

Course nr: SKOK01
Semester: Spring 2014
Supervisor: Cecilia Cassinger
Examiner: Jörgen Eksell

Luxury Branding – A tale without a history

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Bachelor Thesis



Acknowledgements

First of all, we would like to seize the opportunity to thank our supervisor, Cecilia Cassinger, for great guidance, insights and advice throughout the whole process.

Secondly, we want to thank Lund University and the staff at the department of Strategic Communication for providing us with the knowledge, to not just create this thesis, but to prevail as future communicators.

Finally, we want to thank our classmates. Thank you for great discussions inside and outside the campus. Thank you for three great years. We are looking forward to working with you in the future!

Best regards,

Karl Backlund and Jacob Lindberg

Abstract

Luxury Branding - A tale without a history

The thesis intends to investigate how a young actor in the luxury industry practices storytelling as a tool to legitimize high product prices. Since the luxury brand narrative is normally based on heritage, the thesis will scrutinize the luxury watch brand Hublot, a young successful actor, lacking heritage. The results are based on a narrative analysis of document sources treating brand ambassadors, sponsorships, promotional material and an official financial report. We can conclude that Hublot charges the brand with cultural capital by consistently communicating their craftsmanship, innovative designs and the factor ‘country of origin’. Through stories of ‘self-made’ brand ambassadors, widely known for their economic capital, they can attract an affluent class, relatively new to the world of culture and luxury, and thereby differentiate themselves from the more traditional brands on the market. By also balancing the need to communicate financial figures to attract investors, while also censoring the same numbers in official documents to remain exclusive and rare, they further cement their position on the market.

Keywords: storytelling, brand, branding, luxury brands, narratives, stories, economic capital, cultural capital, tradition, heritage, history

Number of characters (including spaces): 95 988

Sammanfattning

Luxury Branding - A tale without a history

Uppsatsen har som syfte att undersöka hur en ung aktör inom lyxindustrin använder sig av storytelling, historieberättande, som ett verktyg för att legitimera höga produktpriser. Eftersom lyxvarumärkets narrativ normalt sett grundar sig i traditioner och arv, kommer uppsatsen granska hur lyxklockvarumärket Hublot, en ung framgångsrik aktör utan tradition eller arv, slagit sig fram på marknaden. Resultaten är baserade på en narrativ analys av dokumentkällor som inbegriper varumärkesambassadörer, sponsoravtal, reklam och en årsrapport. Vi har fastslagit att Hublot laddar varumärket med kulturellt kapital genom att konsekvent kommunicera hantverket, innovativ design och ursprungslandet. Genom berättelser om 'self-made ambassadors', män som arbetat sig upp från botten till toppen (vida kända för sitt ekonomiska kapital), så kan Hublot attrahera en välbärgad social klass, relativt ny inom den normalt kulturellt laddade lyxsfären. Detta leder till en differentiering från mer traditionella varumärken på marknaden. Genom att balansera kommunikationen av finansiell framgång och censur av försäljningssiffror så bibehåller de bilden av exklusivitet och raritet och cementerar sin position på marknaden.

Nyckelord: storytelling, varumärke, lyxvarumärken, narrativ, berättande, ekonomiskt kapital, kulturellt kapital, tradition, arv, historia

Antal tecken (inklusive mellanslag): 95 988

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1 Introduction

More than anything else, the luxury brand is an epic tale, carried by its stories: storytelling is its mode of expression

(Kapferer & Bastien, 2012, p.148)

Strategic communication represents an interdisciplinary area of knowledge with theories and lore from several surrounding disciplines. Simply said, strategic communication is about arranging and implementing communicative efforts to reach operational goals necessary to reinforce desired perceptions - to strengthen the brand (Falkheimer & Heide, 2007).

The luxury brand is built around perceptions (Catry, 2003). In an expanding world with a growing upper class, the luxury industry is growing and is more available than ever (Khan, 2013; Wiedmann & Hennings, 2013; Bain, 2013). Luxury thrives on exclusivity and the perception of unavailability. If the luxury is everywhere, the whole concept of luxury is nullified. On the other hand, if the brand is completely unknown, there is no market at all (Kapferer & Bastien, 2012, p.5). To find a balance, the brand should be managed holistically; the arranged communicative efforts must match the actual distribution. Through stories the balance can be achieved. The luxury brand narrative is built around heritage, which charges the brand with authenticity, reassurance and builds the brand's identity (Morley & McMahon, 2011).

We consume to enhance our own identity or because we are attracted to the values conveyed by specific organizations (Falkheimer & Heide, 2007, p.21). Identity is key for the luxury brand; superfluous items are purchased mainly to enhance our persona and social status. By acquiring expensive goods, we tell the story of our success (Kapferer & Bastien, 2012; Williams & Atwal, 2013).

Bourdieu (1984) elaborates on identity through his definitions of economic and cultural capital. Cultural capital being decided by intellectual values stemming from education or appreciation of the fine arts, while economic capital represents more materialistic values and can be achieved through money, power and physical assets. According to Morley and McMahon (2011, p.4) luxury used to be more of a visual indicator endorsed by outfits and

belongings. Today, class barriers are more dissolved and increased social status is more easily achieved. Luxury items can therefore be seen as a bridge between inherited class differences. Inherited lower class can be overcome through purchased luxury goods. To increase the customer's social status, luxury brands use their heritage to provide authenticity and identity to the brand.

