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LUXURY MARKETING IN THE GLOBAL MARKET AND THE NEED FOR FINANCIAL RESOURCES FOR BETTER LUXURY MARKETING DEVELOPMENT

Emanuela Esmerova[1]
Aleksandar Kostadinovski[2]

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Abstract: *Luxury marketing builds desirability, exclusivity, and perceived value rather than relying on sales volume, broad accessibility, or price promotions. Leading luxury brands achieve success by emphasizing brand heritage, personalized customer experiences, scarcity, and carefully designed communication. Unlike traditional marketing, which focuses primarily on reach, volume, and price optimization, luxury marketing seeks to maximize differentiation, reinforce exclusivity, and create strong symbolic and emotional relationships with consumers.*

Luxury brands do not simply sell products; they sell identity, status, belonging, and meaning. Therefore, their marketing strategies must remain consistent with premium positioning and maintain a carefully crafted brand narrative throughout the entire customer journey. Specialized luxury marketing agencies support this process by developing strategies aimed at creating desire and prestige among high-value customers, including ultra-high-net-worth individuals (UHNWIs). These strategies commonly involve high-quality content, targeted public relations, exclusive events, personalized experiences, and digital storytelling.

Financial performance is another important dimension of luxury marketing. The financial performance of a company is typically evaluated over a specific period using key financial statements, particularly the balance sheet, income statement, and cash flow statement. Such analysis helps determine whether marketing strategies and brand positioning contribute to sustainable business performance.

Luxury marketing also intersects with financial assets when wealth is invested in tangible collectibles such as classic cars, fine art, and vintage watches. These assets depend strongly on scarcity, brand equity, heritage, and emotional attachment. At the same time, they may serve as portfolio diversification instruments and potential hedges against economic volatility. Consequently, luxury marketing combines economic value with symbolic and emotional value, making brand reputation, scarcity, exclusivity, and customer relationships essential components of long-term success.

1 Faculty of Economy, MIT University Skopje, Republic of North Macedonia,emaesmerova@yahoo.com
2 University of Tourism and Management, Skopje, aleksandarkostadinovski@yahoo.com

LUKSUZNI MARKETING NA GLOBALNOM TRŽIŠTU I POTREBA ZA FINANSIJSKIM RESURSIMA ZA UNAPREĐENJE RAZVOJA LUKSUZNOG MARKETINGA

Ključne riječi: *luksuzni marketing, finansijska imovina, tržište luksuznih kompanija, finansijski učinak, tržište luksuza.*

Sažetak: *Luksuzni marketing gradi poželjnost, ekskluzivnost i percipiranu vrijednost, umjesto da se oslanja na obim prodaje, široku dostupnost ili cjenovne promocije. Vodeći luksuzni brendovi ostvaruju uspjeh naglašavanjem nasljeđa brenda, personalizovanog korisničkog iskustva, ograničene dostupnosti i pažljivo osmišljene komunikacije. Za razliku od tradicionalnog marketinga, koji je prvenstveno usmjeren na doseg, obim prodaje i optimizaciju cijena, luksuzni marketing nastoji da maksimalno poveća diferencijaciju, ojača ekskluzivnost i stvori snažne simboličke i emocionalne veze sa potrošačima. Luksuzni brendovi ne prodaju samo proizvode; oni prodaju identitet, status, pripadnost i značenje. Zbog toga njihove marketinške strategije moraju biti usklađene sa premijum pozicioniranjem i održavati pažljivo oblikovanu priču o brendu tokom cjelokupnog korisničkog iskustva. Specijalizovane agencije za luksuzni marketing podržavaju ovaj proces razvijanjem strategija usmjerenih na stvaranje želje i prestiža među klijentima visoke platežne moći, uključujući pojedince sa izuzetno visokom neto vrijednošću imovine (UHNWIs). Ove strategije najčešće obuhvataju visokokvalitetan sadržaj, ciljane odnose s javnošću, ekskluzivne događaje, personalizovana iskustva i digitalno pripovijedanje. Finansijski učinak predstavlja još jednu važnu dimenziju luksuznog marketinga. Finansijsko poslovanje kompanije obično se procjenjuje tokom određenog perioda korišćenjem ključnih finansijskih izvještaja, posebno bilansa stanja, bilansa uspjeha i izvještaja o novčanim tokovima. Takva analiza pomaže da se utvrdi da li marketinške strategije i pozicioniranje brenda doprinose održivim poslovnim rezultatima. Luksuzni marketing se takođe povezuje sa finansijskom imovinom kada se bogatstvo ulaže u materijalne kolekcionarske predmete, kao što su klasični automobili, umjetnička djela i vintage satovi. Vrijednost ove imovine u velikoj mjeri zavisi od ograničene dostupnosti, vrijednosti brenda, nasljeđa i emocionalne povezanosti. Istovremeno, takva imovina može služiti kao sredstvo diversifikacije portfolija i potencijalna zaštita od ekonomskih nestabilnosti. Shodno tome, luksuzni marketing povezuje ekonomsku vrijednost sa simboličkom i emocionalnom vrijednošću, zbog čega reputacija brenda, ograničena dostupnost, ekskluzivnost i odnosi sa kupcima predstavljaju ključne elemente dugoročnog uspjeha.*

