



Unlocking Growth in the Middle:  
How to Capture the Critical Middle  
Class in Emerging Markets  
[TheCaseSolutions.com](http://TheCaseSolutions.com)





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# Targeting customers

experience > price

A developing taste :not consuming logos

3 main luxury tribes

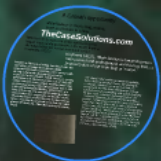
The generational luxury gap



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More sophisticated: shift to overseas shopping

A sense of community



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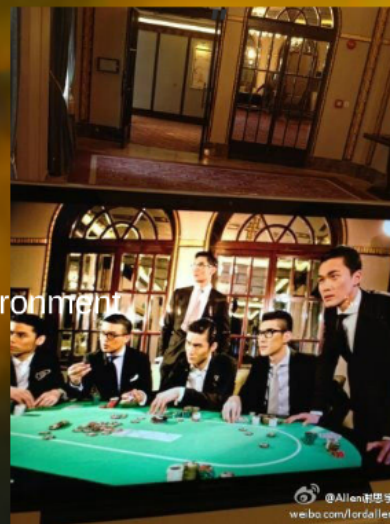
## Aristocrats----style leader



**"Aristocrats are rich second-generation Chinese who have an international experience and discerning taste, mainly (but not entirely) young males aged 25-35(WGSN,2013).**

**lifestyle/traits:**  
exclusivity  
style driven  
Borderless shopping  
self-assured  
Judamental on quality  
have a refined taste  
sleek, understated luxury  
athestic

How to engage ?  
Relate to their lifestyle  
Offer exclusive service  
Superior quality products  
High design element store environment



@Allen彭宇宇  
weibo.com/lordallen



Playpen Shoppers aged between 18 and 35, with a wealthy family background and a lifestyle mostly funded by their family

## *Playpen Shoppers---* *Lifestyle-driven*



Lifestyle/key traits  
entertainment-oriented  
leisure-driven

appreciate easy-to-access information through  
social media and advertising

Shop to socialise

"Non-participative consumption: social media feeds them trend and style information, which they consume over their mobile phones through passive readership.(WGSN,2013)."

Fashion is fun, shopping is life

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How to engage?

Reference celebrities and a high-class lifestyle

Emphasise exclusivity or personalised product

Create a unique shopping experience that they can share through word of mouth

Communicate through Weibo and WeChat to connect directly

"Gift offers: discounts or special gifts are key to capturing this group of Chinese consumers.(WGSN,2013)."

How to engage ?  
Relate to their lives  
Offer exclusive serv  
Superior quality prod  
High design element s

## ***Searchers---digital savvy***

The Searchers are tech-savvy young adults, mostly in their 20s

### **Lifestyle/traits:**

rely on peer and online reviews to shape opinions and purchases

Over 80% of their online purchases are spent on branded accessories and small leather goods

Keen to learn on product and follow fashion leader  
feel being connected by shopping and sharing online

Luxury is not necessarily and price sensitive

Hunting and procurement on overseas edition

### **How to engage?**

encourage honest feedback and comments on social e-commerce platforms

Multi-channel engagement

Offer precise styling

"Offers and exclusives: discount and gift offers are effective methods to attract the price-sensitive customers. Include exclusive orders to give them a sense of their importance and role to the brand.

(WGSN,2013)"

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## A Growth opportunity

Male fashion in men's bag, purse,  
case and holder in China

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“With the luxury market in China representing the largest male handbag industry in the world, there is still potential for UK market to expand further (Keynotes, 2015).”

Keynotes (2015), “Male fashion is becoming more metrosexual and androgynous and this has led to a popularization of the 'man bag' or 'murse'.”

Growth in China is slowing, combined with the austerity campaign that clamps down government lavish spending and country's gift-giving culture which many accessories exposure to this (WARC, 2014). However, young generations in China have new sets of lifestyle values towards increasingly individualistic that purchasing luxury items for personal use is still a blooming industry (WARC, 2014). There are thus still plenty of potential for getting middle-class customers, especially second-tier cities. The uniqueness of the Chinese market among other emerging Asia countries is that the rapid growth of those 30 cities (Bloomberg business, 2011).

The raised male fashion demands for updating more often fashion style, boost demanding for handbags, which functions as main fashion component. Another trend includes technology advancement that launching and updating quickly devices such as tablets and smartphones and “customer preoccupations to own the very latest version”, stimulating demand for cases and holders (Keynotes, 2015). Moreover, it adds a practical sense that a modern man can carry such a growing array of products. “Men's accessories representing just over 20% of retail accessories sales (Burberry Report, 2014).” Thus intensifying accessories can be a future opportunity for Burberry since the trend for male handbags is expected to continue in the coming years (Keynotes, 2015).



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## Future Growth Strategy

**product development: further developing product lines and selling to existing Chinese male customers.**

**The new competencies include bespoke line and personalized options.**

**The competitive advantages will be (1) Male bespoke bag line that focusing on distinctive design, understated luxury.**

**It could entirely engage the customer in the process of design from scratch or consulting on updating hardware details, or changing to exotic material on the skin. The uniqueness is to embrace targeting customers who have a refined taste and regard themselves as style leaders.**

**(2) Personalized options of embossed signatures, personal message, inside photograph print, it can add to handbags, small leather goods items. The uniqueness is the handwritten embossing in Chinese or English that can engrave on metals or embossed on the surface.**

Aristocrats

Playpen shoppers and searchers

product  
le Bespoke handbag line  
ring on distinctive shape, exotic material that  
ring primarily on discerning taste aristocrat's  
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segment  
aristocrats can  
have bespoke  
bag and involve  
in entire design  
process

2. Personalized options  
open shoppers  
- searchers  
They exist in personalized products and are  
inspire driven

It is a critical customer base, especially now during  
economic uncertainty and austerity, accessories are a  
low-cost means of updating with the latest fashion  
trends. Moreover, personalized small items could  
build their needs of having special occasions, create  
motivation for stimulating purchasing. With these  
names link to Burberry with appropriate items, we  
will give them a sense of their importance and role  
in the brand.

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# product

## 1. Male Bespoke handbag line

featuring on distinctive shape, exotic material that targeting primarily on discerning taste aristocrat's tribes.

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style-driven  
aristocrats can  
have bespoke  
bag and involve  
in entire design  
process

## 2. Personalized added-on options

bags---playpen shoppers  
small items---Searchers

They emphasize personalized products and are lifestyle-driven.

It is a critical customer base, especially now during economic uncertainty and austerity, accessories are a low-cost means of updating with the latest fashion trends. Moreover, personalized small items could fulfill their needs of hunting special editions, create motivation for stimulating purchasing. With their names next to Burberry with approachable items, will give them a sense of their importance and role to the brand.