Catry (2003) and Kapferer and Bastien (2012) see the luxury branding strategy as a mere illusion and claim that it is all built on perception. Like magicians, luxury brands have maintained a concise story of being old, rare and exclusive. Still, they are bigger than ever and keep growing (Khan, 2013; Bain, 2013).

To uphold the illusion, it is often argued that a brand must reach a level of consistency to become successful. It is achieved by staying loyal to the brand tradition and heritage combined with selective distribution (Keller, 2009; Morley & McMahon, 2011). Holt (2004) however argues that brands benefit from an inconsistent communication strategy when trying to become iconic.

1.1 The heritage dependent luxury brand

For a luxury brand, a heart and soul is a necessity and something that stems from a strong heritage (Jackson & Haid, 2002, p.1-2). A luxury brand therefore needs history, a real, or an acquired one. It gives the brand authenticity, a perceived heritage and an identity. To create such perception the brand must tell a story (Morley & McMahon, 2011; Williams & Atwal, 2013, p.385). In this way, the brand can ensure that they are perceived to have high cultural capital, as Bourdieu (1984) argues is attractive for the luxury brand's customers – those with high economic capital.

An example of successfully invented heritage is given by Kapferer and Bastien (2012, p.103), who claim that the story of the monk Dom Pierre Pérignon, who gave name to the famous grand cru champagne, is merely attempted larceny by the champagne producer. The benedict monk is often assigned as the inventor of champagne in 1665. The luxury champagne, carrying his name, is however from the 1950s. By hijacking the name and the history, Dom Pérignon has successfully claimed the history and heritage associated with the benedict monk's name. They are selling the illusion of being the original champagne when they are in fact one of the youngest brands on the market.

So how does a luxury brand without heritage and tradition establish and sustain on the current market? The strategy by Dom Pérignon is an example of invented heritage, but there

is however a void in the research literature that explains how a new luxury brand, without heritage, can consolidate on the current market without inventing a fake story. Since the absolute majority of the luxury brands are very old, often over hundred years, (see appendix 6), researchers seem to settle with the opinion that luxury brands *must* have heritage, and by that, gain their cultural capital over the years by being loyal to tradition and history. Kapferer and Bastien (2012, p.93) state: “There can be no luxury without roots, without a history to provide the brand with a non-commercial aspect.”

With this background, we intend to investigate how Hublot, a young actor without heritage in the luxury industry, utilizes storytelling to increase their cultural capital and the perception of heritage, quality, exclusivity and rarity. Since Hublot was founded 1980 (<http://www.hublot.com/en/history>), they lack the long heritage and tradition that the competitors possess. Still, they sustained and grew strong and are today one of the more successful brands within the luxury watch segment (Wahba, 2012; Hirschy, 2014). By using empirical data from present and previous communicative efforts, a narrative analysis has been made to define how Hublot is using storytelling as a communicative tool.

1.2 Purpose

Since tradition and heritage are key components in the luxury brand narrative, the purpose of the thesis is to investigate how a young actor can prevail and consolidate their position on the current luxury market.

1.3 Research questions

To fulfill the purpose, and concretize the analysis, three research questions have been formulated to maintain a solid course throughout the thesis.

1. How does Hublot profile their brand through storytelling?
2. How is the feeling of quality, exclusivity and rarity maintained?
3. How does Hublot charge their brand with cultural capital?

1.4 Limitations

To gain further depth in our analysis, we have limited ourselves to one industry, the luxury watch industry, and one brand within that segment, the watch brand Hublot. Therefore our results should be seen as an example of how a young actor can prevail in the luxury watch segment rather than quantifiable results for the whole branding, or luxury branding strategy.

Since our goal is to investigate *how* and not *why* Hublot profiles themselves through certain representatives we have chosen not to contact the organization. Another reason for not involving the brand is the censorship that characterizes luxury brands. Instead of getting fragments of information we have chosen a method where we analyze external material, thus reducing the risk.

1.5 Hublot: A brief introduction

Hublot was founded 1980 by the Italian born watch-smith Carlo Crocco right outside Geneva, Switzerland. After leaving the Italian Binda Group, Crocco realized a new type of innovative craft in the luxury watch segment (Brückner & Przyklenk 2008; Doulton, 2007). Hublot, which is French for ‘porthole’, differentiated their craft by combining jewelry and gold with rubber, something that is still today the main Hublot trademark (Dupois, 2013; Doulton, 2007).

Today Hublot is a part of Louis-Vuitton Moët-Hennessy, abbreviated LVMH, the

largest luxury conglomerate in the world. During 2012 the watch brands of LVMH sold for 2,8 Billion Euros and every year Hublot sell over 30,000 watches with a price range from \$5,000 to \$5,000,000 (Wahba, 2012; LVMH, 2013). Since Hublot is a young player in an old, heritage based, market, they qualify as a subject of investigation as they cannot use heritage as a strategic marketing tool (see appendix 6 for a comparison of luxury watch brands).

