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Carlos Velasco
University of Nebraska-Lincoln

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This Book Is Valuable:

An anthology of essays on design and the perception of value in luxury fashion objects.

An Undergraduate Honors Thesis
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of University Honors Program Requirements
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by
Carlos Velasco, Bachelor of Fine Arts, BFA
Graphic Design
Hixson-Lied College of Fine & Performing Arts

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Faculty Mentors:
Stacy Asher, Associate Professor of Art, Department of Art, Art History and Design
Aaron Sutherlen, Assistant Professor of Art, Department of Art, Art History and Design
Abstract

“This Book is Valuable” seeks to analyze how different concepts related to design and culture have influenced the apparent and perceived value of luxury fashion objects. This question is explored in different contexts to provide clarity and observation to the contemporary construction of value through systems of design.

This thesis is an anthology of three essays. The first essay is about immaterial capitalism, a system of knowledge, skill and imagination based capital. The second essay is about the strategy of artification, using fine art as a way to link systems of value together. It is also about how luxury conglomerates use political influence to diversify their portfolio and increase revenue.

The final essay is about how popular and everyday culture that is traditionally perceived of having little value, has become utilized extensively in luxury fashion.

Keywords: Fashion Studies, Graphic Design, Immaterial Capitalism, Artification, Luxury, Branding, Marketing Strategies, Haute Couture, Lifestyle
Chapter 1:

A Bag worth more than Gold

Immaterial Capitalism and the search for value in designed goods.

Introduction

Immaterial Capitalism is a concept that has been recently coined to reflect the idea that knowledge, skills, culture, and plans are commodified by companies for capital gain. This research primarily examines the systems involved in creating value by building brands based on immaterial capital and analyzing the ethicality of those practices within independent and luxury brand conglomerates.

Defining Value

What is value? It’s simplistic to see this concept summarized in something like the standard dictionary definition where value is described as just being a series of nouns with explanations ranging from “relative worth, merit, or importance” to the interesting and emotionally attached “liking or affection; favorable regard” (Webster Dictionary).

Value is, something of worth, whether an object or an idea, that we have as either individual, a market or a society decided has a quality of some sort. For as well-intentioned as we can try to be, thousands of years of political, cultural and social developments have made determining what is and is not valuable all the more difficult and biased. A variety of influences ranging from currency and labor to psychology and culture contribute to the perception of value.
How does design influence the perception and creation of value concerning fashion objects? Fashion, separate here from the objects which fall under the concept of dress, costume and the like, is in most simple terms a sociological phenomenon of using material, modifications to the body or paint, among other things, for protection, modesty, and ornamentation. Fashion exists as a necessity and shelter for the human body, and fashion exists to adapt to cultures and traditions; fashion is dynamically in tune with the environment it occupies.

A fashion object is an artifact, or at many times a particular element of fashion. Whether it is as defined as a Bottega Veneta handbag, as broad as the interlocked double C of Chanel or as vague as the term shoe, a fashion object is a part of a more significant system.

Design is not necessarily limited to the scope of graphic design which is using visual communication to solve problems through the implementation of typography, photography, illustration, etc. The system in which this question lives in is intersectional with design ranging from urban design, fashion design (perhaps the type of design subgenre that shares the most with this subject alongside graphic design), and broader and more transdisciplinary fields such as cultural studies. To say, for instance, that it is strictly visual branding design that creates value in an object, would erase the very present and prominent aspects such as how culture or society shape the value of an object.

A fashion object that illustrates this question in great detail is the Birkin bag, the iconic flagship bag by French luxury house, Hermès. This bag has a legendary status attached to it as time after time being the most valuable and sought-after bag in the world.
The Birkin Bag

This famed sac à main is the quintessential status symbol, a piece of history and culture, a slice of a world that is fantasy to most. It represents the epitome of luxury, desire, glamour and the alluring quality that brands drool over brand heritage. But, Why?

The bag, by all means, can be argued to be a coveted object. It features a handcrafted and high-grade construction alongside a design aesthetic that is true to the form and overall appearance that is synonymous with the rest of Hermes’ leather goods that are handcrafted since 1837. It comes in a variety of sizes from 25-40 centimeters for handbags and 50-55 centimeters for luggage pieces. The bag itself is typically a squarer front featuring two handles perked on top with a closed top flap and buckle loop that surrounds the entire bag. The bag features a lock and key and small metallic hardware such as base studs. Similar in many regards to the famed Kelly bag, the Birkin features many similar aesthetic choices but differs in details such as the Kelly only having one handle and having a slimmer side profile. The bag appears in a variety of materials ranging from cow leathers to exotic skins, palladium hardware to gold, and occasionally features rare stones or scarce and unusual exotic materials.

The story of this famed bag goes back to a meeting between then Hermès chief executive Jean-Louis Dumas who was on a flight with English-French actress, singer, and model Jane Birkin. As Jane left her straw weekender bag in the overhead compartment and settled into her seat, the items began to fall out, and she was left scrambling to grab them all. M. Dumas peered over and mentioned “You should have one with pockets” as she quickly responded, “The Day Hermes makes one with pockets I will have that.” Without knowing she was sitting next to an
executive of Hermès, she was quickly surprised when M. Dumas responded with “But I am Hermès, and I will put pockets in for you.”

Jane expressed interest in a bag that “is bigger than the Kelly (another flagship bag named after Grace Kelly from the luxury house) but smaller than Serge’s suitcase.” Thinking quickly, Dumas began to sketch ideas out on the sick-bag of the airplane, and by the end, the duo had compromised on a solution that would be favorable to Birkin’s dilemma while maintaining the established and highly authoritative aesthetic of the house of Hermès.

When the time for the bag to go into production came, Dumas then proposed that in exchange for a Birkin bag, he wanted to name the bag after her (Leitch, 2012).

The exotic and colorful bag that graces so many wish lists would not fall into fashion at first. It was not until events like the first covers of American Vogue under Anna Wintour, with colorful patterns and riskier experimentation, that the Birkin would become the iconic "It" bag as it is known today.

By the mid-1990s to 2000s the bag had graced the hands of everyone from Victoria Beckham to Marc Jacobs. The most exclusive aspect of the bag was the famed waitlist that made the act of purchasing a Birkin bag extremely difficult by design. Once a real list that was managed by regions or individual stores, one would either request a specific list of criteria and wait for a matching Birkin to arrive or ask for any edition of the bag. If you were lucky, you could score your bag within the span of a year; the unlucky ones would wait up to five years at times to land their hands on one. Nowadays the myth of the waiting list is all but gone and instead a newer trend has become exposed via industry writers and bloggers. To purchase a Birkin nowadays, one builds a relationship with sales associates and more or less determines their worthiness for a
Birkin if one is to become available. Very little, if any, luxury products tend to create as much
desire as the Birkin.

There are an estimated 200,000 Birkin bags out in circulation at any given moment. One can not
rightfully say that the Birkin is by any means an exclusive item in the same way that someone
could say that a painting by an old master is exclusive. Hermes are masters at manufacturing
desire and exclusivity that is worthy of charging a high sticker shock as they are producers of
artificial scarcity.

Famously, the most expensive handbag ever sold was a Niloticus Crocodile Himalaya Birkin 30
which sold for an obscene $377,000 at a Christie's auction in 2017. The cost of the exotic
leathers, metals and other associated costs are warranted in assigning a higher price than usual,
but other factors such as the legendary status and perceived exclusivity of the Birkin ultimately
contributed to the bag’s so-called value.

Price is often one of the first indications that someone has of an item’s apparent value. However,
the reason behind the incredibly steep price tag is complicated. For one, it takes an average of
twenty hours to produce a Birkin bag, with the gentle and experienced craftsmanship of the same
artisan from start to finish. The materials that often go into the production of Birkin bags are the
most exotic, rare and exquisite materials in the market.

Luxury brands tend to have tight control over their supply chains via the strict practice of the
theory of the agency. The agency theory strives to address problems and situations that occur due
to differences between the agent and the principal. In the case of luxury brands, supply chains
and the branches of the companies themselves tend to be among the most important
relationships. Hermes, for instance, owns and operates the tanneries for their leather goods vs.
outsourcing to other production sites. (34, N. 16 Report)

With a total of 50 production sites, most in France, Hermes operates production facilities in
everything from leather goods to logistics. Hermes operates three commercial production and
distribution chains; there is perfume division, watch division and a home division. Hermes also
operates three production chains directly, leather goods, tanning and precious leathers and
textiles. Petit H is the final production facility overseen by Hermes, and it specializes in
repurposing scraps of material or material that is not suited for full production to creates small
goods for sale and props for the worldwide boutiques. In all of these operations, labor is recruited
to remain as experienced as possible (Hermes Annual Report, 2015).

In a classical system of capitalism, there is a specific cost associated with the production
material, labor and markup for profit to be made. It becomes increasingly hard to qualify
Hermes, and the luxury industry as strict adherents of classical models of capitalist systems when
one starts to look at everything from the percentage of the price associated with creativity, skill,
and knowledge. It becomes apparent that Hermes is more concerned with following a system of
"immaterial capitalism."

To begin, Hermes artisans are skilled and classically trained at their craft in creating luxury
goods that can live up to a high standard. Utilizing traditional techniques, the artisans are
talented and creative, in many ways whimsical when approaching product design. They often
feature everything from ties with monkeys chasing bananas to small leather elephant charms,
catalogs and websites tend to also feature watercolor illustration style with quirky characters
placed in different scenarios.
The amount of hand labor that goes into creating each Birkin bag and the uncertainty in which materials become available means that there is no way that the rate of production could meet the proportion of demand for the bag.

Hermes has managed to create a handbag worth more than the cost of gold. According to a report by the online marketplace Baghunter that has looked at buying trends and resale trends for the Birkin bag for the past few decades. Compared to both the average S&P of 8.7% a year and the return on gold at -1.5%, the annual return on a Birkin is around 14.2%. (John, 2016)

With this growing value and scarce availability in the direct market, there are hundreds of Birkins on the resale market. Dozens of fashion bloggers and investors buy and sell the bag as a commodity to soon resale with a large markup. When people purchase through the second-hand market, they pay for convenience and a sort of status on demand. The immediate need and want of a rare luxury item are satisfying to people seeking to obtain the perceived status that ownership of a Birkin bag will give them.

**Systems of Design Used by Hermès**

How then, does design play into the myth of the Birkin and this supposed immaterial capitalist system of desire? At the core of it all, systems of design are present in the life of the Birkin to manufacture a sense of desire, to create the illusion of wealth and to materialize an elite system of transaction. Design commodifies the savoire-Vivre of the “Hermes” lifestyle that so few can live, one emblematic of luxurious glamour and effortlessness that is synonymous with both the brand and French haute-couture. Design constructs a far more in-depth value system the moment it begins to play into the emotions, needs and wants of a customer. By using the official language
of Hermès visual codes, there is another layer of desire and a further connection with a consumer that inspires them to buy into the wider ecosystem of products in order to complement both the bag and their ideal lifestyle.

There’s a wide array of visual codes that Hermes employs. For one, print ads feature elegant, exotically photographed scenes and traces to the origins of the saddle makers of yesteryear. The online and in-store design language tends to be a watercolor escape of whimsical proportions, although recent efforts have been made to subdue that. The actual style of most products is typically simple leatherwear and clothes alongside artful silk prints.

The use of watercolors and handwritten calligraphy in the Human Resources page of the website alludes to the general company culture of Hermes. The client-facing side of scrolling through the site showcases a now clean and digital ready interface that emphasizes beautifully photographed products with small, quirky elements thrown in. Internally, although a serious brand, Hermes adds playful touches to its internal communications. The company approaches its quarterly and annual reports with a love of illustration. This little touch of whimsical style in corporate communications is balanced out with what is for the most part very grid-based, white-space loving, typography-driven communications layouts.

The client-facing website greets the viewer with an intimate, almost journal-like approach. Large margins and a centralized, responsive layout accompanies copy such as “Lovemania” to promote a series of colorful leather bands. The structure of the page allows for you to see the products and read the playful copy first and not notice the often sky-high price tags underneath the products. The relationship between the product name and price are also cleverly designed. While the product name is typeset as a 100% black, serif typeface with a delicate but still readable weight
attached, the price tag is shown underneath in a variation of gray with monospace typesetting and a much smaller type size. This design helps make the price tag digestible. After all, you expect the price of Hermes products to be high, and the customer of these products is going to have a more personal and refined shopping experience with photography and copy that reflects their own lifestyle and interests.

