GROW

Mini Processbook
Welcome to the mini-process book of my graduation project. As a soon-to-be graduate ‘International Fashion & Branding’ student, I created a brand extension for the Spanish luxury brand Loewe - namely ‘Loewe Grow. This booklet will take you on a journey through my working process. It gives insight into how the idea for the brand extension developed and highlights key steps of my research, concepting and execution phases.
Phase (i)

Preliminary Research
Interests

• craftsmanship
• luxury
• sustainability

During the same period, living in Madrid, I got introduced to the Spanish luxury brand Loewe that is deeply rooted in leather craftsmanship. All of their products are still being handcrafted in their artisanal workshop in Spain. The flagship store, Casa Loewe, was just around the corner of my house and so I spent a lot of afternoons in the store browsing through their magazines and looking at their latest products.

Taking a closer look at Loewe I realised that, as for most other luxury brands, it is very difficult to find any information on their sustainability policy. As sustainability is one of my personal interests, but also increasingly becoming a necessity for fashion brands, I saw an opportunity here to develop a sustainability strategy for Loewe during my graduation project. This would combine my three main interests in craftsmanship, luxury and sustainability.

In the third year of my studies, I went to Madrid for one semester to do an internship at the creative agency ‘Fikera & Quiche’. This agency did not only work in the field of fashion branding, but also recently launched its own eyewear brand ‘Nina Mûr’ offering glasses that are meticulously handcrafted from wood. Helping the agency to build up their eyewear brand and spending a lot of time in their workshop, where all the glasses are crafted by hand, made me fall in love with the idea of craftsmanship.

But can sustainability be part of Loewe’s future? Let’s have a look at their future ambitions first ...
Preliminary Research

Loewe’s Future Ambitions

With the appointment of creative director Jonathan Anderson in 2013, Loewe started to reposition itself. A repositioning of a brand comes always with a new big vision. So far, however, Loewe has only really revealed a new visual identity. So I am wondering: what are the brand’s ambitions for the future on a strategic level?

Growth

“Loewe aspires to become one of the world’s top 3 leading luxury leather Houses” (LVMH website, 2014)

“For a start, I want everyone to know how to say the name. And I want someone like my mother to recognise it when they walk through the airport. I want it to be a very large brand, and I’m not leaving until it’s done.” (Jonathan Anderson, Fantastic Man, 2015)

Meaningful Content

“What we can’t do anymore is simply say; ‘here’s more stuff you can buy. Product is still the most important feature of the business, but the bag will speak for itself. Instead you have to engage with customers on a deeper level.” (Jonathan Anderson, 2016, W Magazine)

“I hope people take the time to digest. But I think then you have to make the content real. The problem is that there is so much bad content out there. To be honest there’s a lot of s—t.” (Jonathan Anderson, 2016, W Magazine)

“Jonathan Anderson is a cunning strategist and a brilliant poster boy for meaningful fashion in the age of Instagram.” (Fantastic Man, 2015)

Positioning as a Cultural Brand

“I think luxury fashion is over. I’m much more interested in fashion as culture.” (Jonathan Anderson, 2015, Fantastic Man)

“To me Loewe is a house with a cultural landscape, more than just a fashion brand.” (Jonathan Anderson, unknown year, SSENSE)

“Becoming a cultural brand isn’t just about being arty.” (Jonathan Anderson, 2016, FT)

“When I was looking at what other brands were offering, none of them really dealt with this culture idea.” (Jonathan Anderson, 2015, SCMP)

Inclusivity

“Anderson wants to dismantle the notion that luxury is still the preserve of the elite.” (FT, 2016)

“Like for me this store, I would hate to think someone couldn’t walk through the door. How embarrassing. It should welcome people.” (Jonathan Anderson, 2016, W Magazine)

“People want a personal experience. They want to feel like they’re in their own comfort zone to shop, without any barrier.” (Jonathan Anderson, 2014, WWD)

Decision: As a strategic fashion brander I consider the ambition of Loewe to position itself as a cultural brand as the most interesting and most relevant topic. Therefore I would like to explore how Loewe could achieve this ambition during my bachelor project. I will later on see if I can also bring the sustainability aspect into my idea.

Which future ambition of Loewe would be most interesting to explore for me personally and for me as a strategic fashion brander?

Growth = General growth is very much an aim that has to do with business strategy. Even though it involves strategic marketing as a tactic, it is mostly concerned with higher turnovers and expansion plans. Growth is always a desired outcome, but it is not the aspect that I would like to focus on during my project as it is more management focused.

Meaningful Content = The creation of meaningful content happens on the level of communication, which is very interesting from the perspective of a fashion brander. However, the question is, which meaning should the content have? In order to create meaningful content, a strategic marketing plan has to be developed first.

Positioning as a Cultural Brand = This ambition of Loewe is very interesting for me as a strategic fashion brander as it has to do with brand strategy and positioning. The biggest question here is how to gain a unique market position as a cultural brand.

Inclusivity = For Loewe this topic is especially about welcoming, inclusive store environments so it is very much about retail concepting and design. This is an aspect that I could come back to later on in my research when I am working on my execution, however, it does not seem big enough of a topic to explore.
How can Loewe gain a unique market position as a cultural brand?

**Subquestions**

(1) Cultural Branding
What is a cultural brand?