1.6 Disposition

Previous scientific contributions

In this section, we intend to present the foundations of luxury brands, how they are constructed and managed.

Methodology

In the methodology we intend to present our object of analysis and the material collected from them. We will then describe our method of analysis and critically evaluate our choices.

Analysis

In the analysis, we will present our findings gathered from articles, videos, advertisement and an official financial document.

Discussion

In the discussion, we will interpret and discuss our empirical findings as a collective mass using our presented theories as a tool to find similarities and differences in the stories.

Conclusion

In the conclusion, we will present the answers of our research questions.

Possible further research

In the last section, our research contribution will motivate suggestions for further research, relevant to our topic.

2 Previous scientific contributions

The presentation of previous scientific contributions is divided into two parts. Initially, the luxury brand is briefly introduced and explained. Then follows a section describing the intangible values that characterize luxury brands and how these are marketed and distributed. To further broaden the spectrum the characterization of economic- and cultural capital are further explained and then applied to different strategic elements. All literature is gathered from renowned researches within luxury branding and luxury strategy. Chosen theories of investigation have carefully been selected to fulfill and match the purpose and our research questions.

2.1 How to become luxurious

Luxury brands must live up to the high price tag. Traditionally, luxury goods were used as an indicator to display superior class. Even though the class barriers are more dissolved than before, luxury is still a social marker used to exhibit social status and hierarchy. To live up to the high price tag, a luxury brand must therefore demonstrate the brand's exclusivity, prestige and integrity (Morley & McMahon, 2011, p.4). Jackson (2004) claims that luxury brands are the combination of premium prices, exclusivity, status and image, characteristics that make them desirable for reasons beyond functionality.

Dubois, Laurent, and Czellar (2001) have formulated six elements that identifies luxury goods:

1. High quality
2. High prices
3. Scarcity and uniqueness
4. Aesthetics and polysensuality
5. Ancestral heritage and personal history
6. Superfluosness

Keller (2009) goes a bit deeper and defines luxury brands from ten different characteristics:

1. Controlling the image to maintain a premium image. To be able to justify a high price,

a luxury brand must maintain a premium image designed to be globally relevant which is concise and cohesive over time.

2. Typically, a luxury brand involves several intangible brand associations. A luxury brand conveys meaning, often due to a rich history and heritage. With that, foundation symbolic value and status can be built.
3. The marketing program must be aligned to ensure service and quality. Due to the high price, the customer expectations rise higher.
4. Brand elements aside from the actual name can be important for a luxury brand. Symbols, packaging and other trademarkable information can help to further convey premiumness and prestige.
5. A close connection to secondary associations. People and places can help to further increase positive brand associations. Usages of popular celebrities, events or the country-of-origin are strategic elements for a luxury brand.
6. Careful and selective distribution. To remain exclusive, selective distribution is a necessity for luxury brands.
7. A strong and premium pricing strategy with few discounts and strong quality cues (generous warranties, personalized customer service etc.). The strongest cue of all is the price itself; frequent price movement may send the wrong signals about the worth of the brand.
8. Carefully managed brand architecture, which is characterized by the number, and nature of certain elements applied to certain products sold by the company.
9. Broadened definition of competitors. Luxury brands do not only compete with brands in their own product category but with the whole luxury industry due to its high involvement-character.
10. Aggressive combat to legally protect trademarks and counterfeits. Due to its high price luxury brands are more vulnerable to counterfeiting than other brands.

Luxury can also be seen as degrees of social status through economical and cultural capital. Bourdieu (1984) claims that everyone is born with certain levels of economic and cultural capital and uses it to gain social status and access to various social arenas. Commercial employees are put on the far end of people with high economic capital, while higher education teachers and artistic/creative producers top the list of professions with a high cultural capital. He also argues that people with high economic capital often strive to gain

cultural capital.

Luxury items could therefore be seen as a bridge for people with high economic capital to reduce the gap to the world of cultural capital. By purchasing heritage, individual style and knowledge of (and access to) the cultural world, people can increase their social status.

2.2 Selling intangible value

In this section, we will further discuss the intangible values that are charged into luxury brands to create authenticity and identity. Afterwards, we will discuss the strategies used to sell and communicate these abstractions to remain the feeling of exclusivity. To create a holistic view we will therefore investigate how a luxury brand should distribute, set prices, what marketing channels to use and selection of optimal representation to convey these desired values.

2.2.1 Myths and symbolism

An identity brand does not compete in product markets, but in myth markets. The identity brand competes and collaborates with film, music, sports, TV and other cultural institutions and products in the myth markets (Holt, 2004, p.39).

According to Koyama (2013) luxury brands tend to be named after people or myths from which the specific brand originates. He concludes, "...brand myth or story whose contents involve brand association and the real is intangible quality or unperceivable technology which supports the overall quality of luxury brands from behind." (Koyama, 2013, p.115). A luxury brand must also tell a story of the myths and history related to the brand. Rumors and urban legends then perceived as authentic and secret are capable of transmitting implicit messages charged with the brand values (Kapferer & Bastien, 2012, p.272-273).