There are nearly none, if any, print or digital ads by Hermes that directly feature the Birkin bag. The symbol of timeless value is missing, replaced instead by colorful scarves, perfume bottles or Apple watches. What does it say then, that the most heavily advertised products from the house are often more likely to be the lowest valued cost?

For one, there is a fantasy connected with the bag. It’s a cliché, but the role of haute couture and the role of these items is not to be necessarily affordable or easily sold but rather to be beautiful and desirable displays of a particular lifestyle. Roland Barthes, the famed fashion and cultural theorist, paints the role of Haute Couture quite elegantly in The Fashion System. “to capture the buyer’s accounting conscience, one must create a veil of images, meaning, reasons in front of the object, to elaborate a mediate substance around it, like an aperitif, in short, to create a simulacra of the real object, by substituting the weighted time of wear and tear with a sovereign time that is free to destroy itself by an act of annual potlatch “

Advertising on the pages of Vogue, in a bus stop, or in an airport terminal is hardly going to be a productive way to sell people into the world of Hermes via the Birkin. Advertising here is working to produce quantifiable sales of entry-level products such as the occasional splurge purchase of a silk scarf or a duty-free cologne. These products introduce customers to the brand, or conversely, inspire aspiring customers to buy into the brand and the lifestyle of Hermes. If
Hermès can manufacture the desire for a $20,000 handbag for the ultra-wealthy, it can bottle it up into a $100 perfume bottle for the broader consumers.

The specific way that Hermes seems to choose to only display or advertise its more luxurious items via store windows is intentional. While the Vogue reader could be anyone in the world, it is much easier to control the demographics of who is going into, or at least, walking by a Hermes store. Hermès stores, in their 300-some locations, are all positioned in wealthy urban enclaves, and by design, more wealthy customers can have the means of traveling and accessing the stores. One of the most prolific figures examining the role of window displays from Hermès and their power to translate the brand into beautiful brick and mortar displays is Leila Menchari who serves as the scenographer at the flagship Hermes at 24 Rue Faubourg Saint-Honoré in Paris. The vast world of dreams and whimsical magic that she creates in her seasonal windows for the flagship store travels the world as a whole and present the unique luxury goods as part of a lifestyle, a part of a world unlike that which the average person occupies. They are, like Hermes in a timeless state, affixed to a system of design that has been created to attract customers into an unknown, luxurious and fantastical break from their everyday.

A Tunisian born artist, Menchari was born in 1927 and entered work at the House of Hermes in 1961. Her windows are typically based on the concepts of the oriental and are inspired by her childhood (Mechari).

The world of Hermes window displays, particularly those that are designed primarily by Menchari, is in a league of their own. These extravagant displays transport the passerby into a world where the Birkin bag is sometimes displayed in a chamber of intricate calligraphic
architecture, sometimes amongst rare and exotic skins and a dune of sand or at times centered in the middle of a frosty island (Menchari).

Menchari captures the spirit of Hermès and Parisian haute-couture season after season. The attitude is that one should not question trivial things such as price or time; instead, it is all about the lifestyle experiences and continually changing fantasy.

Roland Barthes once declared “Every year fashion destroys that which it has just been admiring, it adores that which it is about to destroy; last year’s fashion, now destroyed, could offer to the victorious fashion of the current year an unfriendly word such as the dead leave to the living and which can be read on certain tombstones: I was yesterday what you are today, you will be tomorrow what I am today.”

Every season Hermes reinvents itself, but at the same time stays consistent in using and pulling from its extensive archive of visual codes. From the runway to Mancheri window displays, manufacturing desire and capitalizing on desire is an incredibly critical piece of the puzzle when determining value in luxury fashion objects.

**Immaterial Capitalism**

The most critical aspect in many cases when purchasing into a luxury brand, especially one as illustrious as Hermes, is not necessarily the exact material costs and labor associated with the items, but rather the lifestyle, the cultural association and the immaterial value related to the brand. Eventually, this becomes a model of capitalism entirely or partially separated from its property-based origins.” (The economy of the Immaterial, IFM) Jeremy Rifkin’s The Age of
Access, The New Culture of Hypercapitalism Where All Life is a Paid-for Experience written for La Découverte Paris in 2000 explores this argument.

An observation of material capitalism based more on scientific or industrial production would say that the value attribute is the final product, the Birkin bag. A customer purchases this remarkably valuable object at a hefty price; this helps to sustain the model of production. With the concepts of immaterial capitalism in a knowledge economy, it is instead a complex system of appreciation for artistry, knowledge, symbolism, smart and emotional relationships that drive value for a product.

Under this system, the entire idea of what makes a Birkin valuable begins at the core of Hermes as a luxury brand. Many recognize at first that Hermes is a French heritage brand founded in the 1800s with a knack for leatherware. From this, they can keenly observe that the brand has always had a focus on limited production of handcrafted leather goods with various entry-level such as publications, fragrance, and small leather goods.

The intricate window displays of Leila Menchari and her colleagues are the first glances that passersby have into brick and mortar locations, while the understatedly chic contributions to the web experience help to create a cohesive playfulness. Small interactions like horse animations, animated photos of exotically patterned plates in colorful settings and sets of pictures and text remind the web user there is a story to be told with each product. Instead of merely showcasing objects linearly, Hermes manages to make each part of their website an immersive and playful way to digitally tell stories and express their brand in much the same way they can through visual merchandising.
In André Gorz’ 2003 essay for Galilée L’Immateriel, André observes that “The monetary value of a product has nothing intrinsic, it comes de facto from the practical capacity of the business to limit its diffusion: which leads to a need for the new economy and in particular brand names to regulate intellectual property and a fortiori to contain the level of copying and fakes, to control access to knowledge.”

It’s in these areas in which design is perhaps the most relevant regarding the creation and perception of value. Under the system of immaterial capitalism, the most significant attributes to creating value are those of knowledge and experience. By trade designers employ knowledge related to semiotics and semiotic theory, referring to the creation of meaning in signs, to better communicate the needs and wants of their clients and to solve a variety of problems through visual means. The capital of judgment, aesthetic, training, intuition and more are aspects to the field of design that are not quantifiable in much the same way that capital laborers under, for instance, Marx’s capitalism are quantified. The exports from these workers are to create a final solution representative of the brand.

Designers at every level throughout the history of the bag were the creators of the value that has catapulted the bag into the sort of odd exclusivity it now enjoys.

There is, of course, the most apparent design of all, the design of the bag. The versatility of the bag, as it could come in a variety of leathers and metals allowed for it seem at the same time unique as it was familiar. André further discusses his ideas for knowledge economy by saying that the immaterial such as knowledge and design seeks to “produce desires, cravings, self-images, and lifestyles which when adopted and interiorised by individuals will transform them into a new type of buyer who “don’t need what they want and don’t want what they need.”
One could say that the 1990s “It bag” boom was bolstered by the saturation very much like this, of designed bags in magazines such as American Vogue that created a desire towards several featured bags and goods. These bags were often attached to distinguished names, which were then supported by hefty advertising budgets.

Considering labor, unlike a traditional idea of a system of capitalism where we see the worker laboring away for hours in dark factories, at Hermes we see a very different kind of worker. The individual designers at these workshops enjoy the ability to be able to employ their technical skill, aesthetic insight, and careful hands to create some of the most coveted goods in the entire world, all at a pace that is appropriate for production and ensures that they are not exploited for their labor. Whether it is the skillful hands that produce the objects, the architects that design the thoughtful interiors of stores or the talents that concept store windows, Design has once again been employed as an intellectual and creative asset, constructing wonder, and creating value that is otherwise not present.

Design is an asset that Hermes controls tightly and rightly such an asset that is essential to their survival. It is because of this that they keep and nurture talent such as Leila, resist incorporation into conglomerate groups such as Louis Vuitton Moet Hennessy and prefer to do things at their own pace where they can utilize the precious assets of artisan knowledge and design know-how to cultivate a long-lasting brand. In the equation of their immaterial assets comes yet another possibility, the possibility of imagination itself as a brand asset. Surely the physical labor of Leila in conceiving, creating and executing store displays through know-how in design is only one side of the entire process, the sheer imaginative thoughts, and atmosphere within the house is in itself another part of what makes immaterial capitalism so intriguing,
mainly when focusing on the construction of Value. Pascal Morand the Executive Director of the Institut Français de la Mode (IFM) wrote in great lengths about defining and separating this type of labor from other immaterial labor.

In “How to embrace the immaterial” a report for the IFM, Morand further analyzes Gorz’ Immaterial and deciphers that within his original construct there lie two distinct families in what he coins “Contemporary Immaterial.” “The immaterial of cognition and the immaterial of the imagination.”

While the idea that knowledge-based immaterial assets are relatively controlled and studied, i.e., everything from the savoir-faire of artisans or the creative output based on labor from artists, this sort of work is focused more on knowledge and skills learned through training.

Morand believes that there is yet another, less explored labor, imagination. The imagination that can be used as an asset and is in many ways tied to both the individual and the collective psyche of a brand. Morand also likens this concept to a comparison that Jeremy Rifkin dissects in Pierre Bourdieu’s “Cultural Capitalism” in The Age of Access. In this text, it is everything from an individual’s own assets to the ways that they speak and think that contributes to their apparent worth among a commodified and capitalist social hierarchical system. The idea is that imagination, and how an individual or a collective provide thoughts and ideas towards an end goal can in itself be commodified and utilized as an asset. The style and perceived finesse of the imagination itself can be easily identified or attached towards a particular social level. In a way, this is observable in brands like Hermes that have a collective whimsical vision that is at once tied to already established and formal systems of communication and the heritage of the brand.
At the same time, the brand contains a charming and timeless appeal akin to a bourgeois-esque walk through the Tuileries on a warm summer day.

It makes sense to consider these stretches of the subconscious and even collective thoughts as something that can be commodified and protected in brands such as Hermes. In this system, it is not actual hours of labor that can even be quantified and priced but rather the individual and the team itself. Such a concept isn’t necessarily strange or unheard of, particularly as the industry becomes more centered around information technology and millennial driven flexible working schedules replace the traditional 9-5.

Under the idea of immaterial capitalism, particularly under the concept of imagination and collective culture as a commodity, it is easier to see that in fact employees are spending more time and energy at work and working collectively towards the end goals of a company vs. the standard 9-5 system. They are doing so with less economic, or capital benefit such as higher wages but rather with more intangible benefits that translate to lower wages and more time in a company.

These immaterial assets are incredibly important to fashion companies and to risk having to sacrifice the creative and intellectual assets that they have recruited would be to destroy that appeal and durability of the brand.

The British luxury brand, Burberry can observe a real-world example of this sort of degradation. While known across the world as one of Britain’s premier luxury brands, It is Burberry that, only a decade ago was perceived negatively due to the use of the iconic brand “check” by D-List celebrities and “chavs,” or otherwise known as people from lower socioeconomic standing in Britain. The brand also suffered incredibly in international sales and
was on a sharp decline. It was the introduction of new creative talent headed by Christopher Bailey that began to turn the brand around. Now, Burberry is known for its iconic and timeless pieces, celebrity endorsements from megastars such as Keira Knightley and Emma Watson, its embrace of online markets to transform itself as an innovative e-commerce site, and its skillful use of talent in penetrating through the Asian market with success. An overnight success story that was anchored entirely by a changeup in talent created a perceived value where there was none before.

Considering the structure of companies and their artistic assets, private or independent companies have traditionally enjoyed more artistic stability. Meanwhile, holding companies such as the Kering group and the LVMH group can’t experience this luxury due to growth and artistic strategies based on portfolio diversification and merchandising over brand improvement. Both types of houses enjoy the freedom of large budgets, steady clientele and access to incredible collaborators which also help to create a stable and believable value to the brand.

What differs between the two types of companies is the way that creative talent is treated in each entity.

When there is less pressure from a large conglomerate luxury group to produce and manufacture exclusivity, innovation, and best-sellers and to get them out to as many people as possible, there’s instead a higher chance for the brand to focus on what makes it successful. Brands focus on refining what has worked in the past, and to focus on developing their own brand for their own betterment.

