

**Creativity and Courage:
Chanel and the Psychology of Mass Marketing**

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Author Bio

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Abstract

Chanel is a unique brand targeting the luxury consumer sector. This article focuses on Chanel's marketing strategies for its different products including perfume, jewelry, and bags, and how they effectively reach the target market by using the idea of conspicuous consumption. It also examines the origin of the Chanel brand, its history, and addresses how Chanel developed into its current brand position. Finally, the paper emphasizes how Chanel transforms and shifts over time to establish its marketplace through selective targeting strategies with each individual product. In addition, it examines Chanel advertisements throughout history and the use of celebrity endorsement in their promotions.

Introduction

In 2009, former French Minister of Culture Andres Malraux said, "France has three names that would last forever: De Gaulle, Picasso, and Chanel" (Collins, 2009). No matter how fashions change, or how many talented designers there are, the name of Coco Chanel and the Chanel empire she founded is imprinted on the center of the fashion stage. In this paper, three of Chanel's products, perfume, earrings, and bags will be discussed. The paper emphasizes the advertising of products from the origins of Chanel in 1910, to the present. The author also addresses how Chanel targets its market by using conspicuous consumption- the overconsumption of luxury goods intended to enhance oneself's prestige. This paper argues that, for more than a century, Chanel has been at the forefront of fashion through its selective targeting strategies for each product. Chanel has created a unique marketing strategy and accurately targeted fashion positioning to make significant impacts on the fashion industry.

Background

Chanel wasn't always a multifaceted fashion house: "Chanel began by opening a hat boutique. Her brand became recognized when a French actress wore a hat she designed, which boosted the designer's reputation." (Zihan, 2021) As Chanel's popularity increased, Coco decided to open up more boutiques, mainly selling clothing. Her first success in clothing was a dress she made out of an old jersey for herself. People who noticed her dress asked her where she got it, and Coco offered to make

one for them. Chanel soon became a popular figure and was invited to design clothing for the Ballets Russes and Jean Cocteau's play Orphée. In 1920, Chanel expanded her business with the help of department store owner Théophile Bader and business people Pierre and Paul Wertheimer. Together, Chanel, Bader, and the Wertheimers developed and launched Chanel's first perfume, Chanel No. 5. (Zihan, 2021)

As Chanel's popularity continued to thrive, Chanel and her brand became trendsetters in the fashion industry; due to its revolutionary designs and timeless modernity, it has been able to carry its legacy and heritage for more than 100 years since its inception. (Zihan, 2021) Chanel also developed many sub-brands under particular product categories: fragrances, watches, clothing, and accessories. Chanel promotes its brand through sponsoring exhibition shows, fashion shows like Paris fashion week, and many others. (Zihan, 2021) Chanel distributes its offerings through various channels such as exclusive stores, e-commerce sites, multi-brand stores, and high-end supermarkets to make the products available worldwide. Chanel exclusive showrooms are called Chanel Boutique, and there are more than 300 Chanel boutiques around the globe. (Chanel Official)

According to Ken Hansberry's speech, Chanel is a prominent example of psychology in fashion marketing. It has successfully positioned itself on the emotional quotient as most luxury product companies do, using a value-based positioning strategy.

(Hansberry 2021) Its first ads appeared in The New York Times in 1934. (Chanel Official) However, in subsequent decades points of sale would multiply, and Chanel aimed to appeal to increasingly larger audiences. The original message was lost, and

by the late sixties, the perfume's allure of sophistication had disappeared. N°5 ran the risk of being identified as a mass-market fragrance. (Hautala, 2013)

Chanel has used the idea of conspicuous consumption to promote most of its products. According to Trudie Walters and Neil Carr, “through its ability to convey meaning and signal wealth, luxury has long been synonymous with conspicuous consumption.”

(Walters & Carr, 2018) The idea of conspicuous consumption has existed for centuries.

According to Memushi, in fact, the idea of conspicuous consumption already existed globally in the period between 470-339 B.C. Nowadays, conspicuous consumption continues to rise due to social, political, and economical factors. As Memushi stated, in

a “society of image”, people are more incentivized to conspicuously consume more

luxury items. (Memushi, 2013) Luxury goods have a conspicuous effect on the rich; if

buying Chanel bags shows the status of the nobility, customers are often willing to

consume more; the consumption tends to increase along with the social development.