(2) Loewe - Brand
What is the core of Loewe? What is the identity of the brand? What is Loewe doing at the moment to position itself as a cultural brand?

(3) Market
Which market is Loewe operating in? Which brands are competing with Loewe? How can Loewe be different?

(4) Audience
Who is Loewe’s audience? Which different customer segments exist? Who are they? What are their interests and needs? How do they see Loewe?

(5) Trends
Which cultural topics could Loewe tap into?
Phase (2)
Research
Cultural Branding Theory

Article:
The Meaning of Culture

Cultural Theorist Raymond Williams identified three different meanings of culture:
• Culture as a process of individual enrichment
• Culture as a group's particular way of living
• Culture as activity e.g. museums, theaters, books, ...

Article:
What Becomes an Icon Most?

• The strategic focus of a cultural brand lies on what the brand stands for, not how the brand performs > myths are created
• If brands encapsulate myths, they deliver them to the consumer in a tangible forms; they make them accessible
• Iconic brands do not just embody any myth, but myths that evolve around tensions people feel between their own lives and society's prevailing ideology

Talk:
On Cultural Branding

• In the era of social media and cultural democracy it is increasingly difficult for brands to create culturally relevant content
• Instead of conventional mindshare branding, where brands tap into current culturally relevant topics through campaigns to resonate with their audience, brands have to become the actual drivers of change
• Holt defines cultural brands as brands that tap into a cultural tension at the point when it arises, e.g. a new view on masculinity
• Important for this cultural strategy, however, is that the cultural opportunity has to resonate with the core of the brand itself, it has to be authentic
• It is the transformation of the brand into a cultural agent that makes cultural branding strategy unique

In its essence cultural branding is about developing an ESP (emotional sellig point) that taps into a cultural opportunity.

Model on Cultural Strategy, Douglas Holt, 2010

Cultural Branding is about more than ‘just’ engaging in culture as an activity. Cultural brands tap into cultural topics and develop a strong opinion either supporting or denying prevailing ideologies in society.
The Core of Loewe

**Mission:**
Loewe wants to reconfigure traditional codes of craftsmanship with a timely awareness to set new creative standards for the future.

**USP: leather craftsmanship**

**Brand Onion:**

- **LEATHER CRAFTSMANSHIP**
- **Quality**
- **Tactility**
- **Spanish**
- **warm**
- **modern**
- **meticulous**
- **experimental**
- **positive**
- **creative**
- **cultured**
- **artistic**
- **poetic**
- **intellectual**
- **mature**

**Brand Research**

Loewe aims to bridge the gap between traditional craftsmanship and innovation.

**5Ps/ Product**

- **Product Type:** High-end RTW Leather Accessories
- **Product Category:**
  - Womenswear (four collections per year)
  - Menswear (two collections per year)
  - Leather Accessories with a focus on leather bags
  - Homeware
  - Perfume
- **Design Signature:** Taking traditional codes and remixing them in a new context
  - “Cultural Cut and Paste”
- **Design Values:** Quality, Expertise, Experimentation, Innovation, Craft, Leather, Textuality

The brand's design signature can be described as ‘Cultural Cut and Paste’.
**5Ps/ Price**

**Market Level:** Luxury

**Core Business:** Leather Accessories

RTW only constitutes a small percentage of the revenue stream

“The clothing essentially adds a character to the bags.” (Jonathan Anderson, 2016, Fantastic Man)

**Product Prices:**
- **Women RTW:** from 225 euros (for a basic shirt) to 3600 euros (for a leather coat)
- **Men RTW:** from 225 euros (for a basic short) to 5900 euros (for a leather jacket)
- **Bags for Women:** 890-2400 euros
- **Other Leather Accessories (wallets, shoes, …):** 250-790 euros
- **Bags for Men:** 780-2900 euros
- **Other Leather Accessories:** 125-590 euros

The core business of Loewe are leather handbags. The RTW is seen as the character of the bags.

**5Ps/ Place**

**Market Location:** international

**Places of Distribution:**
- until 2013 main areas: Spain and Japan
- currently gaining influence in: Northern Europe, Northern America, East Asia (especially China)

**Distribution Network:**
- Loewe Physical Stores (owned by the brand)
  - Casa Loewe (Madrid, Milan, Tokyo, Miami)
  - other physical stores in 150 locations
- Direct-to-consumer via online shop on the Loewe website
- Luxury Department Stores (often through concession stores, e.g. Selfridges, Barnes & Nobles, ...)
- Online retailers such as netaporter, mytheresa.com, ssense, ...

Loewe is a luxury brand deeply rooted in Spanish culture. However, it is becoming more and more international with Irish creative director Jonathan Anderson and the expansion into markets of Northern Europe, America and East Asia.
Loewe offers a brand experience around the fashion. Everything Loewe does ties in with the idea of arts and crafts.
Loewe is has a brand culture of collaboration regularly working with experts in their fields to be authentic and real.