This approach also creates a scenario where many brands such as Chanel and Goyard do not even focus on creating online retail outlets, which many predict will soon make up 25% of all
luxury sales (White and Denis, 2017). For retailers like Chanel that rely heavily on entry-level goods such as perfume and makeup to amass more substantial sales, earning a recent profit of $5.7 billion; there is little desire to add a pret-a-porter (ready-to-wear) internet presence. Bruno Pavlovsky, the President of Fashion at Chanel mentioned in a Vogue conference in Paris that doing so would only “lose that exclusivity” citing that it should just be done if it would add actual value to a brand. He then referenced customer concerns over the loss of exclusivity from making every Chanel piece available online. The solution in their digital expansion is instead to focus on creating online shopping reservations, among other services (White and Denis, 2017).

**The Shopping Bag as a Branding Element**

An essential aspect of immaterial capitalism and in creative labor is crafting a stable and recognizable brand. Walking with an orange Hermes bag is enough to signify a sort of prestige. Here it is not the product itself that matters, but rather the design and perception of the brand. It would not matter if the bag contained a $15,000 handbag or a $20 illustrated city guide, the effect that the orange bag has on both the person holding it and the immediate area around them is one that elevates their perceived economic status.

The importance of branding cannot be understated in the perception of value among shoppers. Whether it is a thin paper bag from Zara or a thick red bag from Cartier, there is more than a name on the outset of the packaging. The way that the package is structured, the way the color resonates against its landscape, and the idea that the employees and shoppers treat it is important in further understanding the perceived value not only the artifacts inside of it contain, but instead, the brand as a whole provides.
The story behind the modern day packaging of some brands such as Hermes is less so designed by strategy as much as by chance. According to Leatrice Eisman in her book All About Colour, the iconic shade of orange that does everything from packaging, interior design and products themselves was at one point a cream-colored and gilded package that attempted to imitate pigskin. This sort of packaging would later evolve into a darker mustard color and brown edge sort, but it would not be until World War II that a shortage of packages would mean the house would adopt the only available paperboard in stock, orange. The color stuck around after the war as it was a vibrant and physical color that called for attention without being aggressive and intimidating as red. Decades later and it is the iconic orange package with dark brown trim and ribbons is recognizable the world over in ways that the similar Tiffany Blue or black and white typographically based Chanel bags are. Even more so, the modern-day Hermes shopper includes a subtle textured feel that resembles the leather the company has spent decades refining and creating.

It’s significant when a luxury brand decides to modify their shopping bag and packaging system as an outward expression of their brand. In 2012 Kering Group’s Gucci began an initiative to reduce their overall excessive packaging. The luxury house decided to use only FSC Certified paper that could become 100% recyclable, reducing the use of materials such as polyester ribbons and instead use natural organic cotton ribbons and to reduce the processes of the packages themselves furthermore. Whereas before the packaging for Gucci was focused on replicating the company’s Guccissima leather with subtle embossed and the standard gold foil approach, through time this approach has become more discrete, less wasteful, and more focused on delivering a clean customer experience. The decision of Gucci to explore sustainability also
allowed the brand to take on other approaches to cut down the environmental impact of the company (Kering, 2010).

Other times it is not necessarily due to social causes such as sustainability initiatives that drive a brand to overhaul their packaging completely. In 2016 LVMH’s Louis Vuitton ditched their previously iconic dark brown packages in favor of an Imperial Saffron based suite of packages. The move was an effort to resonate with shoppers that a newer era of the centuries-old luxury house was coming. The packaging borrowed the look of the “Citroën” trunk from the archives of Louis Vuitton in 1924 for an African expedition for the car brand. While touches such as raw cotton, flat pack boxes and stronger paper helped to create a more sustainable package, it was the return to the perceived heritage of Vuitton that helped to solidify the decision to revamp the packaging. The move was smart for the sheer fact that a bright color such as saffron and blue contrasts heavily among the relatively dull colors used on most shoppers and helps immediately distinguish a brand among a flurried array of shoppers. (LVMH, 2016).

The idea of the shopping bag as a fashion artifact itself would be explored as a concept various times throughout the years, most recently being the artistic muse investigated by Balenciaga in a series of black grained leather shopping bags, and one blue shopper that most famously imitated the look and felt of an Ikea shopping bag. The bag, a sizeable bright-blue leather tote that sold for $2145 vs. Ikea’s 99 cents, 100 % polypropylene, shopper “FRAKTA” caused a stir among critics the world over. For one, the unexpected and at times sarcastic direction that Balenciaga’s Demna Gvasalia has taken in his previous work has explored the often mundane everyday object and exploited popular culture figures. The shopper bag was undoubtedly a controversial statement piece. It was further explored in later cycles from Balenciaga with structured shopping
tote shaped bags that seemed to pay homage to not only the one brand’s iconic shoppers, but also an emerging tongue in cheek trend among Fashion brands to self-reference even the most mundane aspects of their own experience.

The Parisian concept store Colette would even hop along on this trend before permanently closing its doors. Colette offered a collection of “Shopping Bag” leather structured bags designed by Enswear and Los Angeles based designers Andrea Brà and Enson Malebranche. After over twenty years of business, the “Forever” bag crafted with Italian cow leather and a silk-screened Colette logo was in many ways worth more than its $600 price tag. For shoppers, it symbolized a piece of meaningful fashion and design history, a way to own a tangible part of the Colette experience, and a way to emotionally depart from the store one last time. (Sawyer, 2017).

**Conclusion**

Knowledge, creativity, and talent manufacture and designs value. The object itself is priceless. Design is also a creative asset that in this system of capitalism is used by elite powers to manufacture quality and the perception of value towards consumers; which further benefits the owners of production. It is used in the sense that luxury brands recruit and hire only the highest quality creatives to employ the most advanced systems of design. These are used to create then the merchandise that is sold, the ads that produce sales and the general brand strategies that help keep brands relevant and focused on their mission.

Hermès in this example is concerned with continuing to nurture talent, promote those who are successful within the company and creating a culture based on a meticulously crafted brand and history. An individual working as a leather tanner might not reach international fame the like of
the Birkin bag he is helping to produce, but they are compensated and celebrated for their craft in a way that is not exploitive in the sense that a starved and labor intense worker during the industrial revolution would be. The artisan, with the prestige of working at Hermes, is free to, hypothetically, leave and have the necessary skill to work their metier in an independent capacity, efficiently mastering their craft without the need to have someone above them and able to use their own imagination without limits.

In an interview conducted by the IFM with Alain Findeli, a physics engineer with a doctorate in aesthetics from the University of Montreal’s Ecole de Design Industriel on the topic on design research, Findeli speaks in detail over the general relationship between design in various forms and late capitalism, saying:

“Design, the origins of which lie in the industrialisation of consumer goods, poses the question of the relationship between form and function, utilitarian value and aesthetic value and encompasses almost all of our economic and cultural issues: the prevalence of marketing over product, of desire over need, of subjectivity over mechanical rationality; uniting art and industry, production and consumerism; in response to the formality of the division of work and the scattering of tasks within the company; solidarity of aesthetic prerogatives and of the market; the growing dependence of the creative world on the economy; and vice versa, business and industry’s use of design as a means of standing out from the fierce competition where the demand for differentiation is imperative. “

It is part of what makes the Birkin bag example so dynamic and exciting. There are few objects where the relationship between design in various capacities and a given object has so significantly influenced that objects perception and status within the greater context of society.
Iconic products such as a flask of Chanel Nº5, a Goyard trunk or a Rolex watch may all have significant cultural, social or historical context. Despite all of this, none of these objects comes near the same level of perceived value and exclusivity as the Birkin bag.

Design creates value in objects by exploring the concept of value as a byproduct of a system of knowledge-based, immaterial capitalism. The design is the value, by both knowledge and applied practice and as a collective culture, this value adheres itself to a product and formulates desire, value, and commodifies the creative and hands-on labor of artisans. The Birkin itself is relatively worthless on its own, but with the assigned value it has been given by systems of design it is inherently the most valuable luxury bag in the world, an investment that has been designed to be bulletproof, a bag that is shockingly more valuable than the price of gold.
Chapter II: A Game of Chess

How the LVMH group has created value from artification and influence

Introduction

LVMH is the world’s largest luxury group comprising of over 70 individual brands, at the helm of the organization is Bernard Arnault and his family. Through strategic incorporation with both the art world and the political world the past two decades, LVMH has been able to utilize the creative design strategies that are used primarily by their flagship brand Louis Vuitton to gain perceived exclusivity and desirability among consumers and influence power and competitors and politicians.

An Overview of LVMH

Exploring, the topic of value, design, and fashion, would not be complete without the proper inspection of the world's largest conglomerate, Moet Hennessy Louis Vuitton (LVMH). With 70 individual houses in six different sectors, the French luxury group diversifies its portfolio with everything from Wine & Spirits, Fashion & Leather Goods, Perfumes & Cosmetics, Watches & Jewelry and Selective Retailing. This collection spreads across both heritage houses like Dom Pérignon, Christian Dior and recent acquisitions and newer brands such as Kenzo or the German luggage brand RIMOWA (LVMH). This extensive portfolio of houses allows for it to reach broad audiences and penetrate the luxury market in various geographic locations, in different socioeconomic demographics and with a variety of strategies in each sector.

LVMH’s reach across the globe is staggering, in France alone the group operates 492 direct retail branches with combined revenue of 3,745 million euros in 2016, the majority coming from
selective retailing such as Sephora, Bon Marche, and Epicerie de Paris. Across the globe, the group operates nearly 4,000 individual stores with a combined annual revenue of 37.6 billion euros in 2016 (LVMH).

Specialty retailers such as Sephora see increasingly considerable profits in markets such as the United States where recent exclusive product launches like Fenty Beauty by Rihanna and ease of access to products through various retailing channels have allowed for the accessible entry points into the world of LVMH to be more popular among consumers. In markets such as Japan, it is conversely the luxury fashion and leatherwear industry that is seeing the most growth vs. specialty retailing (LVMH).

Locally in the Ile de France region, particularly in Paris, the luxury industry as a whole accounted for 40% of all new store openings in 2016. 24% of those openings were from the LVMH group while 10% were from the Swiss Richemont group (Chloé, Van Cleef & Arpels, Cartier, Lancel, Montblanc and others) and 7% from the Kering Group (Gucci, Yves Saint Laurent, Alexander McQueen, Balenciaga, Bottega Veneta) (Petit, Vol. 9). In the past five years, the region itself has seen 200 luxury openings or around 75% of all luxury openings in the country, while the rest of the openings tend to congregate in the southern Cote d’Azure region in cities such as Cannes, St. Tropez and Nice, France. (La France Reste Un Belle Vitrine pour le luxe) Regarding the openings themselves, they also tended to be located in the right bank of Paris 90% of the time, and in particular in three locations, the Place Vendome, the Rue Faubourg Saint Honoré, and the Avenue Montaigne (Petit, Vol. 9).

At the reign of LVMH sits Bernard Arnault, also known as not only the CEO of the luxury group but as the wealthiest man in France and the eighth wealthiest person in the world with a net
worth estimated to float within 60.3 billion USD. Arnault is one of the world's most prominent art collectors. His penchant for collecting is noteworthy as LVMH is recognized around the globe for being a patron of the arts, Arnault’s own collection of art is equally as notable with pieces from artists ranging from Yves Klein, Picasso, and Andy Warhol, among others (Masè and Cedrola p.165)

**LVMH and the Art World**

The LVMH Group is known for an arts-based strategy that has served it well for gaining influence. In the essay by Stefania Masè and Elena Cedrola “Louis Vuitton’s Art-Based Strategy to Communicate Exclusivity and Prestige” the authors dissect the strategies of Louis Vuitton before the construction of the Fondation Louis Vuitton. the strategy of artification “the process of treating non-art objects as art” and also, in management studies “the efforts that luxury firms take to bind their brands and products to the art world (Masè and Cedrola p.156).”