The symbolism connected to a product represents an intangible value above the functional. To convey symbolic meaning, two criteria should be met:

- The symbol should be identified with a group
- Within the group, the symbol should communicate similar meaning

The symbolic consumption does not limit itself to the purchase of fashionable items but also includes social values. It represents who we are, and more importantly, who we are not (Banister & Hogg, 2007, p.218).

An emotional brand consists of abstractions built on basic mind-share assumptions. Emotional branding communicates these abstractions and conveys the brand's core - its essence. Through consequential emotional branding a *relationship*, charged with emotions, can be built to the core target audience: "...a brand must emphasize its personality and forge an intimate connection with customers." (Holt, 2004, p.21). Rosenbaum-Elliott, Percy and Pervan (2011) argue that the organization can utilize emotions when conveying their story. The concept of trust in emotional consumption is particularly high for symbolic brands due to the high degree of risk connected to the high price. By charging the brand with emotions and consumer-brand intimacy, high perceived risk brands could provide trust towards the consumer.

2.2.2 Social interaction strategies

Rosenbaum-Elliott et al. (2011, p.188-189) discuss social interaction strategies from an organizational standpoint and suggest that organizations should create long-term relationships with the consumer. When managing a brand community, integrated customers serve as missionaries, spreading the word to other communities. An example of co-creation with a sub-culture has been seen by brands cooperating with the gay market by supporting the movement and advertising in gay magazines. When reaching neo-tribes (a social constellation moving away from mass-society towards tribal society), a brand must communicate a will to understand and inspire a certain group, making them do the actual marketing. A brand can also reach certain social groups by creating a myth surrounding the brand where the brand seeks to represent ideas people can embody, accept and live by (Rosenbaum-Elliott et al., 2011; Bennet, 1999). It could therefore be argued that the sense of community is not created through class, but through neo-tribes and sub-cultures, when creating an identity today.

2.2.3 History and heritage

Urde, Greyser and Balmer (2007, p.4) suggest that heritage is an integrated component for luxury brands, which is also supported by Williams and Atwal (2013, p.385), who claim that luxury brands need a rich history. If it is real or made up matters less. History provides perceived heritage, identity and authenticity to the brand.

Urde et al. (2007, p.5) define heritage as "a dimension of a brand's identity found in its track record, longevity, core values, use of symbols and particularly in an organizational belief that its history is important." They also make the distinction between a brand with heritage and a heritage brand. A heritage brand is defined by its heritage. They exemplify

with the watch brands Patek Philippe and Tag Heuer, both with a long tradition and heritage. Since Patek Philippe emphasizes their heritage and market it and Tag Heuer does not, only Patek Philippe can be considered a heritage brand. It can however be argued that brands such as Tag Heuer should not be categorized as real luxury brands, but instead as high-end or premium ones, when considering the inter-categorical aspect (further explained in chapter 2.2.7).

Kapferer and Bastien (2012, p.93) make a clearer distinction of high-end and luxury and claim that without roots, there can be no luxury. They ask rhetorically, “Why are there so few Chinese luxury brands today, although there are Chinese fashion brands?” The answer being that the cultural revolution cut off all old ties and roots, thus removing the possibilities to establish luxury based on heritage.

When applying the definitions of Bourdieu (1984), the luxury brand can use its heritage to create cultural capital. The heritage provides intellectual values beyond the physical, thus creating symbolism and identity.


2.2.4 Exclusivity and rarity

Like magicians, the luxury incumbents seek to perform an illusion where actual scarcity is replaced by a perceived rarity.

(Catry, 2003, p.11)

Stories are not just told through external, outspoken communication. Also by being silent, a story is told. Catry (2003) argues that luxury brands are not necessarily selling rare and exclusive merchandise. Like magicians they pretend, they are just selling us the illusion of

From natural to virtual rarity: their compatibility with volume ambitions

From natural	Type of rarity driver	compatibility with volume
 To virtual	1 ingredients, components scarcity, limited capacity, rare human expertise e.g. diamonds, rings, fur	little: limited availability
	2 techno-rarity, innovations, new products and features. e.g. first fridges, air-bags	average: reserved to top of lines
	3 limited editions, custom-made orders, one-to-one relationship e.g. Vuitton Graffiti bags	average: cost of limited series
	4 information based rarity, marketing, brand, secrecy, vocabulary "starification" of the value chain eg Absolut and trendy artists.	good: no physical limit

rarity. The illusion is normally maintained through censorship. By censoring sales and product volume, the deception can be maintained (Catry 2003, p.15; Dall’Olmo Riley, Lomax & Blunden, 2004; Kapferer & Bastien, 2012).

Figure 1 describes the difference between natural and

Figure 1: From natural to virtual rarity (Catry, 2003, p.16)

virtual rarity. The more virtual the rarity is the better since there is no physical limit to it, thus making it easier to control.

Moore and Burt (2007, p.101) describe product exclusivity as interplay. The sold product and store environment characterize the global strategy where the product is sold. Catry (2003, p.13) claims that if high prices are synonymous with exclusivity, new entrants in the product category might deter the consumers. By carefully controlling the information based distribution, imaginative rarity can be sustained without limiting actual sales. The brand will appear unavailable and exclusive since it is not available nearby (Catry, 2003, p.14).

