

Luxury Branding in Emerging Markets

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Abstract In March 2012, Gap entered the South African market, but with a different pricing strategy to the one followed in the USA. While the brand is known as an affordable clothing brand in the USA, its goods were priced substantially higher in South Africa than in the USA. The same Gap T-shirt sold for \$16 in the USA was being sold at \$40 in South Africa. The positioning of the Gap brand as a luxury brand in the South African market suggests that what constitutes a luxury brand is not the same across global markets. This paper explores whether this mode of market entry is a sustainable business model or if the mode of entry is only viable for short-term success. In pursuing this line of thinking, the concept of the opportunistic luxury brand is presented. An opportunistic luxury brand is defined as *a brand that is not normally known as a luxury brand in other markets (i.e. other countries) and is adopting a luxury brand positioning in a particular market*. This paper develops and offers a research agenda for luxury brands in emerging markets.

References

References Available Upon Request

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