The strategy of artification involves luxury companies participating in everything from art activities, philanthropy, cultural sponsorship, etc. to create a sense of exclusivity to a brand. When brands expand their diffusion lines, or their ready to wear collections, to attract higher sales in the lower end market, they risk losing the perception of value in their brand. Because too much diffusion into lower-end markets would tend to “ruin” the perceived exclusivity of the name, the strategy of artification is perfect for connecting to markets that are typically exclusive such as that of high art. This approach reinforces that although some goods are more accessible to broader demographics, there are at the same time genuinely unique items that are held in the same regard as fine art.
In the previous chapter it was discussed that a Birkin bag is no DaVinci painting, while there is a set and particular amount of DaVinci’s in the world, there is an almost endless amount of Birkins. For Hermès, concepts of immaterial capitalism, artificial scarcity are played with to create perceived status and material value to the object. In the case of many LVMH goods, the sheer scale and diffusion of their lines don’t benefit from the same resources as Hermès. The artistic collaborations that LVMH creates across their lines lend the same level of exclusivity to products, due to their association to the world of fine art.

Marc Jacobs Era Artification

The LVMH CEO Arnault and his family are well known for their support of the arts and their vast collections. This support was not always. It was not until the directional change at Louis Vuitton under Marc Jacobs, after 1997 that the introduction of artist collaborations took off and redefined concepts of high art, commercialization of art, and the value and desirability of fashion objects. Before Jacobs, the idea of artist collaborations with luxury fashion was not necessarily a rare concept, but it was nowhere near the mainstream of today’s fashion culture. In the 1930s Salvador Dali and Jean Cocteau would collaborate with couturier Elsa Schiaparelli on her collections (Ferla, 2007). Street artists such as Dapper Dan appropriated luxury labels such as Gucci and Fendi for high-profile counterfeit goods created a sort of symbolic collaboration as well (Banks, 2017).

Marc Jacobs was already a fanatic collector of art, particularly pop art and contemporary art and so with his new post and relationship with Bernard Arnault and then CEO of Louis Vuitton Yves Carcelle, he proposed and launched a way for the company to “transform into the ultimate
Velasco, 29

expression of modern luxury.” (Masè and Cedrola, p.165) The concept was that for Louis Vuitton to communicate luxury and exclusiveness it would engrain the worlds of high art into its identity and produce exclusive art pieces, commission art for stores and have a higher concentration and visibility of art promotion. From a strategic marketing point of view, the concept was also innovative at the time because it meant that for the first time brands could become endorsed by an entirely different if more exclusive world than before.

Ms. Currid, author of a Warhol book in a New York Times interview from 2007 mentions “Now that fashion endorsements by Hollywood stars are as common as ragweed; progressive fashion makers are moving on. To be perceived as cutting edge, they must make use of a different kind of celebrity… They need an art star” (Ferla, 2007).

Although riddled with collaborations throughout the Marc Jacobs era ranging from Mr. Prince and Stephen Sprouse, the partnership with Takashi Murakami is perhaps to this day one of Vuitton's most famous and one of Marc Jacobs’ greatest legacies at the brand. Takashi was known in the early 2000s for pioneering the Japanese contemporary art movement super flat which in summary is artwork with an aesthetic combining influences from anime, Japanese cartoons and ukiyo-e, Japanese woodblock prints alongside popular culture and mass production influences that came from the Westernization of postwar Japan. The artwork is also characterized due to its fetishization and appreciation of lowbrow cultures such as Japanese otaku movement, a derogatory term which refers to a person who is a super-fan of an anime, manga or video games (Chayka, 2010). Murakami was celebrated among art circles at the time, and it was at a retrospective at the Fondation Cartier in Paris in 2002 that Marc Jacobs was first introduced to the work (Masè and Cedrola, p. 170). A Year later came the first collaborative collection from
Jacobs and Murakami, one where the traditional monogram was reinvented and imagined in the super flat style of Murakami (Masè and Cedrola, p. 170). Before long, there were soon waiting lists to obtain the coveted Murakami / Vuitton goods, and both of the respective houses were elevated to further fame. Murakami launched into popularity that helped later launch initiatives such as his own private production company and collaborations with artists such as American rapper Kanye West, for Vuitton it would be the start of a strategy to implement art that would redefine the landscape of luxury goods for the next decade (Ferla, 2007).

In 2007, the relationship between Vuitton and Murakami, and perhaps most importantly, the relationship between Vuitton, the art world and the perception of luxury would reach a significant new level at the Museum of Contemporary Art in Los Angeles with the installation of a 1,000 square foot pop up shop (Ferla, 2007).

Coined by Murakami as a “fleeting store” and by Vuitton, as a “Cultural Commercial Space” the cube space within the Murakami exhibit was a legitimate retail installation by Parisian based designer Jean-Marc Gady, who previously headed Window Displays for Louis Vuitton between 2002 and 2006. This collaboration blended the standard code of Vuitton’s retail space but replaced wooden walls and stainless steel with white gloss and mirrors to create a space at once as iconically Vuitton as the checkerboard floor pattern but discreetly disguised among the rest of the exhibition. The purpose of the installation was to extend the presentation just outside its walls and display Murakami / Vuitton objects as shoppable pieces of art (Fairs, 2007).

Reactions to the installation were mixed. In the art world, critics such as Dave Hickey complained that the store “had turned the museum into a sort of upscale Macy’s” with an array of goods ranging from handbags to agendas, each valued anywhere from $695 and into the
thousands (Ferla, 2007). Others though, noticed the brilliance in the marketing, it was a chance above all for an individual artist to extend their brand and for the established merchant to further drive the perceived value, status and association of their brand with the art world.

Paul Schimmel, the chief curator of the show, maintained that with the introduction of this shop there was always a capitalistic gain for both the artist and the corporate partner.

“One of the most radical aspects of Murakami’s work is his willingness both to embrace and exploit the idea of his brand, to mingle his identity with a corporate identity and play with that. He realized from the beginning that if you don’t address the commercial aspect of the work, it’s somehow like the elephant in the room (Ferla, 2007).”

Due to its non-profit status, the museum received nothing in monetary gain, but needless to say, it did benefit from the relationship with Murakami and Vuitton. The exhibition helped to create visibility to the museum, although at a highly critical cost. (Fairs, 2007)

Vuitton is typically known for producing ads that depict glamorous models or personalities with merchandise in exotic locales. Typically framed by a white border, the logo is prominently placed on the bottom of the ad. For the Murakami collaboration, there was instead a series of two short anime-style commercials that each explored the Alice in Wonderland style maze of superflat superimposed on Vuitton iconography. The first ad, directed by Mamoru Hosoda in 2003 with designs by Murakami and music by Fantastic Plastic Machine showcase a girl using her phone outside of a Louis Vuitton store. Afterward, a Murakami inspired panda gobbles her up (Superflat, 0:00-1:17) and transports her to a world where iconography such as the Damier pattern and the monogram form a bizarre adventure (Superflat, 1:18-3:20). This advert was the first time that Vuitton, and one of the first prominent examples of a luxury company, using
design and investment in design in such a noticeable way to promote a campaign, and perhaps most importantly to the LVMH group, to expand their demographic. The selection of medium, an anime cartoon, the trippy and happy instrumental track, the use of Japanese youth pop culture items such as feature phones (Superflat, 3:30-4:00), formed an attractive connection especially towards Japanese audiences who now constitute 7% of LVMH sales (LVMH).

The second advert “First Love” produced in 2008 after the landmark pop up shop in 2007 featured the return of the Alice protagonist, once again strolling by a Louis Vuitton boutique as she encounters her old panda friend. As she enters into the world of superflat iconography, she meets a wide array of Murakami pandas and other creatures that had become especially popular and prominent in the artists’ work in the years since (First Love, 0:45-1:20). Building upon the brand’s heritage, she is then taken into the Asnieres atelier where she meets 14-year-old Gaston Louis Vuitton (First Love, 1:30). The video plays off as a distorted brand heritage and origin video where Gaston and Murakami’s creations hit it off (First Love, 1:45-2:15), cementing the legacy of Vuitton and Murakami. This ad also equalizes the exclusivity of Murakami’s original works and Vuitton’s original trunks as unique art pieces and further promotes the concept that Vuitton’s art based strategy has always been ingrained in the brand’s DNA. The final frames of the advert are a playful mixture of Murakami animation and a gilded LV monogram (First Love, 2:50-3:05).

Throughout the thirteen-year production of Murakami goods at Vuitton, the brand was able to expand its target audience and cement itself further as a recognizable luxury brand.
What Louis Vuitton established under the collaboration with Takashi Murakami was a link between luxury fashion and high-end art. This connection was critical because the relationship creates a sense of “rarity” and assimilates fashion products as exclusive and hard to find art pieces. Increases in ready to wear collections and mass production alongside an increasingly larger portfolio of brands under the LVMH flag make it hard to justify the idea that anything purchased at Louis Vuitton is reasonably exclusive on its own. The strategy of artification combats this and adds to the designed allure of luxury brands as valuable and rare. (Masè and Cedrola, p.178)

Under Marc Jacobs, the collaborations ranged from artists including Stephen Sprouse with a neon interpretation of the house name, Richard Prince with a typographically driven “Joke” bag series (Cadogen, 2017), and Yayoi Kusama. The Kusama collaboration came with a complete range of contract details including over 1500 showcase windows, capsule collections and pop up shops. The contract also included retrospective sponsorship at both the Tate Gallery in London and the Whitney Museum in New York City (Masè and Cedrola, p. 172-174).

The Nicolas Ghesquiere and Kim Jones Era

Under the direction of recent creative director Nicolas Ghesquiere, the strategy of artification has continued to evolve, but mainly through the influence of LVMH executives. Ghesquiere has a continued focus on design research, brand heritage, and futuristic design that have closely worked alongside recent fashion trends. Nicolas Ghesquiere contrasts with his predecessor Marc Jacobs, and in many ways, their initial concepts for reinvigorating the brand seem like total opposites. At the time of his arrival, he had
just abruptly left Balenciaga after 15 years as their Creative Director. Among his first requests to reinvigorate the brand were to change the logo, to dig deep into the archives and to accomplish something he had wanted to do in his role at Balenciaga but was not able to, translate runway couture concepts as formidable contenders in ready to wear markets (Passariello, 2014).

It seemed odd that he would request these strategies to occur at a time that Vuitton was performing fantastically, but at the time of his arrival, consumer tastes had begun to shift and the logo-frantic tastes of consumers in the 2000s was waning, a taste for discrete leather goods emerging instead. Although launching a capsule collection in 2014 with Cindy Sherman, Rei Kawakubo, Frank Gehry, Karl Lagerfeld, Christian Louboutin and Marc Newson that explored the monogram as a timeless icon to mixed results (Masè and Cedrola, p. 177) It was clear this continued strategy ala Jacobs would not work without explicit modification.

The idea of artification had to evolve in its execution as did the brand’s other strategies, particularly in a time that Vuitton considered the most valuable luxury brand in the world (Medium, 2017).

Artification under the era of Ghesquiere developed into a new realm where it wouldn’t be enough to have collaborations with artists constitute the relationship between fashion and high art. To this date, Ghesquiere has presented ready to wear and Cruise collections in a variety of locations ranging from the Miho Museum in Kyoto and, to some controversy, the Niterói Museum in Rio de Janeiro. The relationship between fashion and art would have to look beyond artistic collaborations and instead create real relationships with art institutions, particularly those that serve various significant public and cultural roles like the Louvre in Paris (Friedman, 2016).
Ghesquiere’s tenure at Vuitton has been one with various contrasts with his predecessor and the flashier strategies of his former menswear counterpart Kim Jones who took over the department in 2011 and was at the helm of essential collaborations such as the Supreme collaboration that made Louis Vuitton a household name in the world of street fashion. Kim Jones’ final collection paid homage to the Marc Jacobs era of Vuitton with sizeable logo-print merchandise and old Jacobs era collaborators Naomi Campbell and Kate Moss, contrasting with the muses that Ghesquiere prefers at his side such as actress Charlotte Gainsbourg (Hairston, 2017).

Jones was perhaps most known for influencing a menswear direction based on how men would shop. Instead of creating "it bags, collections developed with the sensibilities that a male client would want to have a new bag eventually. Clothing was made to fit the every-day male vs. the sometimes overly-tailored pieces in the past and references to countercultural art movements were plenty but still kept in mind the often conservative and older clientele in locations such as Japan, where the majority of suit sales came from (Porter, 2016).

The Marc Jacobs era strategy of artification may have changed since Ghesquiere has taken over womenswear, but to some extent, the spirit of collaboration and artification has remained thriving under Jones’ direction.