**Brand Identity Prism**

1. **Physique**
   - leather accessories fusing traditional craftsmanship with innovation
   - RTW for men and women with patchwork approach
   - tactile, experimental, quality

2. **Personality**
   - artistic, creative
   - cultured, intellectual, poetic
   - mature, sophisticated
   - positive, warm
   - Spanish
   - modern

3. **Culture**
   - strong company culture with bags still being made in artisanal workshop in Madrid
   - culture of collaboration
   - deeply rooted in Spanish culture but becoming increasingly international

4. **Relationship**
   - personal and intimate customer service
   - welcoming and inclusive
   - meaningful engagement beyond product

5. **Reflection**
   - impeccable craftsmanship
   - leather expertise
   - high quality
   - artistic

6. **Image**
   - creative, cultured
   - in the know
   - fashionable
   - sophisticated

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Loewe is a brand that values craftsmanship and collaboration, working with skilled artisans and designers to create high-quality products that are both innovative and rooted in tradition. Their work is a fusion of traditional techniques and modern design, reflecting a deep respect for the heritage of leather making while also pushing the boundaries of what is possible in fashion and accessories.
In 2014 Loewe received the ‘IE Award for Sustainability in the Premium and Luxury Sectors’.

According to ‘Positive Luxury’, a renowned online website on sustainable fashion, Loewe is one of the most sustainable luxury brands with numerous sustainable practices:

- Collaborations with artists e.g. with Anthea Hamilton in 2018 for the Tate Britain in London
- In-Store Art Exhibitions e.g. feauturing Lionel Wendt in Loewe’s store in Miami for the Art Basel Miami Beach
- Loewe Foundation: Annual Craft Prize + Poetry Award

Loewe is already quite sustainable. However, the brand does not communicate its sustainability practices - Why?

In their communication, Loewe engages a lot in culture as an activity for example through collaborations with artists or by hosting the Loewe Craft Price. However, the brand rather functions as a platform than as a brand with its own identity.
Casa Loewe - Stores

Interview:

Jonathan Anderson and Loewe: Past, Present, Future


- Casa Loewe is a new store concept that aims to dismantle the elitist connotation of luxury and be more inclusive towards customers
- It showcases art and craft pieces alongside the Loewe products
- The art aims to give the customers a moment of pause during their shopping trip and hopes to mentally engage them
- All of the selected art and craft pieces are process oriented
- High focus on personal customer service remains

Personal service and customer relationship are key to Loewe. They want to engage with their customers beyond their products.

Loewe wants to provide a peaceful and inspiring environment to their customers in their physical stores to give them time to reflect and to pause.

At first glance the visual style of Loewe seems to be very eclectic. But there are some key visuals principles that can be found in all of their images:

- Nostalgic with a modern twist: even the more futuristic images feel like referencing futurism from the past
- artistic and conceptual
- surreal elements
- controlled, staged, static
- storytelling, poetic, referencing literary classics
On the Brand Loewe

When there are customers coming into the store - what do you tell them about Loewe?

“It depends a bit on how much the customer already knows. [...] I tell them about Loewe as a Spanish heritage brand and about our unique leather and that everything we do evolves around the idea of arts and crafts.”

“Jonathan definitely has got the style of mixing and matching different looks [...] It really goes well with the whole idea of arts and craft which he is in love with. Everything we do or he does, it always ties in with arts and craft. So for example we have the Loewe craft price, every year we are actually holding the craft price in London with the design museum, but we also do furniture collections every year which is showcased in Milan at Salon de Mobile. So really, the brand - even though it has changed because of him, it still goes back to what it was. Because when it started it was all about leather crafts.”

In 2013 the brand started to reposition itself with the appointment of Jonathan Anderson. How would you describe Loewe’s repositioning strategy?

“When Jonathan started - what we wanted to do is to establish Loewe as a fashion and lifestyle brand rather than just a leather goods brand.”

As you just said Jonathan has a new vision for the brand. I have read in several interviews that he wants to position Loewe as a cultural brand - how would you describe the definition of a cultural brand?

“Yes - the way I would see it: there are brands that are really fashion, based on looks, very much into RTW or accessories heavy - but what we do is for example a lot of events that tie in with arts and crafts. [...] It is a marriage of art and fashion and culture. So that’s what we mean by cultural - it’s not just fashion. We offer a brand experience around the fashion.”

You said earlier that your leather is very unique - Could you still tell me a bit more about the leather?

In terms of the leather, we have been using the same tanning company for many many decades and actually we get a priority pass, so we are the first company who gets to go back to what it was. Because when it started it was all about leather crafts.”

On the Market Positioning

“Looking at the pieces we have, it is definitely miles away from the likes of Balenciaga and different from the likes of Céline, we cater to both audiences. The younger customer who buys Balenciaga would find experimental or quirky pieces here and then the Céline woman would also find something here.”

On Sustainability

“One thing I can tell you about is that the leather we use for the bigger bags is only a small percentage, but to make sure that nothing gets wasted, we use the rest of the leather for smaller bags and accessories and patches. So in terms of sustainability and material waste this is one thing we do. [...] We also don’t produce vast amount of stock. [...] It is sometimes frustrating to the customers, but for me, working at Loewe, I think it is fantastic, because we don’t end up having lots of left overs.”

Do you know why you do not put that much emphasis on sustainability here in store or as a brand?

“I mean, (thinking) it is not really something our customer is interested in or would ask about. (thinking) But now that you mention it, actually, it is something we could think about to communicate better.”

All of the bags are handcrafted in an artisanal workshop in Madrid. Loewe puts a lot of emphasis on the process and making of their bags.