2.2.5 Distribution

Dall'Olmo Riley et al. (2004, p.42) argue that distribution is reliant on the rarity principle. Selectiveness is key when trying to form a personal relationship with the customer. If the products are available for everyone, they are not exclusive. Also Bruce and Kratz (2007, p.131) and Keller (2009) identify unavailability, scarcity and uniqueness as core foundations for luxury brands. Miller and Millis (2011, p.1437) claim that selectivity and exclusivity can mainly be maintained by carefully by selecting the right vendors.

Kapferer and Bastien (2012, p.102) argue that rarity must be distributed without rarity - to grow with nobody noticing. To create a relationship with the customer, selective distribution is of great significance. If the illusion of rarity is achieved, the customer perceives the product as exclusive (Dall'Olmo Riley et al., 2004, p.42), thus strengthening the relationship.

In the past, Gucci extensively extended their product line into 44'000 different products in various product categories. The effect was a derivation from their origin, leather goods that in the end resulted in a completely watered-down brand. To save the company, a large retrenching was instigated which ended up saving the brand (Jackson & Haid, 2004). In the case of Gucci, the story of luxury 'available for everyone' was told, something that according to Kapferer and Bastien (2012) becomes a paradox since luxury thrives on the opposite. The extensive expansion also diverted the brand's symbolic value, thus making it unidentifiable for the core audience.

2.2.6 Communications strategy

The luxury communications strategy should be characterized by the different degrees of involvement. Low involvement products are frequently bought before the consumer creates an attitude towards the product and the opposite goes for high involvement products (Holmes &

Crocker, 1987; Parment & Söderlund, 2010). With this background, luxury qualifies as high involvement products and should be marketed as such.

Catry (2003) discusses the different roles of advertisement and Public Relations when positioning a brand, illustrated in *Figure: 2*. The story changes when presented in different mediums and for different purposes. Through advertisement, it is easier to reach a larger audience; it is good for awareness and emphasizes roots and legitimacy. Public Relations (PR) is however often easier to control since you can reach a more limited crowd and is better for preference and to emphasize emotions.

Complementary roles of advertising and public relations for luxury goods		
	Advertising	Public relations
Audience	large	limited
Good for	awareness	preference
Emphasis on	roots, legitimacy	excitement, emotion
Brings	reassurance	risk

Figure 2: Complementary roles of advertising and public relations for luxury goods (Catry, 2003, p. 17)

The figure also explains why luxury brands spend more money on PR rather than on advertisement since luxury itself is more selective in its nature. Since luxury products are of a high involvement character, increasing the experience is a smart move when building an emotional relationship with the customers (Holmes & Crocker, 1987;

Rosenbaum-Elliott et al., 2011). The Luxury watch brand Patek Philippe built a museum for PR purposes to not just increase brand awareness but also to enhance their roots to a limited audience. Through PR and advertisement, it is also possible to tell the story of symbolism and mythology. Since PR is preferred to reach a limited audience, it can be used to communicate the same meaning within the group while including social values (Kapferer & Bastien, 2012; Banister & Hogg, 2007, p.218).

2.2.7 Hedonism and pricing

Luxury products are assumed to carry a high price, especially when comparing to utilitarian products. With a high price, there is also a perception of high quality, referred to as the *halo effect* (Williams & Atwal 2013, p.385). Price is however not only associated with quality but also with prestige, which further increases the ‘high-involvement’ in the purchase process (Zaichkowsky, 1985).

Heine (2011, p.58) also describes an inter-categorical aspect of pricing, meaning that a luxury brand can be cheap or expensive within the luxury category. Price has proven to be

very important for customers who want luxury products to also look expensive, many are even eager to make a bargain on a luxury product that others think is expensive. There is however a price overlap zone between entry-level luxury and premium products. This makes it hard to rely on price as a criterion to differentiate a luxury product from a premium product (Heine, 2011, p.58; Kapferer & Bastien, 2009, p.43).

In terms of hedonism, luxury goods are perceived as superfluous, extravagant and indulgent, as an effect of the high price (Wiedmann, Hennings & Siebels, 2007). Oxford Dictionaries (<http://www.oxforddictionaries.com/definition/english/hedonism?q=hedonism>) define hedonism as: "the pursuit of pleasure; sensual self-indulgence". Hedonistic aspects of luxury goods are defined by Williams and Atwal (2013, p.381) as services and products that are not necessary in the way they are being consumed. According to Wiedmann et al. (2007, p.7), hedonic products carry emotional rather than functional value. Dubois and Laurent (1994) conducted a study on luxury consumption and concluded that luxury consumption does indeed fulfill hedonistic and emotional values. Consequently, the term hedonism may be utilized when describing the perceived feelings and affections towards consumption that rewards and fulfill personal satisfaction.

Maslow's (1943) categorization of human needs is divided into five different stages: Psychological needs, safety and security, love and belonging, self-esteem and at last self-actualization. Following this pyramid and the assumption that luxury consumption is hedonic, purchasing luxury goods does not qualify the human-need pyramid, thus fulfilling the criteria of hedonism.