1. Introduction

Luxury goods are specific, upscale, and usually better quality, social reputation and reputation-related goods and services. These products, which are usually out of reach of the general public, are especially aimed at markets and the rich. High-end technology, high-end cosmetics, haute couture, luxury cars, exclusive jewelry and clocks, fashionable clothes and accessories, and upscale travel experiences for individuals are some of the many products produced by luxury goods manufacturers. Luxury items are often manufactured with a proven track record of quality by respected companies. One of the main drivers is the consumer demand for immersive, individual, and specific luxury goods. As customers seek products that actually reflect their personality and lifestyle, individual and limited-edition luxury goods are growing in popularity.

The top global luxury companies market and maintain their elite status through extreme exclusivity, heritage storytelling, and limited supply. Unlike mass marketing, this approach relies on brand equity rather than discounting. The industry is dominated by a few massive international groups and iconic standalone brands

The luxury market has always been about emotion, heritage, and the art of distinction. But as audiences evolve, so too does the language of luxury. Today's most successful brands are those that blend traditional craftsmanship with forward-thinking digital strategy — where timeless appeal meets modern engagement.

Navigating that balance requires more than a marketing partner; it calls for a specialist who understands the psychology of aspiration, the rhythm of storytelling, and the power of consistency. These are the agencies redefining how exclusivity is presented in a world of instant connection and global competition.

Top resources for understanding the intersection of luxury marketing and financial assets include industry reports, academic dissertations, and equity analyses. These documents break down how brand equity translates to stock performance, market resilience, and valuation

2. Research methodology and application

The research methodology is based on a combination of theoretical and applied methods aimed at examining the role of luxury marketing in global markets, with particular emphasis on financial resources, market positioning, and opportunities for further development. The methodological framework integrates field and desk research with observation, comparison, modeling, induction, deduction, selection, and synthesis.

Field research is used to examine the practical aspects of luxury marketing and to observe the relationship between marketing activities and the financial resources required for their implementation and development. This approach provides insight into the practical application of luxury marketing strategies and their financial requirements.

Desk research is based on the analysis of relevant domestic and international literature, previous studies, reports, and available research findings concerning luxury marketing. Particular attention is given to international experiences and practices of companies operating in global luxury markets.

The observation method is applied to identify and analyze important characteristics of luxury marketing practices, particularly the ways in which financial resources are allocated to support marketing activities. Observation also contributes to understanding current market trends and the financial requirements associated with the development of luxury brands.

The comparative method enables the comparison of domestic and international research findings, market practices, and available data. By combining comparative analysis with deductive and intuitive reasoning, the research seeks to identify similarities, differences, and relevant patterns in the development and financing of luxury marketing across different markets.

The modeling method is used to present research findings through models, figures, illustrations, graphical representations, and other visual forms. These tools facilitate the interpretation of theoretical and applied aspects of luxury marketing and provide a clearer understanding of the relationship between financial resource allocation and market development.