The brand does not communicate its sustainability practices because they think that the audience is not interested in sustainability.
Overview on Brand Insights

Loewe

- The essence of Loewe is leather craftsmanship.
- The brand aims to bridge the gap between traditional craftsmanship and innovation.
- Loewe is a luxury brand deeply rooted in Spanish culture. However, it is becoming more and more international with Irish creative director Jonathan Anderson and the expansion into markets of Northern Europe, America and East Asia.

Loewe’s products

- The core business of Loewe are leather handbags. The RTW is seen as the character of the bags.
- All of the bags are handcrafted in an artisanal workshop in Madrid. Loewe puts a lot of emphasis on the process and making of their bags.
- The design signature of Loewe can be described as ‘Cultural cut and paste’ remixing traditional codes in a new context.
- They are a brand culture of collaboration regularly working with experts in their fields to be authentic and real.

Loewe’s communication

- Loewe wants to offer a brand experience around the fashion.
- Everything Loewe does ties in with the idea of arts and crafts.
- In their communication, Loewe engages a lot in culture as an activity for example through collaborations with artists or by hosting the Loewe Craft Price. However, the brand rather functions as a platform than as a brand with its own identity.
- Loewe is one of the most sustainable leather luxury brands. The brand does not communicate this though because they think that the audience is not interested in sustainability.
- Personal service and customer relationship are key to Loewe. They want to engage with their customers beyond their products.
- They want to provide a peaceful and inspiring environment to their customers in their physical shops to give them time to reflect and to pause.
- The brand has got a clear USP but not a clear ESP.

Conclusion Brand Research

Loewe has got a clear USP: innovative leather craftsmanship

But the ESP of the brand is not clear yet. What do they stand for beyond their products and leather craftsmanship? What is the emotional value attached to the brand?

Looking at the research question “How can Loewe gain a unique market position as a cultural brand?”

& the definition of a cultural brand “as a brand with an ESP that taps into a cultural opportunity”

Loewe needs to establish an ESP (emotional selling point) in order to gain a unique market position as a cultural brand.

Where to go from here?

Look at competitors and Loewe’s competitive advantages: What makes Loewe unique or can make Loewe unique on an emotional level in the future?

Look at the audience: What does Loewe’s audience think about the brand? What do they need? How can Loewe create an emotional bond with them?

What is a cultural opportunity for Loewe? Which trends and topics can the brand tap into?
**Luxury Handbag Market**

**Article:**

The Psychology of Designer Handbags  

- Handbags are the ultimate accessory to convey individual style and status  
- They are seen as a form of investment as well as an extension of ourselves  
- “While shoes, coats, dresses, shirts and trousers are often bought by women in middle-priced or high-street stores, they are prepared to fork out substantial sums for an item, that, in its most basic form, dies nothing that a supermarket plastic bag can’t do.”

> We have more of an emotional relationship with our handbags than a functional one: therefore a clear ESP for a designer bag brand is all the more important.

**Report:**

Fashion Industry Sales Growth  

- The handbags sector continues to grow in 2018 with a growth rate of 4.5-5.5 percent. It is the second largest growth rate after the sportswear sector.

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**Competitor’s Matrix**

Luxury Leather Goods Market

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<thead>
<tr>
<th>HERMÈS</th>
<th>PRADA</th>
<th>CHLOÉ</th>
<th>GUCCI</th>
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<tr>
<td>Dior</td>
<td>CHANEL</td>
<td>CÉLINE</td>
<td>BALENCIAGA</td>
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<tr>
<td>traditional</td>
<td>avant-garde</td>
<td>low price</td>
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(1) Positioning of Loewe before the appointment of Jonathan Anderson in 2013

(2) Positioning of Loewe after 2013 till today

Loewe is positioned between Celine and Balenciaga, offering both understated, minimalist pieces as well as more experiential ones.
Loewe's Competitive Advantage

**Product**
- leather expertise
- fusion of traditional craftsmanship with innovative techniques
- cultural cut and paste
- tactility, sensory expertise
- sustainable

**Price**
- more affordable than brands with similar value proposition (e.g. Hermes)

**Place**
- direct-to-consumer via online shop, wide ranging accessibility

**Promotion**
- communication beyond product
- Loewe Foundation + Craft Price
- shops as cultural hubs to slow down consumer’s lives
- ads and collabs to engage on a meaningful, non-product level

**Process**
- personal customer engagement and service

**People**
- strong brand culture
- workshop of artisans in Madrid ( Authenticity, credibility, family heritage)
- collaborations with experts in their field

Translation into ESP

**Option 1:** Loewe as the most accessible luxury brand.

**Option 2:** Loewe as the most mindful luxury brand.

**Option 3:** Loewe as the most culturally-diverse luxury brand.

**Decision**

In order to be able to make a decision on which ESP would be the most relevant for Loewe to establish, I first have to investigate:

- audience
- social trends
After having talked to the Loewe store manager in London and with the help of research on Instagram investigating the people who tagged Loewe as a brand in their pictures, I segmented the audience of Loewe into four main segments.

(1) Fashion Insiders
Millennials + Baby Boomers, 25-60 years old, mostly female
Working in the fashion industry or in related fields, often present at fashion weeks
They mix and match all the luxury brands: Gucci, Prada, Celine, Chloe, Chanel, Dries van Noten, MiuMiu, Balenciaga, Isabel Marant, ...