Luxury products are indeed charged with hedonic value due to the high price. To be able to afford such expensive products one must obtain sufficient funds. Owning luxury goods is therefore a sign of high economic capital, especially when the product is visually exhibited as superfluous and extravagant.

2.2.8 Country of origin, quality and craftsmanship

Bruce and Daly (2007, p.63) claim that the customer's decision to buy a specific product relies not only on the brand but also on the country of origin, or CoO. They exemplify with the case of Italy: 'Made in Italy' suggest that the brand follows the same high standards in quality as other Italian luxury brands. There is however a risk that follows when inferior brands use the marking to cannibalize on the values it suggests (ibid. 91-92). Jackson (2004, p.161) lists the strongest country 'trademarks' within luxury. France and Italy are the strongest in leather

goods and apparel while France has an edge in perfumes and cosmetics. Switzerland is by far superior within the luxury watch industry and is also top three in the jewelry industry together with Italy and France.

Luxury is hand-made only. To even qualify as luxury, a brand must achieve a certain level of quality to support the high prices (Chevalier & Mazzalovo, 2008; Kapferer & Bastien, 2012, p.98). A luxury brand also has to tell the story of craftsmanship (Bruce & Kratz, 2007, p.131; Nueno & Quelch, 1998, p.62). Also Jackson (2004, p.158) reinforces the importance of quality and adds that innovation is necessary to the craftsmanship. Miller and Millis (2011) do however argue that brand leadership is more important than uniqueness. Successful brand leadership is associated with "...proficient at brand building, demonstrating management expertise in distribution, image management, product quality selection and the services that go with luxury products..." (Miller & Millis, 2011, p.1477).

If high price is an indication of economic capital, the CoO and craftsmanship contain a story of cultural capital. The country of origin is loaded with several values, which are also attached to the brand. The craftsmanship is connected to the artistic/creative professions and is established through a long heritage of craft. Both are examples of cultural capital when using the framework of Bourdieu (1984) as both contain intangible values beyond the physical.

2.2.9 From Ambassadors to Testimonials

According to Williams and Atwal (2013, p.387-388) there should be a good match between the partner and the brand. Ambassadors in the luxury industry should therefore not be used globally. Instead luxury brands should have separate, local ambassadors to represent the brand: "The goal, especially when the brand is not well known in a specific country or if its dream seems too exotic, is to give a relevant incarnation to the dream." (Bastien & Kapferer, 2013, p.33).

Another way to generate publicity is through cooperation with artists (which can be seen as a strategy to acquire cultural capital) by making them brand ambassadors. The brand ambassador personifies the brand and conveys the desired image (Kapferer & Bastien, 2012; Williams & Atwal, 2013, p.387-389). The role of brand ambassadors, which mainly consist of celebrities, is key for a luxury brand. In luxury, it is not enough to use a 'star' to exhibit certain products. It is more important to use an exceptional personality to portrait the brand. The luxury brand should also dominate the client. Therefore, usage of ambassadors whose

recognition hides the brand should be avoided. There is also a distinction between ambassadors and testimonials. In the ambassador strategy a specific individual is paid to serve as an emblem for the brand for a certain period of time. In the testimonial strategy various personalities simultaneously testify to use the product normally, but not exclusively. Premium brands often use ambassadors while luxury brands use testimonials (Kapferer & Bastien, 2012, p.262-263).

3 Methodology

In the methodology, we will first present the most important features of the Hublot organization followed by our collection method and possible complications that might occur during the collection. Later, we will present the method of analysis and the risks included with a narrative analysis. We have throughout the method section tried to be as transparent as possible to help the reader understand our reasoning.

3.1 Collection of Empirical Material

A qualitative method has been used to determine how Hublot prevailed and consolidated their position the current market. Bryman (2012) explains qualitative research as research emphasizing words rather than quantification. He claims that qualitative research is more focused on understanding and interpreting the social world, than its counter-part - quantitative research.

The thesis is built on an inductive approach. Bryman (2012) defines inductive approach as when theory is the outcome of the study. Since the thesis seeks to find out how a young luxury brand can prevail without a heritage, our ambition is to create a theoretical framework for how this can be done. However, the case and problem definition is based on existing theories, which is common in deductive research, according to Bryman (2012). We therefore argue that the thesis applies an inductive approach with a deductive frame.

During our analysis, we solely focused on document sources. Bryman (2012) argues that the term document includes several types of information sources in the context of social science research. Documents can be, for example, letters, diaries, autobiographies, newspapers and photos. All documents share the element of not being produced for, or by, the researcher. They already exist in a different context and for different purposes: personal, official or mass medial. Merriam (1994, p.117) supports this definition and states that information not collected from interviews and observations should be called documents.

3.1.1 Sample Selection

The analyzed documents are divided into two parts, ambassadors/sponsorships and sales

figures. The ambassadors and sponsorships are the most common way to communicate to the target market for Hublot. As previously mentioned, Kapferer and Bastien (2012) makes a distinction between ambassadors and testimonials but since Hublot present their representatives as ambassadors, we will also use that term throughout the analysis.