The inductive method is applied to derive broader conclusions from individual observations, examples, and findings related to luxury marketing practices and financial strategies in global markets. In contrast, the deductive method is used to apply general theoretical concepts to specific examples of luxury market positioning, financial performance, and marketing development.

The selection method is used to identify and select relevant data, previous research findings, market trends, and examples of internationally recognized companies operating in the luxury sector. The selected information provides a basis for examining effective approaches to targeting luxury consumers and positioning luxury products in global markets.

Finally, the synthesis method integrates the results obtained through the different methodological approaches. It enables the findings concerning luxury marketing, financial performance, resource allocation, and market positioning to be considered as an interconnected whole. Through this combined methodological framework, the research aims to provide a structured understanding of current luxury marketing trends and the importance of adequate financial resources for the growth, development, and competitive positioning of luxury companies in global markets, including companies operating in the Balkans.

3. Global research results on luxury marketing

The insights presented in this blog are derived from comprehensive market research conducted by Spherical Insights LLP, a trusted advisory partner to leading global enterprises. Backed by in-depth data analysis, expert forecasting, and industry-specific intelligence, our reports empower decision-makers to identify strategic growth opportunities in fast-evolving sectors. Clients seeking detailed market segmentation, competitive landscapes, regional outlooks, and future investment trends will find immense value in the full report. (Bochańczyk D., 019).

By leveraging our research, businesses can make informed decisions, gain a competitive edge, and stay ahead in the transition toward sustainable and profitable solutions.

According to a research report published by Spherical Insights & Consulting, The Global Luxury Goods Market Size is projected To Grow from USD 390.6 Billion in 2024 to USD 830.3 Billion by 2035, at a CAGR of 7.1% during the forecast period 2025–2035. (Wiesing, Lambert.,2025). The market for luxury goods includes many factors, growing market for resale, fast digitalization, an increasing number of sustainability initiatives, shifting consumer behaviour, rising economic growth, and the exclusivity and quality offered by luxury brands. (Wiesing, Lambert., 2025).

Asia Pacific is expected to grow the fastest during the forecast period in the luxury goods market. To expand their retail presence in the Asia Pacific markets, luxury brands have been opening new flagship stores in major cities and investing in local partnerships and collaborations with local designers and businesses. By building a strong retail presence, these businesses hope to increase their recognition in the area and cultivate a loyal clientele. North America is expected to generate the highest demand during the forecast period in the luxury goods market. The market trends for jewelry, watches, purses, clothing, and other personal items are closely followed by a sizable segment of North America's wealthy and fashion-conscious consumer base.(Sthepan, L.,2025)

By showcasing their newest luxury collections, social media influencers help businesses attract customers and influence their purchase decisions. Due to the vast network of single-brand and multi-brand stores located in malls and airports, wealthy consumers in North America have access to a wide range of luxury goods from both domestic and international brands. (Bochańczyk D.,2019).

The luxury goods market is undergoing significant transformation as changes in consumer values, technological development, sustainability concerns, and new patterns of consumption reshape traditional luxury business models. While exclusivity, superior quality, craftsmanship, and strong brand identity remain fundamental characteristics of the luxury sector, contemporary consumers increasingly expect brands to combine these traditional values with sustainability, personalization, digital accessibility, and memorable experiences. Among the most important trends shaping the luxury goods market are sustainable luxury and the circular economy, digital transformation and e-commerce, personalized and bespoke offerings, experiential luxury, heritage craftsmanship and quiet luxury, limited editions, generational change, recommerce, technological innovation, and greater diversity and localization.

Sustainable luxury and the circular economy have become increasingly important as consumers and companies pay greater attention to the environmental and social consequences of consumption. Luxury brands are gradually adopting practices such as resale, rental, repair, remanufacturing, and upcycling. Circular business models can extend product life cycles, reduce waste, and strengthen the relationship between luxury consumption and values-based purchasing (Lizy & Sthepan, 2025). Sustainability can therefore become part of the perceived value of luxury products rather than simply an additional corporate responsibility initiative.

Digital transformation and e-commerce growth are also changing how luxury brands communicate with consumers and distribute their products. E-commerce platforms, mobile applications, social commerce, virtual try-ons, and immersive digital experiences enable companies to interact with younger and technologically sophisticated audiences while expanding their presence in global markets. Digital channels are particularly important because luxury companies must provide convenience and accessibility without weakening the perception of exclusivity.