(2) Affluent Fashion Enthusiasts
Millennials + Baby Boomers, 25-60 years old, mostly female
Working in high level executive positions, in the fashion industry but also in industries such as business, media, finance and law
They buy into understated luxury: Celine, Chloe, Prada, Chanel, Dries van Noten, MiuMiu, Isabel Marant, ...

(3) Logomaniacs
Millennials, 25-35 years old, mostly male
High focus on streetstyle and logo brands such as Offwhite, Balenciaga, Gucci, Vetements, JW Anderson, APC, ...
Less interested in Loewe bags, usually buy statement sweaters or other key pieces from the RTW collection

(4) Casual Fashion Follower
Millennials, 25-40 years old, mostly female
Usually buy high street and premium brands such as (H&M, Zara, Topshop, &OtherStories, ...) but own a few statement pieces from high end brands
Mostly own only one Loewe bag and wear it almost all the time
Fashion Insiders
usually sponsored

Affluent Fashion Enthusiasts
core communication audience
regular customers

Casual Fashion Followers
biggest buying audience
one-time customers

Logomaniacs
trend followers

The Casual Fashion Followers are Loewe’s biggest audience. However, they are not big spenders as individuals and they are not returning customers. Beyond that they are influenced by the ‘Affluent Fashion Enthusiasts’ who are to the contrary regular customers with a big budget. Therefore I choose to target the Affluent Fashion Enthusiasts.

Report:
Consumer Shifts - Getting Personal

- Consumers increasingly demand unique products and offers: niche brands, customisation, curated recommendations and personal communication
- Fueled by the exploding use of social media and increasing desire to use fashion choices as expression of identity
- Consumers prefer brands that align with their values, and so they seek authenticity from the fashion companies they engage with

Report:
Eco Worriers

- Green issues are no longer the territory of the outlier, but instead are the mainstream
- However, they remain a secondary factor: most consumers select the green option only when it is simple, convenient and cost effective

Report:
The Rise of the Responsible Consumer

- Emotional connection between consumer and brand increases brand loyalty and customer spending
- Sustainability goes mainstream and has an impact to some extend on the purchase decision of 87% of adults
Customer Survey - Results

I distributed my survey to roughly 200 people, also through Instagram, and received 20 responses. All of the participants were preselected and are part of the 'Affluent Fashion Enthusiasts'.

### 20 Participants
- 20 - 50 years old
- 70 % female, 30% male
- 70% working, 15% studying
- Active in industries such as: Fashion, Finance, Business, Marketing, Media

### Social Behaviour
- 85% see themselves as a busy person
- 70% consider themselves as cultured because they regularly visit art exhibitions and museums
- 20% see themselves as cultured because they enjoy thinking about social topics
- Their opinion on art: 90% think that art should inspired beyond being merely aesthetic

### Buying Behaviour
- The majority sees quality + style as the most important factors influencing their purchase decision
- Price and functionality are secondary criteria
- Sustainability, trend and innovation are seen as important factors, but not as primary ones
- 75% of the audience state that they like craftsmanship because it creates unique products
- More than half of them also say, that they like that craftsmanship puts emphasis on the making

### Opinion on Loewe
- They are recurrent customers, the majority owns several items of Loewe
- The most common associations that the audience has with the brand: quality, craftsmanship and leather > all functional values
- 70% consider Loewe as a cultural brand
- 75% state that they usually buy Loewe products in the brand's physical stores
- 75% follow Loewe on social media
- More than half of the audience does not know or is not sure if Loewe is sustainable

### Opinion on Sustainability
- 20% state they care a lot about sustainability, 70% say that they care a bit
- 95% are open for paying more for a sustainable product
- However, the majority with 70% ends up buying non-sustainable clothing even if they care in theory
- Still, more than half think that it is great if a fashion brand addresses the topic of sustainability

Interviews

It was already very difficult to find and reach the chosen audience for my survey, it became even harder for the interviews. Even visiting the store in London did not help as I could not talk to any customers (most of them have private appointments and don’t just pop into the store). However, I did find a few people I could interview per mail.

Frédérique, 53, French, living in Hong Kong

“I like to know where my clothes come from. With a brand like Loewe it feels like the bags have a story to tell. You get a sense of the story when you touch them.”

Farina, 32, American, living in NYC

“Handcrafted products are simply something else.”

Fazıl, 20, Turkish, living in Paris

“Craftsmanship makes a big difference in the quality, and Loewe is the king of craftsmanship.”
Audience Research

Audience Moodboard

Overview on Audience Insights

New name: The On-the-go Sophisticates

- The On-the-go Sophisticates appreciate craftsmanship not only because of the high quality, but especially because it puts emphasis on the making of a product.

- When it comes to fashion, but also to furniture and art, it is the uniqueness of a product that catches the interest of On-the-go Sophisticates.

- As they consider being cultured as a status symbol, the On-the-go Sophisticates regularly visit art exhibitions, follow cultural institutions on social media and collect art.

- Above all, they believe that art should inspire. In their opinion, art is not meant to be merely beautiful; it should have a second layer to trigger their thoughts.

- The On-the-go Sophisticates consider themselves as creatives but they are not artists themselves. They are rather curators and art collectors.