“When you look at the history of Vuitton, they’ve collaborated with [Takashi] Murakami, Stephen Sprouse, Richard Prince, Yayoi Kusama, Daniel Buren, all these different people,” Jones explains. “When they have the Louis Vuitton Foundation [the Frank Gehry-designed museum in the Bois de Boulogne opened in 2014], it makes complete sense to do it — they own that world.” Furthermore, it’s these personal touches that have been so commercially successful.
“The more character you put in things, the more people want to buy it,” he told interviewer Charlie Porter in a November 2016 Financial Times interview.

It is difficult to say which artistic direction, the Jacobs era-flashy artification or the Ghesquiere-era subtle artification has worked in favor of Vuitton the most, while Jone’s style added a sense of “coolness” to the brand, Ghesquiere’s has given the brand a strong and renewed foundation.

**Jeff Koons and Vuitton**

Curiously though, the most recent high stakes collaboration with an artist came not from Ghesquiere or Jones but rather from Delphine Arnault, Bernard Arnault’s daughter. Initially, the collection was conceived after a one-off collaboration with contemporary artist Jeff Koons. The artist worked on a “Balloon Venus” sculpture for the Dom Pérignon brand, discussions between LVMH heads kept bringing up the artists’ name, and it soon became clear that despite whatever direction the brand was taking, a classically Vuitton-esque art collaboration would be born and redefined. (Friedman, 2017)

The collection, known as the Masters Collection features a total of 51 pieces ranging in products from key chains, technology sleeves, handbags and luggage composed of classic Louis Vuitton silhouettes with juxtaposed iconic paintings by master painters ranging from Fragonard, Monet, DaVinci and Van Gogh among others. The collection was inspired by Koons’ Gazing Ball series of paintings in 2015 that featured masterworks with his signature blue reflective sphere. This same visual motif lives in the Vuitton pieces but with a Jeff Koons JK reflective gold monogram, not unlike the LV monogram, decorating the pieces. In many pieces, the full name of the
respective artist is also spelled out in condensed golden letterforms, and small touches such as a Jeff Koons rabbit make an appearance across other areas of the bag as well (Friedman, 2017).

For Koons, the series is an extension of his own practice. When speaking with the New York Times, he mentioned that among potential of the collection is to “... put my work on the street” although acknowledging the high price tags, at least creating public spheres of artwork where the walking public can appreciate the pieces as actual Jeff Koons installations. For Koons, there is no distinction between the bags and his typical studio work, and in all cases he wishes to eradicate elitism of high art, an ironic statement considering the goals of LVMH in creating these collaborations.

If one thinks about it, LVMH has achieved the seemingly impossible in making a tote bag with Monet’s waterlilies, a good usually associated with museum gift shops and souvenir shops, become a coveted and valuable fashion artifact. This sort of good has always commodified art, has made art disposable and has created yet further misunderstanding of masterworks, particularly in a world where even in auctions, old master works tend to sell less than contemporary works. A recent world-record setting auction of Da Vinci’s “Salvator Mundi” was also sold in a Christie’s contemporary art sale vs. their annual old master auction. The selling of the painting in the contemporary art auction helped hand it a shocking $450.3 million price tag that many argue would have been considerably less among seasoned old master connoisseurs (Pogrebin and Reyburn, 2017).

The strategy that LVMH took when associating the Jeff Koons, Louis Vuitton and the art world was tied together with their recent collaborations in worldwide museums and increased art patronage activity. Although all the work used in the series was public domain, they worked
explicitly with institutions like the Louvre to obtain as high quality as possible of photographs. The concept resonated with many museum boards as they understood that it was a way to get classical art into the streets and the peripheral of the public again. Michael Burke, the chief executive of Louis Vuitton, expressed that it was a way for the public to become “Closer to the paintings than they can in the museum” (Friedman, 2017).

An odd sort of relationship exists where LVMH wishes to further the perception of luxury and exclusivity associated with their brands and uses their group’s contact with the art world to create exclusive collaborations. The collaboration with Jeff Koons introduces the creation of thousands of limited edition pieces that are as every bit an upscale contemporary art piece as they are a commodified fashion piece. At the same time, Jeff Koons has taken his own practice and interest and made old masterwork paintings that although are perceived as highly valuable in their own right, have become snubbed by the contemporary art market and have fallen victim to commodification in lowbrow institutions. This relationship benefits all three actors, the cultural traditions and the artwork associated with the collection, the practice of Jeff Koons and finally, the sales goals and proliferation of the Louis Vuitton brand.

LVMH Art Patronage and Cultural Dominance

Although there is much emphasis on LVMH’s flagship brand Louis Vuitton, much has been done in its various other brands through the years to create relationships with artists and to establish itself as part of the cultural foundation of multiple cultures.

As part of Bernard Arnault’s mission statement for LVMH, he has stated that:
“Support for the arts and culture figures at the very heart of our business model. Right from the creation of our Group, I made it clear that this is a strategic priority for our development. This commitment embodies the values our Houses all share – savoir-faire, excellence and creativity – and anchors them in their artistic, cultural and social environment (LVMH).”

These activities have been diverse. In LVMH’s latest “Patronage for Culture, Youth, and Humanitarian Initiatives” report there are many examples of art sponsorship and patronage. These have ranged from Dior funding the restoration of the Hameau de la Reine at Versailles, Fendi restoring the Trevi Fountain in Rome, and sponsoring exhibitions at the Pompidou in Paris, Pouchkine in Moscow and the Fine Arts Museums of Beijing, Shanghai and Hong Kong. LVMH has placed a substantial investment in the art world in promoting culture.

An intriguing set of programs that LVMH sponsors are their youth-based programming initiatives that select young artists, musicians, performers, etc., and partner with select schools to be able to offer art-based experiences ranging from musical performances, art courses, and more (Patronage for Culture, Youth, and Humanitarian Initiatives). The group also helps to foster the development of promising fashion designers by offering a grant that, as of 2017 was valued at 300,000 euro with guidance from LVMH group members. (LVMH)

For around ten years since their inauguration in 2006 until the eventual opening of the Fondation Louis Vuitton, the LVMH group also supported artists and installations in significant flagship Louis Vuitton stores through the creation of the “Espace Culturel Louis Vuitton.” These spaces supported “300 artists in nearly 30 exhibitions” according to the archived website for space (Espace Culturel Louis Vuitton) The Espace Louis Vuitton had other pop up locations across
cities including London, Tokyo, Shanghai and sites such as Venice to coincide with the Biennale di Venezia (Huyghe, 2017).

These spaces were ways for LVMH to wet their toes into the world of exhibition spaces and cultural centers. Arnault wished to find a permanent home for much of his vast collection and much of the corporate collection of the LVMH group and from this desire came the formation of the Fondation Louis Vuitton.

The Fondation Louis Vuitton, located in the LVMH owned Jardin d’Acclimatation in Paris, “supports French and international contemporary artistic creation and makes it accessible to as many people as possible.” (LVMH) From exhibitions relating to African art to a New York Museum of Modern Art retrospective, the exhibits on display at the Fondation Vuitton are significant and demonstrate the vast collection of the LVMH group and the Arnault family.

The Fondation Louis Vuitton, a unique construction of glass in futuristic styling by Frank Gehry for the LVMH group and Arnault is one of the most controversial recent buildings in Paris. Rising above the skyline and located in the western Bois de Boulogne, the structure is an abstracted sail-like, snail-like figure of curved glass.

LVMH has used the landscape of Paris as a way to project their ambitions. It is not enough to create a building that would blend into the urban landscape, instead, redefining and putting a distinct LVMH touch on Paris becomes the end goal.
The Fashion of Brigitte Macron

It’s a bold statement to make, but intriguing nonetheless. The wardrobe and relationship between current French first lady Brigitte Macron and the LVMH group tie to an economic strategy to expand the LVMH group.

Politically the relationship between LVMH and French politics has never been quite as clear that the relationship between current first lady Brigitte Macron and her penchant for Louis Vuitton. Brigitte Macron was at one point a French professor at the Lycée Privé Franklin in the 16eme arrondissement of Paris. It was at this school that she developed a relationship with now President of the French Republic, and her husband, Emmanuel Macron (Capital, 2017). Alumni that became close to her included Frédéric and Jean Arnault, two children from Arnault’s second marriage with Hélène Mercier-Arnault (Reich, 2011).

After a meeting with Delphine and Xavier Neal Arnault in the summer of 2014, while her husband was still in the Ministry for the Economy and Finances, she became almost exclusively dressed in Vuitton. Although Vuitton is the flagship LVMH brand, it does not typically dress celebrities, and influential figures such as others in the LVMH group like Dior Haute Couture do. Diplomatically it makes sense for Brigitte to show her appreciation and relationship with Vuitton. As one of France’s most recognizable fashion exports, her patronage to the brand is patriotic albeit problematic. Every time she dons a Vuitton piece, it further helps elevate the amount of influence that the LVMH group has.

It is easy for one to immediately see the relationship between Brigitte and Macron and think, “Oh, how French.” The sheer amount of Louis Vuitton is unique, particularly since in the past her predecessor Cécilia Attias was criticized for her unpatriotism for wearing Prada to the
inauguration of her ex-husband and former President Nicolas Sarkozy (Friedman, 2012). It also becomes problematic in the context that their predecessor François Hollande and his ex-wife Ms. Trieweiler were notoriously unbranded in their quest for a socialist approach towards governing France. At one point Ms. Trieweiler announced that she would never wear couture pieces or accessories by luxury brands that had been popular with first ladies like Carla Bruni before her and instead stuck with the unbranded or relatively low-cost pieces. (Friedman, 2012)

With regards to Brigitte, some have noticed that although she will throw in on an occasional piece by Balmain, the majority of her wardrobe still comes from the famous luggage maker and lacks a diverse range of other articles. Interviews suggest that designers such as Karl Lagerfeld for Chanel eagerly sketched ideas of inauguration day outfits. Others such as Dior’s Maria Grazia Chiuri have repeatedly expressed interest in dressing the first lady. Time and time again this fails to manifest itself and instead the first lady has stuck her loyalty to the Nicolas Ghesquiere designed mini-dresses and pump heels with soft leather Capucine bags.

The promotion of the brand is in many ways smart advertising for the LVMH group. Louis Vuitton is also uniquely positioned as a retailer with a large range of entry-level luxury goods in the Small Leather Goods market that helps diversify the potential customers. The products that Brigitte sports, the Capucine bag in particular, also resonates particularly well with current luxury shoppers and their preferences.

Currently, over 40% of all luxury goods sold are to millennial shoppers worldwide (Petit, Vol 9). Furthermore, discrete products such as the Capucine bag have seen increased popularity in a luxury market. Luxury goods like this, with exquisitely selected leathers, are seen as much more valuable in the long term to consumers preferences for discrete luxury vs. obviously branded
examples like the Speedy bag in monogram canvas. In a Harvard Business Review article from November 9th, 2015, there is a conclusion made that “We see inconspicuousness as an overarching global trend going forward. Luxury is becoming more personal than social.” In markets like Asia, which are essential in particular for the sales of LVMH goods and tourism in France, trends in discrete branding have become more prominent. In Japan, where traditional leather goods have always been more popular among consumers, there is a steady increase in sales in the previous few reported quarters towards this segment (Elkhart, Harvard Business Review). In China though, there has been a surprising shift from previously logo-centric and highly branded merchandise to more and more consumer shifts into the discrete goods market (Elkhart, Harvard Business Review).

All of this is excellent news for the LVMH group as it sees continued growth in the Fashion and Leatherwear divisions due to the promotion by patrons like Macron. The more that she continues to invest and enjoy pieces by the house, the more than the timeless brand will continue to resonate with shoppers. (Friedman, 2013).

The administration of Macron also signals a new shift and change in France that is welcomed by many around the world. It is no secret that recent years have seen slumps in French tourism due to, in part, the terror attacks in 2015 that took a turn in the direction of the country (Socha, Nº2). Further events in a global world throughout the past few years ranging from Brexit to the American Elections in 2016 have created chaotic shifts in the perception of the western world and have made travel to many places less confident than before.
Economic Strategies for Expansion

Having a favorable relationship with the Macron family and being in a position of influence can be seen as an extremely beneficial necessity for the LVMH group to continue expanding. Despite staying relatively stable throughout the past few years, the effects of turbulence across the world which had created a minor shift in luxury market sales, alongside the significant amount of sales directly tied to Louis Vuitton vs. other brands within the group created a concern towards the future stability of sales in the group. Further diversification had to occur.