Studies show that “developing countries may have a relatively higher level of

conspicuous consumption, because of extreme inequalities in income.” Consumers

usually consume goods for social needs instead of material needs. Buying

“conspicuous” products can satisfy prestige. (Memushi, 2013)

Perfumes: Continuity in Branding

Chanel No 5, the world's first women's perfume, was launched in 1921 and still thrives now. The early way Coco advertised her perfume was by inviting her friends to dine with her. She would surprise them by spraying them with perfume and giving away some bottles. To make her perfume, she sprayed her boutiques' dressing rooms with the scent. This strategy worked, and she soon gained a reputation in Parisian high society. (Hautala, 2013) During the same year, a cartoonist named Sem designed the first Chanel perfume advertisement. It was an artwork portraying Coco Chanel gazing up at the classic No.5 transparent container, wearing a simple but elegant dress, which Chanel advocated (Image 1).

Image 1: Tribute to No. 5, by Sem. Image via Chanel. 1921



Coco Chanel in this image represents the idea of "the new woman" and that No. 5 is her chosen perfume. (Hautala, 2013)

Conspicuous consumption has significant effects on the success of No.5 perfume.

Chanel No. 5 was a reminder of "a world of glamour and beauty that somehow had survived. "(Nunes, 2011) In 1954, Marilyn Monroe, in an interview, mentioned that she favors the same perfume: "I wear nothing but a few drops of Chanel No. 5". All of a sudden, the perfume's sale reached its peak. However, Marilyn Monroe was not one of Chanel's spokespeople, meaning that the most successful celebrity endorsement didn't cost Chanel a cent. For Chanel, however, the popularity came at a price. Chanel has a well-established foothold in the market, and with its uniqueness, Chanel is able to take advantage of the idea of conspicuous consumption. Women usually have a strong ability to express, infect, and spread their feelings through persuasion, advice, or messages to influence other consumers around them. (Nunes 2011) Female consumers of No.5 will take their satisfaction in using the product and their satisfactory experience as their bragging capital, and use opportunities to preach to others to prove their great taste and shrewdness in the selection of products. Conversely, women's shopping decisions are more likely to be influenced by other consumers' experiences.

In the early 1960s, however, trouble appeared in Chanel no. 5's image. The image had become too 'common' because it was sold in discount pharmacies and chain stores. During the 1970s, the new head of Chanel, Alain Wertheimer, removed all bottles of Chanel No. 5 from chain stores and solved the crisis. (Hautala, 2013)

Chanel has lost some of its appeal and has become more accessible and inexpensive since striking a balance between an elite cultural icon, and a common object is difficult.

Nowadays, Chanel's focus is to target youthful women. Since the idea around perfume is based on an imaginary world, Chanel No. 5's messages portray aesthetical values. Chanel appeals to this audience by displaying pure beauty and simplicity while also suggesting a manner of risqué boldness. Over the decades, Chanel N°5 has featured some of the greatest actresses of our time. They include Ali MacGraw, Lauren Hutton, Catherine Deneuve, Carole Bouquet, and Nicole Kidman. Chanel went on to work with well-known photographers like Richard Avedon, Patrick Demarchelier, and Dominique Issermann. (Hautala, 2013)

Chanel has employed celebrities for photoshoots. In the 1937 advertisement, we see Coco Chanel dressed in black and standing next to the fireplace with an armchair beside her and some flowers. Different from the 1921 advertisement, here, she paints a more extravagant picture associated with grand luxury. (Figure 1) In 1957, the actress and model Susan Parker were one of the first in Richard Avedon's ad; she is portrayed as the perfect woman of the 1950s: energetic, clearly upper-class, and flawless. The slogan "Every living woman loves Chanel 5" will be passed down through the 1960s. Catherine Deneuve has created some of the most iconic and enduring images in history. (Hautala, 2013) No slogans, no ad replicas, only her face, bottles, name, and the brand. "No. 5" has become synonymous with the beauty of French elegance around the 1980s.



Coco Chanel by Francois Kollar 1937



Suzie Parker by Richard Avedon 1957



Catherine Deneuve by Richard Avedon 1978

Earrings: Branding Accessories

Chanel Haute Couture jewelry is inspired by the bold concept of Madame Coco Chanel's first haute couture jewelry collection in 1932 and the iconic theme that represents the brand's unique connotation. From 1988 to 2007, Lorenz Baumer designed several fine jewelry collections. (Chanel Official) Since then, Chanel high jewelry set up a creative studio, drawing inspiration from Coco Chanel, under the initial drawing, and then refined the product to prepare for the jewelry workshop craft drawings.

Chanel earrings are the classic earring accessories of the Chanel brand. Different from the elegance and simplicity of Chanel's other products, the design of Chanel's jewelry is more diversified, either fresh and refined or creative and styled. Chanel earrings have been widely praised since their birth. It's easy to find Chanel double C overlapping in the design of the logo (Image 2).

Image 2: Gold & Crystal.