- They care about sustainability in theory but often end up buying non-sustainable fashion as they don’t want to compromise on style and quality.

- They are busy individuals with the only moments of relaxation often being lunch or dinner times.

- As busy individuals, the On-the-go Sophisticates often only have a moment of relaxation during lunch and dinner times.

- The majority of the On-the-go Sophisticates shops in Loewe’s physical stores and follows the brand on Instagram.
**Cultural Diversity**

From a series of reports:

**WGSN**

- As part of globalisation our nationalities and cultures become increasingly intermingled which leads to a global multi-racial and multi-cultural diversity.

- Political borders are being reinforced. As a counter-reaction design and fashion are becoming more and more borderless and connecting cultures by tapping into the spirit of cultural collaboration.

- With cultural appropriation as a big issue in the past, preservation and collaboration of cultures become increasingly important.

- Undiscovered techniques and cultural elements become the new premium and offer the desired uniqueness factor.

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**Slow Movement**

From a series of reports:

**WGSN**

- With lives speeding up around us, there is a new appreciation for moments of relaxation and reflection.

- As technology is taking over more and more daily processes in our lives and everything around us is being atomised, there is a counter movement arising putting the emphasis back on the process.

- In the era of technology, craft is not necessarily about the human technical skill any more, but about the human thought adding meaning to it.

- Spending most of our days on our phones or other technical devices, we are craving for tactile experiences and want to reconnect with our senses.

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The trend supports the relevance of ESP Option (3): Loewe as the most culturally-diverse luxury brand.

The trend supports the relevance of ESP Option (2): Loewe as the most mindful luxury brand.
## Key Research Insights

**Question:** How can Loewe gain a unique market position as a cultural brand?

Being a cultural brand is about more than engaging in cultural activities. It is about having an ESP that taps into a cultural opportunity and creates an emotional bond with the customer.

**The Brand**

Loewe communicates with their customers beyond products by engaging in cultural activities. But Loewe rather acts like a platform showing art and craft instead of acting as a brand with a strong identity.

Loewe has got a clear USP but no clear ESP (emotional selling point).

Loewe needs to establish an ESP (emotional selling point) in order to gain a unique market position as a cultural brand.

**The Audience**

The Loewe core audience associates the brand with functional values only; such as quality, leather expertise and craftsmanship.

**The Market**

The market for luxury leather goods is crowded. Most luxury brands offer the same USP as Loewe.

As luxury bags are the ultimate status symbol for consumers to express their identity and social status, the ESP of a luxury brand is just as important as the USP.

**What ESP is the right one for Loewe?**

**Brand Insights**

Loewe puts a lot of thought into the making of their products with carefully selected materials and a slow but qualitative high production process. (Interview Store Manager, London)

Physical Loewe stores are meant to give a moment of pause and reflection to their customers. “I hope that people take time to digest.” (Jonathan Anderson, 2016)

Loewe is one of the most sustainable luxury brands, but does not communicate that, because they think that their audience is not interested in this. (Interview Store Manager, London)

**Audience Insights**

The On-the-go Sophisticates appreciate craftsmanship not only because it makes the products more unique in their eyes, but also because it puts emphasis on the making. (Survey)

They are busy individuals with full schedules. Instead of going to the spa or doing yoga, they treat themselves with a nice lunch/dinner in order to relax. (Survey)

The majority does not know that or is uncertain if Loewe is sustainable. (Survey)

**Market Insights**

There is a current counter-reaction to society’s fast-paced lifestyles: The Slow Movement. This is a cultural opportunity that fits Loewe’s identity and could help them to establish an ESP.

No other leather luxury brand has tapped into the Slow Movement yet, so it would give Loewe a competitive edge.

**Strategy:**

To establish Loewe as the most mindful* leather luxury brand.

* appreciating the process taking time to reflect re-engaging with our senses
Phase (3)
Concepting
Conceptual Starting Points

Aim:
To communicate Loewe’s new ESP as the most mindful leather luxury brand.

Alongside communicating the newly established ESP of the brand, the concept should also not forget about the USP of Loewe, which is leather craftsmanship.

What does mindful mean to Loewe Grow?
- appreciating the process
- taking time to reflect
- re-engaging with our senses

Audience Insight:
The On-the-go Sophisticates are busy individuals who find relaxation in self-care.

Idea:
An exclusive skin care line that can be used for both the skin of the leather bags and the skin of the customers.

- can be introduced through collaboration with spa or in-store spa treatments
- taps into the wellness trend
- achieves to slow down the lives of the customers for a moment

The concept encapsulates the new ESP of Loewe, but it is far away from the USP of the brand.
Loewe Grow is a brand extension for Loewe that aims to communicate the new ESP of the brand to their core audience, the On-the-go Sophisticates, through an innovative product line and multi-sensory brand experience.

Since the On-the-go Sophisticates value craftsmanship because it puts emphasis on the making of the products (Insight), Loewe Grow rethinks the moment of creation to catch the attention of their audience and to communicate the new ESP of the brand. It introduces a product line of bags made from vegetable leather. This innovates the traditional process of making a leather bag, as the used materials are slowly grown from natural ingredients such as mushrooms.