With Macron promising to cut the corporate tax rate in France to 25% down from 33.3%, Bernard Arnault went forward in purchasing the minority shareholders of Dior. Beforehand, the Arnault family had owned 74% of Dior, and with an odd shareholder structure, it meant that it was never fully incorporated within the ranks of other LVMH brands (Socha, Nº2).

The purchase of 25% of Dior that was remaining sold with an option of either cash or Hermès shares to remaining Dior shareholders. This choice was the direct consequence of the infamous handbag wars that began in the early 2000s (Paton, 2017).

The debacle began when Bernard Arnault announced that he had secretly amassed a total of 17.1% of Hermès stock which later escalated to 22% (Chrisafis, 2013). The descendants of Thierry Hermès, who collectively owned 74% of the shares were shocked by this strategy and in a release declared that the entire ordeal was like having “an intruder in the garden but we don’t want him in the house” (Chrisafis, 2013). There was apparent fear by Hermès for a takeover by LVMH, in the past, Arnault was famous for having taken previously independent luxury brands over and enveloping them in the LVMH brand and at one point had tried to acquire Gucci but had lost to what is now the Kering group (The Economist, 2010). The takeover by LVMH would
signal a much more commercial style, mass production approach to the luxury house that would defy many of its operations styles. Eventually, in 2014, Hermès won legal battles requiring Arnault to divide the Hermès shares among their own LVMH shareholders. Because the Arnault’s own the majority of LVMH shares, this meant that although all of the shares initially owned by Arnault would have to become divided among LVMH shareholders, leaving Arnault with a still hefty 8.5% of Hermès stock. With a capital gain of 3.8 billion Euros, the acquisition left LVMH with more cash to further purchase more brands and continue expanding its own portfolio (Agney, 2015).

Although LVMH was not able to gain acquisition of Hermès if Arnault were able to obtain further political and economic influence and continue to get his way with acquisitions of large luxury companies it would signal an enormous gain in power and control. This addition of power would almost certainly become damaging to competing Keuring and Richemont and troubling for prospective futures of recent American luxury groups spearheaded by Coach (now the Tapestry group) and Michael Kors (With a Jimmy Choo acquisition). It is also a particularly noteworthy time for Arnault to want to gain more assets for LVMH as the previously mentioned Tapestry group begins to eye up and coming luxury brands ranging from Everlane to Naadam and even British brands such as Burberry that have recently seen shares drop. Developments like this reshape modern luxury in the American segment and pose a significant competitive threat to the strategies that have defined European style luxury for decades (Danziger, 2017).

As Chris Ramey, the founder of Home Trust International who manages various brands in the luxury home market shared in an interview with Forbes, “Consolidation is the natural order of capitalism.” This is also a paradox to the ultimate goal of luxury where “Scarcity and exclusivity
will always be a pillar of luxury” yet “public companies ultimately have a fiduciary responsibility to increase sales and profits” (Danziger, 2017).

**Conclusion**

Design links into the rich tapestry of strategy that currently governs the LVMH group. If a particular brand such as Louis Vuitton employs a design, marketing or artistic change that does not resonate with consumers, it loses profits and the strength of the group as a whole diminished due to its considerable influence. It is because of this that the continued expansion of the group is essential, as one single house can not dominate the sales and success of the group as a whole.

With LVMH we are seeing an adverse scenario where design is being used and exploited by the producers to create the illusion of luxury items produced in a large production setting as exclusive, rare and valuable. Through a system that links with the high art market, it creates a system of value that connects with a paradox of luxury and its exclusivity in a mass produced space. The design here plays a critical role by working with its wealthy patrons and exploiting their sense of official language to manufacture the same level of desirability and exclusivity that is created in smaller scale productions such as the Birkin bag but on a large scale. The idea that one can own an original piece of art by someone like Jeff Koons creates a false sense of exclusivity because the art becomes accessible enough but still does not lose its designated status as high art.

LVMH in their cultural explorations is a group that has created and designed a system of cultural dominance. Through sponsorships and patronage everything from fountains at Versailles to the Louvre has seen the influence of the group and in turn have become partners it the group’s
growth. LVMH considers a sort of prominence in markets such as France that is comparable to the “cultural google” of the country.

Finally, it is through forming political relationships and using these to influence strategic moves that LVMH can quietly grow. Tourism to European countries waned after terror attacks; recent Chinese economic turbulence has hit the luxury market, one previously seen as relatively untouchable and continued uncertainty over many world political situations create an era where there are consequences to the luxury market. For LVMH, being able to foster a relationship with the Macron family establishes both visibility for their flagship brands in a time where new changes and policies are changing the landscape of western Europe. If Louis Vuitton is the preferred logo that the famous first lady of France wears, perhaps that translates into further sales of Vuitton pieces. If LVMH can further drive their influence into the formation of economic decisions they may also be able to have a more straightforward way into the acquisition of large companies in the future or be able to better profit from their existing portfolio.

LVMH ultimately uses design and the creation of value in their designed goods to create more capital value in their shares, all the while creating a complex system of social hierarchy.
Chapter III

Yeezy, Guccy, Berny:

Everyday and Popular Culture in Luxury Fashion

Introduction

This research is primarily focused on how recent trends in the luxury fashion and streetwear fashion market have revolved around the use of what is typically considered popular, trend-based or or populist culture. Famous luxury brands such as Balenciaga and Gucci, alongside streetwear brands such as Supreme and Kanye West’s Yeezy line, have become extremely valuable and desirable in recent years. The research begins by analyzing how Kanye West has created a fashion line that is driven by both his own and his family’s manipulation of popular culture and celebrity status. Afterward, the direction of Gucci under creative director Alessandro Michele is analyzed. Michele has created a direction that pays homage to vintage counterfeit styles. This direction has led to several collaborations with street artists. Finally, the research looks at how populist driven messaging has begun to influence designers. Stemming from the 2016 elections, ideas related towards socialism in political theory have become a part of a current underlying trend in luxury fashion and streetwear. Brands such as Vetements and Balenciaga have gone as far as utilizing post-soviet aesthetic and narratives in their collections. This post-soviet style is historically tied to the introduction of capitalism to the Eastern bloc and the social and political problems that have arisen in those nations after the Soviet Union.
Everyday Culture as Luxury Fashion

Why is it that when a Kanye West designed Pablo hoodie for his Yeezy line, worth $400, was sold in pop up shops in select cities, there were lines of people waiting to snag them from the stores? It was fascinating that Kanye was able to successfully exploit commodity theory, a theory that deals with the psychology of scarcity. In commodity theory, “scarcity enhances the value (or desirability) of anything that can be possessed” and is also both useful to its owner and transferable among people. (Lynn, Scarcity Effects on Value: A Quantitative Review of the Commodity theory literature [abstract])

In many ways, Kanye West has wholly taken his status as a celebrity and pushed it beyond the conventional “celebrity endorsement.” Instead, he is at the forefront of a movement spreading throughout the world of luxury fashion, one celebrating and addicted to everything from popular, trend-based culture, streetwear, populism and irony.

Fashion design that utilizes elements of current popular and celebrity culture is often just seen in streetwear. While pulling inspiration from what is considered “high-culture” is typically popular in luxury houses, trend-based everyday culture does not have the same amount of perceived status due to its unestablished freshness. As time has gone on, these trends and the popularity of streetwear have allowed for design conventions that come from the everyday to become embraced by luxury fashion. This is seen in especially in items like the notorious DHL t-shirt from Vetements that features a prominent DHL logo on the front. A DHL logo has no formal connection with the world of traditional luxury nor does it have any association to academic or cultural high-culture, yet its appearance in a Vetements collection has made it desirable and expensive. The relationship between the DHL logo and its brand no longer exists, and instead,
the logo acts as both an ironic graphical element and furthermore a chance for the designer to create a commentary for their collections.

The DHL shirt even became one of the center fixtures in a recent exhibition entitled “T-Shirt Cult Culture Subversion” at the Fashion and Textile Museum in London. While the show itself focused on a broader idea of t-shirts as communication devices, there was a variety of luxury shirts that were displayed as part of the typology. A write-up of the exhibit by creative author platform Mixed Sign summarizes both the object and its current moment in time by saying “While the t-shirt has become ubiquitous, luxury brands have turned the garment into a couture item. Alongside designs by Gucci and Yves Saint Laurent, the exhibition includes the DHL t-shirt that was copied and sold for £185 by French brand Vetements in 2016. "The Vetements t-shirt was a peculiar moment in fashion – a brand known for its ironic and subversive designs had taken a completely unremarkable everyday item and turned it into the season’s must-have item, leaving journalists to wonder whether it was a scam or a brilliant critique of consumerism that turned the normal order of fashion on its head.” (Mixed Sign)

This sort of strategy is not without its own contradictions though. For as much as there is a revival of luxury in the realm of anti-design, unofficial language codes, and everyday culture; it is often with groups such as Kering at the helm. They create a structure where they use these cultures for growth and profit. This paradox is what makes this current trend in fashion and valuable objects even more so intriguing. Despite having aesthetic origins that come from mostly low-brow roots, the original intention of the message has become repurposed by luxury houses.
Kanye West: Celebrity and Value

The Kanye West designed collections are also very noteworthy exploitations and explorations of Guy Debord’s theories presented in his monumental "The Society of the Spectacle."

As a summary, Debord's thesis explored the way that representations had replaced the social life. In a way, Kanye West has exploited and experimented with the so-called spectacles that Debord popularized ranging from a celebrity, popular culture, and the media to create a line of clothes that becomes larger than himself and becomes intertwined among the rest of his “valuable” brand.

Kanye West first began his Yeezy line in 2015 with a substantial investment from Adidas. The most popular items in the collections are typically the Yeezy line of Adidas shoes that regularly sell out immediately. (Fumo, 2015).

The pieces that Kanye has designed are relatively all related to the idea of #normcore clothing. #Normcore is a fashion movement that began in 2014 and is tied with both internet social media trends and ironic trends in urban areas where there is an embrace of anti-fashion, anti-design and often just bland or suburban attire such as sneakers, neutral colors and mom jeans. (Williams, 2014).

An essential aspect of Kanye’s Yeezy line that has become nearly as valuable as the clothing itself has been the design of the invitations to the famous shows he produces. Typically in the past, the fashion show invite was merely a designed paper good. There would be the sometimes elaborate use of paper, typography, space, etc., to design a beautiful and thematically appropriate experience, but often they were tossed aside after all was said and done. Kanye West’s approach
to the invitation has made the designed artifact itself as valuable as a stand-alone object as anything else in the collection.

For his first collection of the Adidas-backed Yeezy line, he would produce a large performance hoodie with a number 3 referencing the three-stripes of Adidas. The approach in future collections would use everything from camouflage sweaters (Season 2) to long-sleeve neon t-shirts (Season 4), all of them appearing in the X-Large to XX-Large range and with a simple and imposing screen printed, sans-serif headline across in some way or another.

Recently with Season 4 and 5, Kanye has taken inspiration from Calabasas, where he lives with his family. A pair of Season 4 Calabasas track pants that contained show information on the back thigh became incredibly popular. These invitations are as covetable and desirable in their own right, to become resellable. Purveyors of streetwear such as highsnobiety have even hypothesized that in the future capsule collections devoted strictly to the Calabasas merchandise would themselves become a lucrative opportunity for Kanye.

Kanye's previous capsule “Pablo,” a series of pop up shops led to huge lines for what amounted to being a small collection of clothing with screen printed type. The collection, inspired by his album “The Life of Pablo” featured phrases such as “I Feel like Pablo” and “I love you like Kanye Loves Kanye.”

Highsnobiety conducted an in-depth exploration of the pop-up shops and also expressed with much interest why it was that people were paying the inflated prices and standing in line for so long. Responses ranged from amusing ones such as “I think we’re just paying for Kanye’s lawyer fees against Taylor Swift,” a reference to the artist’s ongoing feud with the popular singer, to the more revealing answers such as “We’re paying for Kanye’s name.”
The stores all featured sparse and minimalist layouts with only a few clothing racks and typeset in vinyl on the walls. Maximum capacities were usually set at around 20 people at a time, adding to the long lines and the perceived exclusivity and urgency of the items. While many in the queue were excited to own a piece of the famous name, they were perhaps more shocked and surprised when they found a typical Gildan clothing tag underneath their brand new Pablo merchandise.