Personalization and bespoke offerings represent another important trend. Luxury consumers increasingly expect products, services, and communication tailored to their individual preferences. Personalization can range from customized products and exclusive recommendations to individualized customer service and private shopping experiences. Such practices strengthen emotional connections between consumers and brands while maintaining the exclusivity traditionally associated with luxury consumption (Lizy & Sthepan, 2025).

At the same time, experiential and lifestyle luxury demonstrates that contemporary luxury extends beyond the ownership of physical products. Luxury companies increasingly create memorable experiences through pop-up stores, hotels, branded lounges, private events, art collaborations, and exclusive styling experiences. These activities allow consumers to interact with brands at a deeper emotional and symbolic level and contribute to the development of luxury as a broader lifestyle concept (Belozerskaya, 2015).

Finally, heritage craftsmanship and quiet luxury reflect renewed interest in authenticity, durability, timeless design, and understated elegance. Consumers increasingly value high-quality materials, craftsmanship, heritage, and discreet design rather than highly visible logos. The growing popularity of "quiet luxury" illustrates a preference for products whose value is communicated through quality, design, and craftsmanship rather than conspicuous branding (Lizy & Sthepan, 2025).

These developments are accompanied by other important trends, including niche and limited-edition products, the increasing influence of Generation Z and Millennials, authenticated resale and recommerce, and the integration of artificial intelligence and technologies such as augmented reality into design, marketing, and customer service. Greater attention to diversity and localization is also encouraging global luxury brands to adapt their communication and offerings to different cultural and regional markets. Taken together, these trends indicate that the contemporary luxury market is evolving from a predominantly product-oriented model toward a more sustainable, digital, personalized, experiential, and consumer-centered approach.

The global luxury goods market is characterized by the presence of internationally recognized companies and brands that compete through strong brand identity, heritage, craftsmanship, exclusivity, innovation, and global market positioning. Among the important companies operating in this sector are Chanel Ltd., Burberry Group Plc, Prada S.p.A., Ralph Lauren, Richemont S.A., Kering S.A., Estée Lauder Companies Inc., Shiseido Company Limited, Hermès International S.A., Audemars Piguet Holding S.A., Patek Philippe S.A., Swarovski, Pandora, and Hugo Boss AG. Although these companies operate in different segments of the luxury market, their competitive strategies demonstrate the importance of combining traditional brand values with contemporary marketing, sustainability, and digital transformation.

Chanel Ltd., headquartered in the United Kingdom, is one of the world's most recognizable luxury fashion companies. Founded by Coco Chanel, the brand has developed a strong identity based on elegance, heritage, craftsmanship, and exclusivity. Its portfolio includes haute couture, handbags, fragrances, cosmetics, and other luxury products, with iconic products such as the Classic Flap Bag and Chanel No. 5 playing an important role in global luxury culture. Chanel protects its prestige through controlled exposure, selective distribution, flagship boutiques, and continued investment in craftsmanship. At the same time, the company uses digital platforms to communicate with younger generations while maintaining its heritage-based positioning (Harinton, 2025).

Burberry Group Plc, headquartered in the United Kingdom, represents another important European luxury brand. It is particularly recognized for its trench coats, distinctive check pattern, leather goods, and British fashion heritage. The company combines traditional craftsmanship with contemporary design and digital innovation as part of its positioning in the high-end luxury segment. Sustainability has also become an important component of its corporate strategy, including initiatives related to more environmentally responsible production. Expansion in the Asia-Pacific region, particularly China, has been an important element of Burberry's international growth strategy (Harinton, 2025).

Prada S.p.A., headquartered in Italy, is internationally recognized for luxury clothing, handbags, leather goods, footwear, and accessories. The company's market position is strongly associated with innovative and minimalist design, allowing it to appeal to both established luxury customers and younger consumers. Products such as its nylon bags, leather goods, and Re-Edition collections illustrate Prada's ability to reinterpret its heritage for contemporary markets. The company has also incorporated sustainability initiatives, including the use of recycled materials and more environmentally responsible practices. Its global retail network enables Prada to combine traditional Italian craftsmanship with contemporary market trends (Gupta & Shin, 2023).