This "spiritual symbol" is among the most popular items for consumers. Chanel's earring itself is not made out of precious material. All the accessories of Chanel are artificial jewelry, and all the pearls are not real pearls but made with pearl powder wrapped in glazed balls. Chanel also likes to replace real diamonds with rhinestones because the variety of colors and facets of rhinestones will make the jewelry more able to achieve the effects that designers and customers want. However, even when consumers are aware that the materials used are not rare or pure, they're willing to make the purchase.

Chanel did a great job designing many series and styles for their earrings, and each series has its characteristics. A series conveys one or even multiple concepts and is dedicated to creating a free, elegant, and distinctive style for women, highlighting the unique charm of women. For instance, Camellia is very representative. It can be said that the camellia is the national flower of the Kingdom of Chanel. (Chanel) Each of the Chanel earrings in the shape of camellia embodies Chanel's noble and elegant taste with its unique skill (Image 3).

Image 3: The Camellia



Starting in the 1920s, Coco Chanel often wore camellias as brooches over her shoulders or embellished with hairlines and appreciated the natural elegance of camellias, as well as their neutral and stylish temperament, and round, full, and geometric simplicity. (Chanel Official) Camellia also has a rare quality: it has almost no aroma and overshadows No.5 perfume. The white flowers of camellias and the cascading petal curves are beautiful, at all times.

As Chanel focuses on the appearance and emotional factor of the product, under the impact of conspicuous consumption, consumers are becoming more demanding of the luxury jewelry that Chanel offers. (Hoang, 2007) In addition to product function, quality, and other basic features such as color, packaging, or shape, other aspects also play an increasingly important role in promoting sales. The meaning and style of the different series of accessories, and the aesthetic feel that the type of colors and shape associate with can be crucial in motivating consumers to purchase a certain product.

Chanel's Double C Earrings are unique in style with a cozy retro color; in addition, these earrings are designed and exquisitely crafted, adding a lot of embellishment to women interested in fashion. The use of camellias is ever-changing. It can be used with the skills of embroidery, printing, carving, folds, whiskers, chiffon, satin, dry yarn, and twill soft feathers. Also, there are other products such as rings, brooches, buckles, necklaces, long necklaces, watches and pearl chains, watches, and bags. Camellias are still inextricably linked to the spirit of the brand. (Chanel official)

Bags: the Heart of the Chanel Brand

Beyond earrings and perfume, Chanel is famous for its unique and exquisite bags. The psychological desire of spendthrift consumption boosts the popularity of Chanel bags. At this time, customers' purpose is to obtain immediate material satisfaction and enjoyment, and psychological satisfaction. With the development of the social economy, people's consumption will gradually shift from the pursuit of quantity and quality to the pursuit of tasteful style with increased income. As long as consumers can make such perceptual purchases, conspicuous consumption will appear. That is why, sometimes, the higher the price, the better it sells. In many cases, when people buy something, what they value is its use-value and their wealth status or reputation that comes with owning or using the product.

Terminal sales are the final step in transforming Chanel's brand, product, and all efforts into value. (Hansberry, 2021) And the selection of locations for department stores is more rigorous. In order to better target their target consumer group and promote overall sales of Chanel bags, the special store is set up in high-end department stores, five-star hotels, senior clubs, and other places where rich individuals will gather. Under the success of sales, bag series such as the Maxi Classic Handbag (Image 4) have led Chanel to increase its price continually. The rising value of the bags has, in turn, made more people want to own them. After the initial price hike in May 2021, Chanel's Maxi Classic Handbag was selling for \$7,674. According to the official Chanel website, the

bag is now selling for \$10,000, a 30% increase within a year. While in 2013, the same bag was only selling for \$2,667 dollars, there has been an increase of 275% over 9 years. In addition to being a fashion accessory, the handbags also transform into a financial aspiration.

Image 4: Maxi Classic Handbag



Conclusion

Chanel has always been a synonym for luxury, classic elegance has always been synonymous with the brand, and many women certainly have a deep love for Chanel. No brand is now more focused on high-end customization than Chanel, which has always been a proud, competitive position in women's perfume, accessories, bags, and many more.

The Chanel brand's special character is its practical popularity, taking inspiration from life to create a simple and comfortable fashion philosophy. That is why it is clear to discern Chanel's brand style today - bags with strong personality design elements, artificial jewelry with rich feminist totems that break old values, and Chanel No.5 perfumes that combine luxury and simplicity.

In the future, Chanel products will continue to be attractive, high priced, and the brand positioning is increasingly elitist. It will even increase the weight of its products, the most luxurious series, to attract their targeted market group. Chanel is already at the top of the luxury brand, and high quality and high price are the only ways it can maintain its brand image and value.

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