Kanye West had managed to make the common-everyday Gildan t-shirt, a staple of local even tees and recognized as a bottom-of-the-barrel brand, an expensive and covetable item. People waiting in line when interviewed by Highsnobiety did not mind the prices attached to the everyday Gildan shirt with one remarkably stating “I don’t think anyone would deny it’s overpriced… by going to this pop-up, you’re paying for more than the physical thing. You’re paying for the experience” (HighSnobiety, 2016).

The Pablo store model is perhaps the most interesting method in which Kanye has controlled the perception of value in his collections. The design of everything is controlled in such a way to create the false sense of exclusivity. The ephemeral nature of the pop-up stores creates a sense that there is urgency associated with the purchase, these items won’t be available to purchase in conventional methods.

Even though they appeared in a large variety of cities, the stores themselves were not necessarily accessible by nature of their brick-and-mortar only appearances. The lack of online presences made it impossible for the objects to find a life outside their temporary retail site. The design of the interiors themselves was constructed in such a way that with only a certain amount of people allowed at a time and a high staff to customer ratio, the experience was fashioned to resemble
that of a luxury dressing vs. a mad dash to obtain merchandise. The tightly controlled security and lines that wrapped around the corner created a spectacular site for onlookers as they wondered and contemplated what lies behind the unbranded buildings. Finally, the merchandise itself, despite visibly being made from extremely cheap sources, was designed with messages and type relationships that gave his fans a sense that they had obtained a piece of his lifestyle. This merchandise allowed them to buy into the hypothesized “Life of Pablo,” a term which in itself is loaded in theories. When asked which Pablo, he was referring to, Kanye West more than likely was referring to the painter Pablo Picasso. At one point Kanye is quoted saying “My goal if I was going to do art, fine art, would have been to become Picasso or greater,” (Dibiasi, 2016).

This quote is noteworthy due to the current state of Pablo Picasso in fine art markets, a state where his paintings have been sold for upwards of 140 million dollars at Christie's auctions (Kinsella, 2015).

Shoes sell out, and items are gone forever and left on the resale market because the production is notoriously limited. This sense of exclusivity and limited production is artificial, as the Gildan clothing tags give away, and is all created to further the narrative of the brand.

Unlike typical luxury goods, there are no rare and exotic leathers or carefully sourced fabrics. One can’t typically compare what have mostly been upgraded versions of casual wear staples such as hoodies and track pants with luxurious haute couture. The difference between the two here is that the value attached comes from Kanye's celebrity and his control over the various spectacles attached to his name vs. in the case of luxury houses that promote their craftsmanship and heritage. The two are examples of a sort of immaterial capital, but the Kanye West example
is more based on exploiting popular culture in ways that not as common in the marketing efforts of luxury houses.

Apart from his own celebrity, One of the most apparent ways his name and collection has gained attention has indeed been through his wife. Kim Kardashian West is known to have 106 million Instagram followers and can rack up around half a million dollars for each sponsored social media post while her other sisters command around $250,000-$400,000 each. Products that the Kardashians endorse tend to sell out immediately after their initial advertisement. This leads, quite quickly, to endorsements for Yeezy collection wear to sell out in quick strokes as people flock to purchase a piece of the fame associated with the Kardashian-Jenner family (Karmali, 2017).

The celebrity associated with the family is profound, often even referred to as “America’s other first family” (Kiefer, 2016). In many ways, the rise of the Kardashian celebrity is reminiscent of Thesis number 24 from Guy Debord, wherein “The Spectacle is capital accumulated to the point that it becomes images.” The empire associated with the family is one of celebrity and image. This elevated state of celebrity status has made for product launches such as Kylie Jenner’s makeup lines to sell out and be seen as covetable items, where people can own a little bit of the celebrity associated with the family, something inconceivable only a decade prior (Kiefer, 2016).

An Atlantic article from 2014 boldly claims that the Kardashian family, and in particular focus, Kim have transcended what is typically celebrity and developed something more. “Kim is a person who is also A Way of Life. She is her own ecosystem. She is her own value system”(Garber, 2014). In ways that many other celebrities have attempted to in the past but
failed to capture in such a prominent level, appearances from the Kardashian-Jenner clan are endorsements of a certain way of life. The family is in a sense themselves a rare luxury product that can become consumable through media.

The ecosystem of the “valuable Kim Kardashian” brand is almost as enticing as the value behind Kanye West’s own lines, and in more recent years the language and visual codes between the two personalities have become more melded together. A quick look at Kim Kardashian Beauty showcases a brand that is driven by neutral colors, loud and bold typography choices, expansive grid structure for showcasing images and their relation to the user and more revealing, copy that seems taken out of Kanye West’s own Pablo pop up stores.

When asked about the purchasing limit, the user is confronted with an answer purporting that “Due to the exclusivity of our products, some items may have limits…” a statement that is repeated several times throughout the website. Nowhere though is there much reason as to why quantities and exclusivity are so significant, other than the assumption that the brand wants to be perceived as artisan and one of a kind, although in reality it essential the same restrained manufacturing practices that Kanye employs to create a perceived value.

Prominent in all the Yeezy season shows, at every major decision in the line and at every opportunity to promote it possible is the family. The Kardashian name is worth billions, and the association between the two has indeed been a relationship that, from a business standpoint has been extremely beneficial. (Gray, 2017).

In summary, the Kanye West example is one based mainly on the idea of celebrity status and control over media representation. Kanye has taken years of observations and celebrity to create a brand that is as much a project for himself as it is a valuable luxury brand for his fans and
others. His celebrity status and primary career as a rapper take precedence, and as such, the brand is not one defined by traditional rigid season schedules. Instead, Kanye’s line represents an artistic representation of his own ideation. Luxury and value are designed around celebrity and persona.

**Gucci: When Counterfeit becomes Legit**

One of the most highly talked about brands in recent years has been Kering Group’s flagship Gucci under the direction of new Creative Director Alessandro Michele. Stepping in after the removal of former director Frida Giannini, Michele’s vision of Gucci is ironic, quirky and while the former paid homage the brand’s codes that were created under Tom Ford, Michele saw a different concept for Gucci that has launched it into a new era.

Michele debuted with now emblematic pieces of the house including the "pussy bow" shirt and the mink-lined mules with horse-bit buckles. These items ushered in a new era for the brand as he quickly became promoted to creative director from his original interim menswear designer role (Mead, 2016).

In particular, Gucci’s success is so impressive considering recent fashion trends that have dominated customer preferences. After the logomania craze had died down it was the minimalist and discrete vision of Phoebe Philo at Céline that began to define a new generation of consumer preferences. It seemed that for the most part luxury fashion would retain a subdued and minimalistic aesthetic (Finnigan, 2016).

Michele used codes of the brand to create and design a new look that was based on celebrating youth and expression, creating joyful aesthetics, through silhouettes and choices based on
traditional and historical archives. (Finnigan, 2016) Michele’s maximalist vision for fashion, one of funkiness and joyful choices would offer an alternative to the formality of Céline’s discrete stylings.

Michele's approach to designing Gucci and part of his success in recent is his broad study of costume through different era’s and a survey of how embellishment and adornment, in particular, have been designed and used in the past. It is therefore not inconceivable to think that Michele’s designed ornaments for the classic Ace sneaker, patches that have adorned styles featuring iconic house mascots, fall right in place within history as a natural progression of decorated and embellished clothing that hearkens back to a religious costume.

The Tom Ford and Frida Giannini era saw an abundance of traditional silhouettes and aesthetic choices marching down the runway and typically focused on more formal or overtly sexy pieces. Michele’s casual-leaning and modest inspirations are not interested in continuing the classically and at times oppressive and closed nature of old luxury in his collections, but rather an embrace of popular and low culture and an awareness of how everyday people have perceived Gucci. In an interview for GQ Magazine, he claims “I think that there is not a difference between a ‘Peanuts’ and a beautiful Renaissance painting... “There is something very romantic in the ‘Peanuts’—it’s at the same level of a novel or a Jane Austen story or a beautiful embroidered rose fabric. It is a piece of romanticism” (Baron, 2016). A general theme of his creative vision is that there will always be a melange between the world of old luxury and lowbrow culture, his approach to what luxury can be at times a post-modernist inquiry into the concept as he becomes quite critical about how culture can become incorporated into the design of objects. Michelle must maintain the value of the brand, drawing upon the archives but also
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help usher in a newer generation of thought with regards to what can be perceived as valuable and luxurious (Finnigan, 2016).

This understanding gives Michele a quality that is important to the success of Gucci. He can see beyond what traditional luxury is and understand the importance of internet culture. He can create unique objects and creations that would never have been possible twenty years before. Luxury fashion design can be in touch with the reality of the everyday person.

This is perhaps most evident in the brand’s recent surge of “Guccy” sweatshirts, large logo screen-printed items that are not necessarily reminiscent of logo-mania of the 90s and 00s quite as much as they are reminiscent of counterfeit goods hawked on the street. Here, one of the most recent patterns and most bizarre trends have come to life: Gucci is producing authentically fake Gucci. As a consumer, you can purchase Gucci items that appear the same as a $20 fake from the street for $500.

Once again, Michele’s general knowledge and understanding of popular culture, and in particular emerging trends in the digital landscape became essential in the development of these collections. In the 1980s and 90s, the “Gucci” logo t-shirt was a hot item sold quickly and cheaply with transfer processes that wouldn’t involve heat. The t-shirts themselves were usually comically designed in such a way that the logo was the main attraction. Sometimes logos were stretched out to bizarre proportions; random typefaces would spell out the designer names, or designer logos would meld together.

Again this creates another exciting phenomenon where the legitimate counterfeits that were produced in these markets in the 1980s and 90s that have still survived are being sold on online marketplaces like eBay for around $125 each, and a new generation of quickly churned out fakes
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has taken online marketplaces like Etsy by storm. For many people, the counterfeit t-shirts from the 80s are as much a real piece of Gucci history and feel as, if not more authentic than the current Michele-era ones.

The eclectic vision of Michele has included collaborations with artists that beforehand would have been inconceivable. The first of these collaborations was in January of 2015, when Trouble Andrew, known as GucciGhost was approached to help in the creation of a capsule collection. Andrew came to fame by spray painting the double interlocked G logo on a variety of items such as trash bins. His “GucciGhost” alter ego in question came from his love of repurposing textiles and fashion items and utilizing an old sheet in his studio that had the Gucci monogram printed on it, cutting two holes on it, and marching around Manhattan with it on (Foley, 2016).

Michele believes that the utilization of the logo by artists such as Andrew is acceptable, starting in WWD “I saw the way Trevor was using the symbol of the company, and I thought it was quite genius, It’s completely different from the idea of copying. It’s the idea that you try to take to the street, through language like graffiti, the symbols of the company”(Foley, 2016).

Andrew’s background and how it contrasted with Gucci could not be more fascinating. Andrew came from the streets in the sense that his experience was in skate culture, graffiti culture and virtually the opposite of what in his youth were institutions like Gucci. When he first gained some success he purchased a Gucci watch as he began to obsess over the house “I feel like the value of that watch was so much more than I paid because it represented something,” he would later say in an interview with WWD (Foley, 2016). Later noting that he was obsessed with the idea of wearing logos because of how they created a representation of a lifestyle and an idea,
he would say “Life is Gucci, real Gucci” in a sense that “Gucci is the ‘God of fashion’ and that’s what the G represents…” (Stansfield, 2016)

The collaboration then became a sort of twisted narrative between what was street-culture and what had always been the traditional couture of Gucci, a “couture for the streets.” The capsule collection in question was vague. First Michele simply gave objects to Andrew to paint over and have creative liberty with, in the end creating a hype-worthy and exciting collection and collaboration.

What caught the attention of many around the world was when for a Cruise 2018 collection, among 150 looks, Michele paid homage in a certain way by creating a furry lined jacket with puffy and glossy Gucci monogram sleeves. The particular look is eye-catching in the sense that it is nearly identical to a design that was created for Olympic gold medalist Diane Dixon in 1989 by Harlem-based tailor and icon hip hop imitation fashion, Daniel Day, known to most as Dapper Dan (Schneier, 2017).