Kering S.A., headquartered in France, operates as a major international luxury group whose portfolio includes brands such as Gucci, Saint Laurent, Balenciaga, and Bottega Veneta. Its competitive strategy is based on premium positioning, creative design, portfolio development, sustainability, and digital innovation. The group combines the individual heritage and identity of its luxury houses with centralized strategic capabilities and international market reach. This approach enables Kering to maintain a significant position within the global luxury industry and compete with other major luxury conglomerates (Harinton, 2025).

Hermès International S.A., headquartered in France, occupies a distinctive position in the ultra-luxury segment. The company is particularly known for its leather goods, silk products, and iconic Birkin and Kelly handbags. Its business model emphasizes exceptional craftsmanship, limited production, controlled distribution, and long-term brand value. Unlike strategies based primarily on increasing sales volume, Hermès maintains desirability through scarcity and artisanal excellence. Strong demand, particularly in Asia-Pacific markets, has supported its international expansion. Some Hermès products are also perceived by consumers and collectors as assets capable of retaining or increasing their value over time (Gupta & Shin, 2023).

Other significant participants in the luxury goods market include **Ralph Lauren, Richemont, Estée Lauder, Shiseido, Audemars Piguet, Patek Philippe, Swarovski, Pandora, and Hugo Boss**. Together, these companies represent diverse segments ranging from fashion, jewelry, and watches to beauty and cosmetics. Their presence demonstrates that the luxury market cannot be viewed as a homogeneous sector. Different product categories require different approaches to distribution, pricing, communication, customer relationships, and brand management.

Overall, the analysis of leading luxury companies indicates that successful market positioning depends on the ability to preserve exclusivity and brand heritage while adapting to changing consumer expectations. Craftsmanship and scarcity remain particularly important in the ultra-luxury segment, while digital innovation, sustainability, personalization, and engagement with younger consumers are becoming increasingly relevant across the industry. The long-term competitiveness of luxury companies therefore depends on maintaining a careful balance between tradition and innovation, global expansion and exclusivity, as well as financial performance and the preservation of brand value.

4. Results for Luxury Marketing and Financial Assets at the International Level

The global luxury goods market reached US$ 385 billion in 2024 and is projected to soar to US$ 622.27 billion by 2032, advancing at a healthy 5.75% CAGR. According to SAC Insight, this growth is driven by rising disposable incomes in emerging markets, digital channels shortening the path to luxury purchases, and a shift toward experiential luxury (travel, art, fine dining). The sector has fully rebounded from pandemic disruptions, with international travel and duty-free spending now surpassing 2019 levels. The U.S. luxury goods market is forecast to hit US$ 86.84 billion by 2032, reflecting enduring strength in premium fashion, jewelry, accessories, and beauty segments (Pontiff, J., and Schall, D., 2024)

The luxury consumer is diverse and highly demanding. According to the Bain & Company Luxury Study 2024–2025, Millennials and Generation Z already drive 80 percent of global sector growth, confirming a structural shift in the demand base. However, this generational evolution alone does not define the luxury customer profile, which must be analyzed across multiple variables.

From a segmentation perspective, today's luxury market is characterized by the overlap of different criteria generational, economic, and attitudinal that coexist and interact with one another. Among the most relevant profiles are:

Segmentation by values and relationship with the brand: The so-called traditional luxury consumer prioritizes craftsmanship, heritage, and historical consistency, regardless of age.

Key behaviors:

Higher level of demand: luxury customers expect coherent, integrated, and high-level experiences at every brand interaction, a demand already highlighted in Deloitte's Global Powers of Luxury Goods 2023 report.

Preference for memorable experiences: according to Bain & Company's latest Luxury Report, the experiential segment within luxury hospitality, travel, leisure, and wellness is growing significantly faster than personal luxury goods.

A recent article in The Economist points to similar trends, noting that luxury consumer spending is increasingly shifting toward super-luxury experiences, such as tickets to the Super Bowl, the Met Gala in New York, or the Wimbledon tennis tournament, among others.