Initially, we scanned current partnerships available on Hublot's official Youtube channel, a total of 13 videos. Then previous videos, not available on the official channel, were also watched. From the sample, two videos were selected of one ambassador and a sponsorship. On the homepage, 9 current ambassadors are showcased. 2 of the current brand ambassadors were chosen for our analysis. The other ambassadors in our sample group are past ambassadors. By using both current and past ambassadors, we increase the ability of capturing the entire story mediated by Hublot over time. The 5 following documents, including ambassadors and sponsorships, were chosen for the analysis:

Ambassadors

- Interview with Carlo Crocco, founder of Hublot, in QP-magazine 2007.
- Advertisement with Bernie Ecclestone, President and CEO of Formula One, published in Financial Times and International Herald Tribune in 2010.
- News article from Hublot.com with Kobe Bryant, famous basketball player for the Los Angeles Lakers, presenting his new Hublot watch during an event in Shanghai, 2013.
- A Youtube video from Hublot's official channel including José Mourinho, famous football coach of Chelsea FC, and his visit to the Hublot manufacturing facility in 2014.

Sponsorship

- A Youtube video including Yves Rossy, French pilot, adventurer and innovator, and his first official attempt to fly with only a machine attached to his body in 2008.

Brand ambassadors and sponsorships have been selected based on the different areas Hublot are actively using, or used, brand ambassadors in. The majority of Hublot's brand ambassadors are active in the sports industry (<http://www.hublot.com/en/ambassadors>), which is why these ambassadors make up the majority of our analysis. Bastien and Kapferer (2013) claim that ambassadors in the luxury industry should not be used globally, but targeted to

different local markets. We have therefore made an active choice to analyze ambassadors from different segments of the sport industry, as they might be used towards different target markets. The ambassadorship of the founder, Carlo Crocco, is meant to bring depth to the analysis since he is not in the sports industry but inside the organization. The sponsorship of Yves Rossy is chosen to represent the collaborations not directly connected to the products of Hublot. Our sample selection is therefore what Bryman (2012) explains as stratified purposive sampling, meaning the selections are all meant to be typical cases or individuals within their subgroups.

Hublot uses all the documents for mass medial purposes. Bryman (2012) claims that documents used for mass medial purposes are great when searching for different themes. That makes our selection of documents suitable, as our ambition is to categorize the different stories told by Hublot through the documents, with the help of Gabriel's (2000), Campbell's (1993) and Kapferer and Bastien's (2012) framework (presented in section 3.4.3).

Due to the background given by Catry (2003) and Kapferer and Bastien (2012) on how luxury brands often use censorship to tell the story of scarcity and rarity, we will also analyze two documents, named *Sales Figures*. They include financial and distributive information and bring further depth into how a brand can convey an illusion and a story by censoring certain data. This is also an important part of how a company keeps the feeling of exclusivity and rarity (Catry, 2003), which is in line with our second research question. The following two documents will be analyzed:

Sales Figures

- The jewelry and watches segment of LVMH's Financial report from 2013
- An interview made for Reuters with Hublot's CEO Jean-Claude Biver in 2012

3.2 Method of analysis

3.2.1 Why analyze narratives?

According to Gabriel (2000), stories can be examined and analyzed for different research agendas. They can be analyzed to understand the culture and politics of an organization, the underlying needs and wishes of its members, the nature of the emergence of certain stories, deep symbolism as well as the effectiveness and persuasiveness of the story's values. Czarniawska (2004) takes a similar standpoint. She argues that narratives, and especially

stories, should be analyzed because they are sediments of norms and practices. The focus of this thesis will mainly be on the symbolic value of Hublot's stories, as our purpose is to understand how they can prevail and consolidate their position on the market without being able to communicate tradition or heritage.

3.2.2 Narratives and stories

Barthes (1977) claims that everything can be seen as a narrative. A narrative can be explained through various channels, such as speech, text, images and gestures. Narratives can therefore be seen as being present everywhere, at anytime and in every society. A narrative can be communicated over international borders, over time and span over several cultures.

Czarniawska (2004) emphasizes the difference between a narrative and a story. A narrative is only a narrative, when it does not include a plot. The narrative transforms into a story when a plot is added. Czarniawska (2004) further argues that the plot can contain numerous actions, but also be minimal, as long as the plot makes sense between different episodes of the narrative. Boje (2001) however, argues that the narrative comes after the story. He means that a story is just a combination of different incidents and events, while the narrative comes after as the plot. With that in mind, Boje (2001) presents the story as a possible 'antenarrative', a non-linear and un-plotted speculation. Stories can be 'antenarratives' when they are told without a proper plot or unity. These stories cannot be made sense of in retrospect.