With the slowness of growing being the ultimate metaphor for mindfulness, it is here where the brand can insert its new brand message. A visual series and in-store art installations show the growing of the material to the audience in real-time. This invites the On-the-go Sophisticates to think about the fast pace of our lives and consumption patterns, or simply makes them aware of the beauty of slowness.

**Decision:**

Concept (2) is the final choice as it manages to communicate both the new ESP and USP of Loewe.

**Concept Description**

Loewe Grow is a brand extension for Loewe that aims to communicate the new ESP of the brand to their core audience, the On-the-go Sophisticates, through an innovative product line and multi-sensory brand experience.

**Vegetable Leather Bags**

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Phase (4)

Execution
New Research Questions

Concept
- How does Loewe look & feel like?
- What are the vision, mission & values of Loewe Grow?
- How do the Loewe Grow products look and feel like?
- How does the material actually work?

Communication
- How can Loewe be introduced to the audience?
- What are the main communication objectives?
- What are the insights?
- What is the strategy?
- What are the tactics?
- Which channels/ touchpoints can be used?
Recap Visual Style Loewe

Loewe's key visuals principles:

- Nostalgic with a modern twist: even the more futuristic images feel like referencing futurism from the past
- Artistic and conceptual
- Surrealist elements
- Controlled, staged, static
- Storytelling, poetic, referencing literary classics

These visual principles form the foundation for the development of the Loewe Grow visual language.

Taking Mood Photographs

These first mood images go in the right direction with the mood, but lack fashion + luxury feel.
Since the On-the-go Sophisticates value craftsmanship because it puts emphasis on the making (Insight), Loewe Grow rethinks the moment of creation to catch the attention of their audience and to communicate the new ESP of the brand.

It introduces a product line of bags made from vegetable leather. This innovates the traditional process of making a leather bag, as the used materials are slowly grow from natural ingredients such as mushrooms. With the slowness of growing being the ultimate metaphor for mindfulness, it is here where the brand can insert its new brand message.

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Aque voluptatibus veribus maximol uptatem facimporest laboreperem qui tem et est, oditataes exceatecusam fuga.

The final visual language of Loewe Grow can be described as retro futurism.

The final graphic language of Loewe Grow combines a classic serif font with a modern non-serif one to balance out Loewe’s position between heritage and future.
Brand Concept

Loewe Grow is a brand extension for the luxury leather brand Loewe. It introduces a new product line to the leather market: bags made from mushroom leather. This innovative material is not only completely sustainable, but it also allows us to rethink the way we produce and use our products. As the mushroom leather is slowly grown in a lab from natural ingredients, it invites us to look at the moment of creation with a different, more mindful pair of eyes.

Vision: The uniqueness of a product lies in its making.
Mission: We celebrate the moment of creation.

In the first collection of Loewe Grow, geometric shapes meet organic elements and rounded details. This juxtaposition is a metaphor for the artificial and the natural that are united at Loewe Grow. The bags come in several muted colours such as black, brown, white and a natural orange. Smooth surfaces create the look and feel of real leather. Overall, the collection has an elegant look.
Mushroom Leather

Production Process

- Leather is grown from mycelium and agricultural byproducts
- Mycelium = root fibres of mushrooms
- The kind of mushrooms they use: Gmnaderma Lucidum, but almost any kind of mushroom can be used
- Fungus seeds are added to agricultural biomass, mycelium grows and the mass becomes one
- Temperature, humidity, amount of light, and exchange of gasp influence the growing of the material
- Depending on the bio mass that is used the final material can be either very hard or very soft
- Harder materials are being used for packaging, furniture, interior design etc.
- Softer material is an alternative for leather

Qualities

- Not replacing leather, something even better
- Low-tech solution
- Patterns can be directly grown into the materials
- Grows in 2 weeks vs. 2 years of the same size for real leather from a cow
- Breathable, water-wicking, natural antibiotics
- Skin, grown, alive, organic
- Durable
- Versatile, endless range of colours and finishes
- Engineerable: patterns, textures, customise for thickness, size, three-dimensional features
- Closed-loop process, bio-degradable, mycelium benefit to the earth

How is the material actually being produced?

Growing the mushrooms myself helped me to understand how the mycelium leather actually works and also inspired me for my communication tactics.

Experiment: Growing my own mushroom

Material Experiment
Communication Plan

Cognitive Objective
To introduce the brand extension Loewe Grow to the core audience of Loewe.

Affective Objective
To inspire the audience of Loewe Grow to rethink the fast pace of life.

Main Communication Audience
The communication audience for Loewe Grow is the same as the core audience of Loewe: the On-the-go Sophisticates.

Strategy
To show the making of the new material through the lens of art and craft.

Tactics
1. Visual Campaign
The introduction of the brand extension Loewe Grow starts off with the release of a visual campaign that gives a sneak peak on the new product line and hints at the special making of the products. At this point, however, no further information is revealed to fuel speculations and to spark a discussion among the audience. Following Loewe’s established campaign strategy, the visual campaign is distributed both online and in print.

2. In-store Art Installation
Once launched, the Loewe Grow products are presented in an in-store art installation at selected Loewe boutiques. In collaboration with the design due Formafantasma, the installation will visualise key steps of the making of the mushroom leather. Bridging the gap between science and art, the installation manages to bring the production process of the new material closer to the audience in an appealing way.

