, 4 Dec. 2020, www.complex.com/style/2020/12/how-to-experience-complexland/complexland-shops.

Haskell, Rob. “A Man For All Seasons: Inside the World of Tom Ford.” Vogue, 15 Aug. 2019, www.vogue.com/article/man-for-all-seasons-tom-ford.

Hoang, Limei. “Is The Role of Digital Becoming Obsolete Within Luxury Companies?” Luxurysociety.com, 18 Feb. 2021, www.luxurysociety.com/en/articles/2021/02/role-digital-becoming-obsolete-within-luxury-companies.

Holly Ellyatt, Tania Bryer. “Fashion Is Feeling Geopolitical Heat: Tom Ford.” CNBC, CNBC, 2 Feb. 2015, www.cnbc.com/2015/02/02/fashion-is-feeling-geopolitical-heat-tom-ford.html.

Imran, Amed. “The Business of Being Tom Ford.” The Business of Fashion, 26 Sept. 2013, www.businessoffashion.com/articles/news-analysis/the-business-of-being-tom-ford-part-i

Ivanova, A., Ada Ivanova Ada is a writer, Writer, A., & Posts, V. (2020, July 06). A closer Look: 4 reasons Why Louis Vuitton is so successful. Retrieved February 21, 2021, from <https://www.referralcandy.com/blog/louis-vuitton-marketing-strategy/>

Kering - evolution of a global luxury brand company. (2020, November 29). Retrieved February 21, 2021, from <https://martinroll.com/resources/articles/strategy/kering-evolution-of-a-global-luxury-brand-company/>

KERING Annual Report. (2021). Retrieved from https://keringcorporate.dam.kering.com/m/57a7ad2619884844/original/KERING_Document_Financier_2020_Production_UK.pdf

Langer, Daniel, and Daniel Langer. "Why Luxury Brands Need Artificial Intelligence." Jing Daily, 26 Nov. 2019, jingdaily.com/luxury-brands-china-future-of-luxury-artificial-intelligence/.

Louis-Vuitton. (2009, March 05). Critical success factors of louis vuitton. Retrieved February 21, 2021, from <https://louis-vuittonn.skyrock.com/2341690167-Critical-Success-Factors-of-louis-vuitton.html>

Luxury & Premium 50 2020: Brand Value Ranking league table. (n.d.). Retrieved February 21, 2021, from <https://brandirectory.com/rankings/luxury-and-premium/table>

Mellery-Pratt, R. (2015, March 05). The secret of SAINT Laurent's Success. Retrieved February 21, 2021, from <https://www.businessoffashion.com/articles/news-analysis/the-secret-of-saint-laurents-success-saint-laurent-hedi-slimane>

Owler. Tom Ford International, LLC. www.owler.com/company/tomford.

Prant, Dara. "Must Read: 'Vogue' Goes Inside the World of Tom Ford, How Predictive Technology Is Improving Inventory Management." Fashionista, Fashionista, 16 Aug. 2019, fashionista.com/2019/08/tom-ford-vogue-interview.

Prolitec. "Tom Ford and Prolitec Cultivate Customer Engagement." July 13, 2018. Tom Ford and Prolitec Cultivate Customer Engagement - Prolitec

Rogoza, Roman. "Twitter Logo: What Famous Bird Stands For." Logaster Blog, Logaster, 5 Aug. 2020, www.logaster.com/blog/twitter-logo/.

Samaha, Barry. "Balenciaga Launches a Video Game for Its Fall 2021 Collection." Harper's BAZAAR, Harper's BAZAAR, 8 Dec. 2020, www.harpersbazaar.com/fashion/fashion-week/a34892239/baleciaga-video-game-fall-2021-collection/.

Sherman, Lauren. "Tom Ford: What's Next." Business of Fashion, September 6, 2017. <https://www.businessoffashion.com/articles/news-analysis/tom-ford-whats-next>

SiennaPan, Y., Rapp, J., & Pan, Y. (2018, January 18). Marco Bizzarri on why consumers are "FEELING GUCCI". Retrieved February 21, 2021, from <https://jingdaily.com/marco-bizzarri-on-why-consumers-are-feeling-gucci/>

Statista Consumer Market Outlook 2020 (Rep.). (2020). Statista.

Studio, BoF. "At Verizon Media, Making Extended Reality Technology Accessible." The Business of Fashion, The Business of Fashion, 23 Nov. 2020, www.businessoffashion.com/articles/technology/at-verizon-media-making-extended-reality-technology-accessible.

Tartaglione, Nancy. "Venice Film Festival: Lido To Launch Pics From Ford, Gibson, Malick & More As Awards Season Starts To Buzz – Full List." Deadline, Deadline, 28 July 2016, deadline.com/2016/07/venice-film-festival-2016-lineup-full-list-1201794095/.

Taylor, Molly. "Tom Ford." British Vogue, British Vogue, 14 Aug. 2019, www.vogue.co.uk/article/tom-ford-biography.

Tom Ford Online Store, www.tomford.com/.

Top 15 most popular luxury brands online in 2020. (2020, November 22). Retrieved February 21, 2021, from <https://luxedigital.com/business/digital-luxury-ranking/most-popular-luxury-brands/>

Wiggers, Kyle. "Gucci's IOS App Lets You Try Shoes on Remotely in AR." VentureBeat, VentureBeat, 26 June 2019, venturebeat.com/2019/06/26/guccis-ios-app-lets-you-try-shoes-on-remotely-in-ar/.

Yotka, Steff. "How Tom Ford Is Redefining Sustainable Luxury, One Suit at a Time." Vogue, Vogue, 10 Oct. 2017, www.vogue.com/article/tom-ford-green-carpet-fashion-awards.

Zlatanova, M., Manole, M., & Hellfach, T. (2017). KEY SUCCESS FACTORS FOR LUXURY BRANDS STRETCHING INTO ATHLEISURE (Unpublished master's thesis).

TOM FORD

THE FUTURE OF FASHION

**LXFM 730 MARKETING STRATEGIES FOR
LUXURY BRANDS AND EXPERIENCES**

**CORY PARK
IAN VICENTE
LAQUANIUS CUTNER
TONI EPPS**

PROFESSOR ALESSANDRO CANNATA