Officially Jacket No.33, Gucci itself formally acknowledged that it was a homage look that would be a part of the “new Renaissance” theme inspired by the 70s and 80s. The internet sphere took notice, and because it was later revealed that Dapper Dan was not made aware beforehand, there was a large amount of backlash against the brand for the appropriation of Dan Dapper’s work. (Schneier, 2017).

Due to the backlash, Michele eventually had a meeting with Dapper Dan in his former Harlem space. The two finally decided to collaborate on new ventures that would include everything from Dapper Dan being featured in ads for the house, to more lucratively, a reopening of his original atelier in Harlem (Schneier, 2017).
Eventually, the relationship with Dapper Dan expanded into the opening of a collaborative retail store with Gucci. After the previous collections that were inspired by his counterfeit lines and even becoming a campaign spokesperson in 2017, Dapper Dan would reopen his iconic Harlem tailoring business with a Gucci brownstone on Lenox Avenue in Harlem.

Dan would call the historic collaboration “A Sign of the times” in a tweet where he proceeded with “For the 1st time in history, a major luxury brand store has opened in Harlem: Gucci by Dapper Dan Harlem.” This collaboration is the first time that Harlem residents would have the chance to have a luxury store in their neighborhood. And what makes the opening of the Dapper Dan Gucci store even more unique is that it is focused on, as Dan himself tweets “Made-order-garments for your taste & in your specific measurements” with a small selection of limited edition ready-to-wear items and accessories, all by appointment only. This structure closely resembles the formality and sobriety of haute couture and showcases the movement in the concept of how brands can take homages and appropriation of what is typically deemed “lowbrow” culture and celebrate the original artists in respectful ways.

The boutique functions in a unique way where Gucci provides Dapper Dan with everything ranging from materials, prints, etc., that come from the archives and current libraries of the house and allow him to use his own creative vision in creating pieces (Schneier, 2017).

The idea that what was once counterfeit is now a legitimate item is intriguing in many ways that the attitude that Michele has taken towards Gucci and towards creating value in his brand is now a different stance of what luxury can be. There is an idea here that luxury brands and their perceived images had in effect transcended popular culture, and with the rise of digital platforms
and social media, the proliferation of these images made it so that it would be easier than ever to have access to these brands.

Michele at the helm refuses the concepts traditionally associated with luxury, and this has, in turn, created the most hype-worthy brand in the past few years, in turn making Gucci one of the most valuable brands in the world.

**Populism and Anti-Design**

The relationship between the luxury market and world events is well known. The direct turbulence of the world throughout the past few years led to a slight slump in luxury retail which also affected the way that large luxury conglomerates such as LVMH approached their strategies. Some of these events included everything from European terror attacks, Brexit and, of particular interest here- the 2016 American Presidential Election.

The reason political objects are intriguing to dissect within this sphere of thought is related to the ways that political design and in particular campaign merchandise is very much associated with populist thinking and has become relevant in today’s popular aesthetic choices.

The two objects of interest from the 2016 American election in this specific essay are the Make America Great Again cap that came from Donald Trump’s campaign and the utilization of the visual language from candidate Bernie Sanders’ campaign by Balenciaga.

These two objects are valuable because they show that for one of the first times in recent history, visual language that follows formal rules and conventions learned in official, and at times elitist institutions have fallen short. Instead, it is a populist-driven anti-design that breaks the rules of formality to create a contradicting set of rules and aesthetics that has resonated with many
audiences. It is then fascinating to see how these concepts towards design have resonated in the world of luxury fashion.

The first object of noteworthy consideration is the controversial “Make America Great Again” cap that was a prominent part of the merchandise featured as part of Donald Trump’s campaign. The cap is stylistically a simple and standard trucker cap in a variety of colors ranging from red and white, white and blue and camouflage. On the front, taking up large real estate is a Times New Roman typeset “Make America Great Again” in majuscules and standard tracking. It is a cap that to this day does not have an identified designer but has the sort of stylistic standardization to suggest that it was simply designed with its manufacturer “Cali Fame Hats” in Southern California as a combination of pre-determined and standard design choices. It is likely that the cap had no designer but rather someone acting in the role of perhaps an information architect-like context. This means that the person was merely choosing a color and type combination that would stand out, match up with demand and production costs (The hats sold for USD 25) and would not look overly designed. The idea here is that the cap shouldn’t be a designer and fashionable artifact, it should resonate with the ideas and aesthetics that supporters care about and most importantly communicate the slogan that the campaign was pushing out (Miranda, 2016).

That message “Make America Great Again” was a populist, far-right message that sparked controversy throughout the campaign. Plastering the slogan on a bright red hat was a way for supporters to show off a message they believed. Unsurprisingly, despite being sold for $25 each, the cap was also counterfeited countless times, a consequence of it’s seemingly anti-design.
The hat has seen countless spinoffs and has since been adopted in various capacities as a protest item. Some fashion houses have even used the image of the cap as a political statement such as a Marc Jacobs “Make America Marc Again.” Marc has previously vowed that he would never dress the first lady Melania Trump and had contributed t-shirt designs to the Hillary Clinton campaign. (Matera, 2017)

Although the Marc version of the hat has shown the original intent subverted to a luxury company, perhaps more interestingly has been the way that the original caps were initially trending among hipsters in primarily liberal-leaning urban areas.

Nu Wexler, a public policy spokesman at Twitter who had received a hat as an ironic gift described it as “It’s a huge hat that looks like something you’d wear at a golf club in South Florida in the ’80s…” for the New York Times during a 2015 exposé on the artifact adding in “...I’m at a loss to describe the ironic charm of the hats” (Parker, 2015).

In a summary of the first object, This cap would be commodified and iconic not due to its excellent design, but rather because of the message the design sent and communicated. Furthermore, the anti-design strategy of it would usher in a new train of thought in how to approach design for broad audiences.

Candidates are trying to sell their platforms, ideas, and philosophies to voters; fashion designers are trying to sell their artistic visions, objects and implied lifestyles to consumers. In the case of the $25 cap, people could purchase political ideology, whether worn ironically or seriously.

The second object, or rather, series of objects is a collection by Demna Gvasalia for Balenciaga featuring the visual language from the campaign that former candidate Bernie Sanders ran in 2016. The same codes such as a serif-typeface logo name with white, red and blue
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swooshes underneath and the year in a simple sans serif on the bottom left was a near exact copy of the logo used by the candidate. Here there is an implied aesthetic choice that is typical for other Gvasalia works from both his other line Vetements and Balenciaga. As is typical for the designer, he has been credited in the past for ushering in a post-soviet aesthetic during recent years. Gvasalia grew up in Georgia and was present during the 1991 fall of the USSR that saw with it for the first time, an influx of western goods and an introduction to Western capitalism, cultural imports and western dress.

The utilization of Bernie Sanders’ socialist policy-driven campaign is as much an intentional design choice by Gvasalia as it is simply a fleeting movement of popularity associated with the former’s campaign. In his own work, Gvasalia references the street style of post-soviet countries, with “long, ill-fitting coats, sneakers, and general incongruity” that remind one of the styles worn by youth in these spaces. The Bernie Sanders campaign was notoriously popular amongst youth. While the Trump cap resonated amongst consumers after the election as a sort of political statement, the Sanders inspiration was further subverted from its original context and instead became a part of the current "Post-Soviet" narrative of Balenciaga.

Anya Schulman, an industry insider interviewed by Highsnobiety paints an interesting relationship and parallel between the utilization of Bernie Sanders’ campaign visual language and the visual language of Balenciaga and claims.

“That inaccessible, high-fashion price tag is the result of some factors adjacent to politics, including capitalism, class stratification, and the need for fair compensation for those involved in its production and for workers in general. Actual, existing socialism is a lofty and, as we’re often told, impossible ideal. I see a parallel between the inaccessibility of that ideal and the
inaccessibility of high fashion; High fashion sells concepts and emotions in the form of clothing. Political ideology also has to be sold. Perhaps Gvasalia is calling attention to that high price tag” (Highsnobiety, 2017).

Schulman’s concept is intriguing and points out to further ways that Gvasalia has used every-day and mundane objects as a critique and reflection of his own experiences growing up in a post-soviet state. The Bernie objects, ranging from large polo shirts, bags and jackets tend to resemble unspectacular design seen in the everyday wardrobe.

**Post Soviet Style**

The recent “Post-Soviet” style and even to a broader sense, the entire ironic style that has formed over the use of populist, or political culture can ultimately be seen as problematic, In many ways, it has become the most dangerous form of design acting as an oppressive and elitist force to create luxurious value.

Aleks Error, a columnist for Highsnobbery that has been at the helm of reporting on the business and trends associated with street style in recent years penned an intriguing essay in which she compares the current Post-Soviet style as the commodification of Russian gopniks who were urban youth dressed in the ill-fitting style popular today. This appropriation of lowbrow culture has happened in the past. Notably, there were periods of Chavs (lower-income youth) in Britain taking over the check pattern of Burberry until the brand’s revitalization and the early 2000s. The white-trash movement in the United States in the mid-2000s popularized everything from trucker caps, graphic shirts and denim wear in the same style as that worn by lower class Americans. Error hypothesizes that,
“In Eastern Europe, just like in working-class communities in the West, there’s nothing fashionable about it: it’s a thoroughly utilitarian anti-fashion statement that reflects the aggressively hyper-masculine environment that spawned it. And behind its subversive appeal sits a sad reality of crime, poverty, and social alienation – familiar hallmarks of modern life across much of the former Eastern Bloc.

She believes that perhaps almost as damaging to the movement of Post-Soviet fashion being the latest luxury trend is also how systems of western Imperialism were able to allow for this to happen. Eastern European countries had for ages been seen as “lesser countries” with a comparison to their Western neighbors. Cultural institutions such as food, fashion, writing, and most certainly design were typically from countries like France, Britain, and Italy, vs. Romania, Poland or Russia.

“The arts have a way of changing the perception of entire nations. England enjoys a disproportionate level of soft power for a country of its size and might because of the strength of its popular culture. Although its empire has crumbled, the British enjoy a position in the world order far more privileged than the Dutch or Spanish, both former colonial powers themselves. Thanks to the dominance of the English language, which makes British music, literature, media, and the rest of its cultural exports globally accessible.”

I-D Vice columnist Anastasia Fedorova ponders if this trend of post-soviet style is not just a reaction of the western world. In the past decade, the west has seen economic recession, uncertain political or market futures and tumultuous events, in particular claiming that “today's culture and particularly fashion is in need of the critical outlook on consumption and Western
concept of success. The East has always been portrayed poor but let's face it - the prospects for today's Western youth are pretty hazy” (Federova, 2016).

It is entirely possible that the intentions of designers such as Gvasalia at Vetements and especially, at Balenciaga where there is a real expectation to pull from archives of the French couturier are not cynical in their intention. The concept of mixing French couture with Perestroika east-bloc markets is what creates an intriguing dynamic of power and one where it is hard to tell if it is merely an appreciation for a lost culture, or the west trying to gentrify another victim of imperialism (Federova, 2016).

**Conclusion**

This last chapter has demonstrated a few examples of the counterculture of streetwear, counterfeit goods, and even post-soviet society alongside its many socio-economic problems becoming an artistic commodification for luxurious fashion houses.

We desire the Birkin Bag; we consider it the most valuable bag in the world and we value the immaterial capital associated with Hermès. We appreciate the connection that LVMH has to art, we believe Louis Vuitton although not exclusive in the sense of rarity provides an artistic, traditional and at the same time futuristic take on luxury; we buy into the idea that LVMH is the most valuable group in the world. In both of these examples, we not only believe the fashion artifact itself is valuable, but we also think that the craftsmanship and the associated high-art origin is valuable as well.

We believe that a Vetements DHL shirt or a Gucci “Guccy” t-shirt has value, what we don’t think has value though are the origins of these items. Whether it is poor urban youth from across
the world or mundane and unglamorous brands, these brands will never have a value attached to them. Their exploitation and elevation into the same stage as the world of luxury has stripped these brands, fashion, and stories from their original context, cultures, and social level.

The reason that anti-design and everyday popular and celebrity culture work so often as inspiration for luxury houses are because their origins have stripped away all pretenses that come from elitist institutions. There is room for designers to explore and channel anxieties, world events, and popular culture and to create new narratives around these original ideas. Regardless of their original intention, these humble origins and their associated visual codes will almost always find a way into the collective imagination of luxury fashion.
Works Cited

Chapter 1


Chapter 2


Chapter 3