3. Launch Dinner
Prior to the reveal of the art exhibition to the general public, a selection of VIP customers are invited to the Loewe store for a special Loewe Grow launch dinner. Here they can have a look at the Loewe Grow products and art installation for the very first time. Beyond that they will be served a special meal made from the same mushrooms as the bags.

4. Visual Zine
With the purchase of a Loewe Grow product comes a photographic inspiration booklet that visualises the making of the mushroom bags on a conceptual level. The book fuels visual inspiration and can live on beyond the campaign as a collector’s item.

Creative Concept: Nature Laboratory
Communication Challenge
To create a series of photographs for the brand extension Loewe Grow that put emphasis on the special making of the bags as they are being made from mushroom leather instead of conventional leather.

- 1-2 key images of this visual series will be used for the Loewe Grow campaign posters that can live both in print and online.
- A further selection of around 10 images will be used to create an exclusive visual inspiration booklet that is received at the purchase of a Loewe Grow product.

Communication Objective
To introduce the brand extension Loewe Grow to the core audience of Loewe. To fuel desire for the brand extension through visual inspiration and storytelling.

Brand Communication Insights
Loewe releases a triptych of campaign images for every season:
- one mood image
- one straightforward product image showing the key item of the season, always a bag
- one lookbook shot showing the collection

>> as Loewe Grow does not produce clothes, we aim for 1 conceptual mood image + 1 product image for the Loewe Grow introduction campaign

Loewe prefers to create a mood and show the product in two different images. “Somehow we created a channel in the context of advertising, the Loewe channel, where, instead of mixing everything in one image, there are several images that are talking to each other.” (Michael from M/M Paris, Art Director of Loewe, System Magazine, 2016)

Audience Communication Audience
The On-the-go Sophisticates like craftsmanship because it puts emphasis on the making. It is the uniqueness of a product that triggers the On-the-go Sophisticates to make a purchase decision. If a product has got a special story to tell, it is more unique in their eyes.

They care about sustainability in theory, but often end up buying non-sustainable fashion as they don’t want to compromise on style and quality.

>> The communication should not put its main emphasis on the sustainability of the Loewe Grow products but instead on the unique making and storytelling of the bags in order to reach the On-the-go Sophisticates.

Key Message
The Loewe Grow handbags are being made from mushrooms instead of animal leather.

Reasons to believe
Loewe is a trusted leather expert. If they use mushroom leather for their bags, it must be of high quality.

Constraints
Since the vegetable leather is a new material, the consumer might be critical about the quality of the leather even though Loewe is their trusted leather expert. However, the photographic series should not be about convincing the audience that the mushroom leather is a material of higher quality, but it should be about the emotional hook making them fascinated by the way the material is being produced.

Communication Tools
Printed Campaign Posters
Instagram
Printed Visual Inspiration Booklet

Creative Starting Points
The creative concept of the photoshoot is inspired by Paulo Coelho’s classic novel ‘The Alchemist’ (1995). The book is among other things evolving around a character, the alchemist, who can turn lead into gold with his special skills.

> Inspired by this novel the photoshoot will have one main character, a female alchemist, ‘La Alchemista’. Instead of turning lead into gold, however, she will turn mushrooms into a leather handbag.
Shoot Concept: Nature Laboratory

bringing elements of nature and artificial aspects together
futuristic lab meets warm naturalism
putting emphasis on the way the leather for the bags is being made: grown in a lab, but on a conceptual level
After the first selection it becomes clear that the majority of images puts the focus on the face of the model instead of the mushrooms which distracts from the message. The images have to be cropped and repaired.
The first choice of the campaign poster fails to bring the intended message across: too little focus on the mushrooms, no bags, and too much emphasis on her face. The product and the mushrooms have to be included.

The final posters manage to tell the story much better: the two images work together through the Kuleshov effect and are supported by copy. It is now clear that bags are being sold made from mycelium (mushroom) leather.
02. In-House Art Installation

Mood

Materials

Textures

Shapes

Colours
The final mock-up gives an impression of how the products are going to be presented in-store. The installation will be realised in cooperation with design duo Formafantasma.
The first selection of images for the visual publication fails to bring the intended story across. It is not clear that bags are being made, and there is too much focus on the model and her face. Beyond that there is no evolution in the story, it starts with mushrooms and ends with mushrooms.
The final selection of images for the visual publication solves all the problems. More detail and product shots are being included which take the focus away from the model and put it on the mushrooms and bags. Beyond that there is a clear evolvement in the story.
The Mycelium Skin is extracted from the mycelium biomass, layered, and then turned into leather. This leather is then being used for the Loewe Grow bags.

The Mycelium Biomass is needed to grow the Mycelium skin, but it is not needed for the leather bags later on. However, mycelium biomass is an established material in the world of product design, and so it will be used to create the art installation and visual merchandising that are presenting the Loewe Grow products in-store.

The Mushroom Fruit is the part that we actually often think about when we talk about mushrooms: it is the part that we can eat. However, in the production of the mushroom leather it is rather a bi-product. In order to not waste this tasteful fruit, it is being used to create delicious meals for Loewe Grow events, including the launch event.

In the end the project addresses sustainability but does not put its main emphasis on it. Sustainability is more of an underlying factor of the strategy.

by Natali Finke