Attraction to brands aligned with sustainability, transparency, and authentic purpose: according to Simon-Kucher's Global Sustainability Study 2024, sustainability has become a key purchasing criterion. In the study, 71 percent of global consumers stated that sustainability was as important as or more important than in the previous year, and 64 percent ranked it among their top three decision factors. This sensitivity is especially strong among younger luxury market segments, namely Millennials and Generation Z.

In 2022, the luxury market reached a historic milestone, with the global personal luxury goods market hitting roughly €353 billion, driven largely by Gen Y and Gen Z buyers. Top-tier companies transitioned their marketing from rigid, aloof exclusivity to community-driven, digital-first narratives that balance heritage with accessibility (Pontiff, J., and Schall, D., 2024)

For luxury-focused marketing near Ohrid, Refine is a standout boutique agency based in the city that specializes in premium campaigns and fashion/lifestyle branding. Alternatively, for full-service international luxury branding, the renowned New Moment operates out of nearby Skopje.Refine Agency: Based directly in Ohrid (Goce Delchev street area). (Belozerskaya, Marina.,2015).

They handle high-end digital branding, concept development, and luxury streetwear campaigns (such as their international work with brands like Only The Blind and ILL-VZN). Vie Marketing agencies serving North Macedonia—such as Clutch Digital Marketing Agencies and Sortlist Skopje—generally earn 4.5 to 5-star ratings. Clients praise their strong communication, local market understanding, and creativity, though some note agencies may need deeper niche or luxury industry insights prior to onboarding. (Belozerskaya, Marina.,2015).

When looking for luxury marketing in and around Skopje, clients frequently highlight the professional portfolios of several highly-rated agencies.

5. The need for financial resources for better luxury marketing development

The development of luxury marketing requires substantial and continuous financial resources because luxury companies compete not only through product quality but also through brand positioning, exclusivity, customer experience, communication, innovation, and global market presence. Financial strength enables companies to invest in marketing activities while maintaining the prestige and long-term value of their brands. In this context, financial performance indicators can provide insight into the capacity of luxury companies to finance future marketing development and expansion.

Market capitalization represents an important indicator of a company's total market value. According to the data analyzed in this study, LVMH has the largest market capitalization at approximately $374.99 billion, followed by Hermès at $236.67 billion and CFRS at $89.16 billion. The larger market capitalization of LVMH reflects its significant market presence and financial capacity, while Hermès also demonstrates a strong position in the luxury sector. CFRS, as the smallest of the three companies according to this indicator, may be more exposed to market volatility (Pontiff & Schall, 2024).

Risk can also be considered through beta, which indicates the sensitivity of a company's stock to market movements. CFRS has the highest beta at 1.65, indicating greater volatility, while LVMH has a beta of 0.98. Hermès has the lowest beta at 0.75, suggesting comparatively greater stability. These differences are relevant when assessing the financial conditions under which companies plan investments in marketing, expansion, digital transformation, and brand development.

Debt levels provide an additional perspective on financial capacity and risk. According to the analyzed data, LVMH carries approximately €39 billion in debt, compared with €7.4 billion for CFRS and €2.06 billion for Hermès. LVMH's higher debt level may be associated with the scale of its operations and expansion activities, but it can also increase financial exposure during periods of economic uncertainty. Hermès, by contrast, combines lower debt with lower market volatility, reflecting a more conservative financial profile (Maharani, 2022).

Profitability indicators are particularly important because they show how effectively companies use their resources to generate financial returns. The analysis considers total asset turnover, profit margin, return on assets (ROA), and return on equity (ROE). Hermès records a profit margin of 21.00%, compared with 17.61% for LVMH and 14.50% for CFRS. Hermès also has the highest ROA at 14.30%, followed by LVMH at 10.56% and CFRS at

8.20%. These figures indicate that Hermès demonstrates strong efficiency in generating profits from its available assets (Pontiff & Schall, 2024).

Regarding return on equity, LVMH records the highest value at 24.87%, closely followed by Hermès at 23.50%, while CFRS records 15.00%. These results indicate that both LVMH and Hermès demonstrate strong profitability in relation to shareholders' equity (Maines & Sire, 2024). Strong profitability can provide companies with greater opportunities to reinvest in brand development, digital communication, customer experience, international expansion, and other marketing activities.

Investment indicators provide another perspective on the financial position of luxury companies. According to the analyzed data, CFRS has lower price-to-earnings (P/E) and price-to-book (P/B) ratios, at 25.8 and 2.7 respectively, compared with the higher ratios attributed to LVMH and Hermès. CFRS also records the highest dividend yield at 4.80%, compared with 1.50% for LVMH and 0.80% for Hermès. Its PEG ratio of 1.75 is lower than that of LVMH (2.10) and Hermès (3.05). These indicators may be relevant to different types of investors depending on whether their strategies prioritize value, income, growth, stability, or market momentum (Kumar & Kumara, 2023).

Overall, the comparison demonstrates that financial resources are closely connected with the capacity of luxury companies to sustain and develop sophisticated marketing strategies. LVMH benefits from its scale, market capitalization, and strong return on equity, while Hermès combines high profitability with comparatively low volatility and debt. CFRS presents a different financial profile characterized by a smaller market capitalization and greater volatility but potentially attractive valuation and dividend indicators.

For luxury companies, adequate financial resources should therefore be viewed as a strategic prerequisite for long-term marketing development. Investments are required for digital transformation, personalized customer experiences, flagship stores, international communication, product innovation, sustainability initiatives, exclusive events, and the preservation of craftsmanship and brand heritage. Consequently, effective financial management and luxury marketing development are interdependent: financial strength supports investment in brand value, while successful luxury marketing can contribute to stronger market positioning, customer loyalty, and sustainable financial performance.

6. Conclusion

The Luxury Goods Market Size is experiencing rapid expansion, driven by growing middle-class populations, rising incomes, and the growing sway of younger consumers like Gen Z and Millennials. While emerging markets in Southeast Asia and the Middle East are propelling faster growth, Asia-Pacific continues to be the largest region. With their heritage craftsmanship, exclusivity, and creative brand strategies, industry leaders like Chanel, Hermès, Prada, Kering, and Burberry continue to rule. Consumer preferences are changing throughout the industry due to factors like sustainability, digital transformation, and personalization. The lifespan of luxury goods is being prolonged at the same time by the growing popularity of resale and circular economy strategies. All things considered, the industry is expected to grow steadily while striking a balance between tradition and contemporary customer demands.

In conclusion, LVMH, Hermes, and CFRS present distinct investment opportunities based on their financial indicators, offering a range of options for different types of investors. This analysis has highlighted varying investment profiles, driven by factors such as profitability, risk levels, and market ratios, which appeal to specific investor preferences. Hermes emerges as the most stable and profitable option, with its low risk and high return on equity making it an attractive choice for conservative investors seeking long-term stability. LVMH, with its balanced risk-return profile, offers a more diversified approach, suitable for investors seeking both stability and growth potential. Conversely, CFRS stands out for investors with a higher risk tolerance, as its relatively higher volatility and lower profitability metrics indicate a potentially higher reward for those willing to accept greater risk. While the recommendations based on this analysis provide useful guidance, there are inherent limitations to consider. The data's timeliness may affect the relevance of the findings, as evolving market conditions can alter financial performance and investment attractiveness. Additionally, qualitative factors such as investor sentiment and market trends are not fully captured in this quantitative analysis. Future research could address these limitations by incorporating broader market conditions and subjective investor preferences, thereby providing a more comprehensive evaluation of investment strategies in the luxury goods sector

Luxury marketing and the financialization of luxury assets experienced a major milestone in 2022, characterized by a rapid market rebound despite macroeconomic turbulence. Brands shifted focus toward building brand desire, increasing average selling prices, and viewing luxury goods as tangible financial investments.

Luxury marketing is similar to traditional marketing. The only difference is that it focuses on promoting top-of-the-range products or services. Luxury marketing offers quality, refinement and elegance. The aim is to sell products or services that are original and rare, in line with the values specific to the sector of activity concerned.

Luxury customers are very demanding and have a high level of income. To meet their needs, players in the sector have to be highly convincing and highly communicative.

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