3.2.3 Types of stories

There are several frameworks describing the way a story can be compiled. Kapferer and Bastien (2012, p.36-37) compare luxury brands with religions and claim that both have several things in common:

- A creator
- Founding myth and legend
- Storytelling to maintain the mystery
- A holy land where everything started
- Symbols only significant to the initiated
- Icons, often in the shape of sacred products
- Flagship stores seen as 'urban cathedrals'
- Communion
- Sacrifice (high price)

Campbell (1993) presents a similar framework for how most stories are constructed. This framework may be better suited to understand the brand story when looking at the brands whole life cycle. Campbell (1993) describes the beginning of a story as when the hero sets out on an adventure, sometimes voluntary, sometimes not. The hero then gets to what Campbell (1993) describes as the *threshold of adventure*, where the hero might fall to, or defeat, the shadow presence guarding the threshold. After getting past the threshold, the hero enters an unknown world where he encounters several tests and meets helpers along the way. At the foot of this adventure, the hero gains his reward after the ultimate test. When the purpose of the adventure is fulfilled, the hero heads back home. Either he flees, pursued by evil forces, or he heads home under protection of his helpers. Once the hero has returned to the threshold of adventure, he must leave the help behind and return to his home and restore the world by bringing the reward. Campbell (1993) does however highlight that most stories simply focus on one or two of the elements of the entire story-cycle.

Both these frameworks present similar ideas, such as a hero/creator, a home from which the hero/creator starts his adventure and communions or helpers. However, these do not help us to categorize the type of stories that Hublot may use, as these frameworks only identify the parts, or roles, within a story. To further categorize the stories, we must know how the creator/hero, communions/helpers or home can be portrayed within the stories. We have therefore used Gabriel's (2000) so called *poetic modes*. By using his framework, in combination with Campbell (1993) and Kapferer and Bastien (2012), we have a clear structure of what to look for during the analysis and a better understanding of what the presentation of the characters/places/symbols might mean and try to convey.

Gabriel (2000) developed a classification of four different types of stories: comic, tragic, epic and romantic. He chooses not to call them stories, but different poetic modes that the narrator might use to infuse meaning into different stories. Gabriel (2000) draws inspiration from Hawke and Robinson (1986) who present five basic elements of a typical story: a protagonist, a predicament, attempts to resolve the predicament, an outcome of these attempts and the reactions of the protagonist. These five elements can be portrayed in different ways. The ways they are portrayed determines the poetic mode of the story. To understand what type of stories Hublot are using in their external communication, we have searched for these elements, and how they are portrayed, in the analysis.

The comic story

In the comic story, the protagonist generally is a victim of misfortune. The protagonist might be an individual, a group or, in some cases, a whole organization. The attempts to resolve the predicament, the outcome and the reaction do not have to be included in a comic story. If they are, they typically reinforce the victim's misfortune (Gabriel, 2000).

Gabriel (2000) further argues that the victim's misfortune have to be seen as 'deserved', as feeling sympathy towards the victim would undermine the comic quality. Therefore, the misfortune must be seen as brought upon the victim by him- or herself. Hence, the predicament could be constructed as a punishment based on the protagonist's actions.

The tragic story

The tragic stories are similar to the comic. They also grow out of human misfortunes and often deal with unintended consequences of human actions. The tragic story also describes the protagonist as a victim, much like the comic. The difference is the severity of the misfortune. A minor injury might generate a comic story, while an injury leading to death certainly becomes a tragic one. The tragic story assumes the protagonist's misfortune to be painful trauma, shock or disillusionment. The tragic story can also use punishment, but opposite to the comic story, uses the punishment to reinforce injustice. The trauma caused in the tragic story is generally conveyed as a surplus to rational requirements (Gabriel, 2000).

The epic story

The third type of story is the epic. The epic story has similarities to the tragic and comic; it can spring from both crises and drama. However, the epic story highlights the resolution of the predicament through acts of courage, wit or force. The epic story therefore generates emotions of pride and admiration (Gabriel, 2000).

Gabriel (2000) claims that the hero's character in an epic story can never be doubted. The hero's perseverance in the face of adversity, courage and dedication to the task and willingness to submit to suffering, are therefore common features in an epic story. Epic stories lack the complexity of comic and tragic stories, as the plot only focuses on success and failure.

The romantic story

Gabriel (2000) means that a large majority of organizational stories can be classified within

the first three poetic modes. However, there are occasions when the protagonist is not faced with any predicament at all. The emotional tone in these stories are a gentle, tender, almost sentimental and occasionally pity, but never connected to something tragic.

The plot of the romantic stories revolves around tokens of love, gratitude and appreciation. At a deeper level, they represent a way of dealing with suffering and misfortune, but proclaim that you can overcome anything with the help of love (Gabriel, 2000).

Characteristic	Comic	Tragic	Epic	Romantic
Protagonist	Deserving victim, fool	Non-deserving victim	Hero	Love object
Other characters	Trickster	Villain, supportive helper	Rescue object, assistant, villain	Gift-giver, lover, injured or sick person
Plot focus	Misfortune as deserved chastisement	Undeserved misfortune, trauma	Achievement, noble victory, success	Love triumphant; misfortune conquered by love
Predicament	Accident, mistake, coincidence, repetition, the unexpected and unpredictable	Crime, accident, insult, injury, loss, mistake, repetition, misrecognition	Contest, challenge, trial, test, mission, quest, sacrifice	Gift, romantic fantasy, falling in love, reciprocation, recognition
Poetic tropes	1. Providential significance	1. Malevolent fate	1. Agency	1. Emotion (loving, caring)
	2. Unity	2. Blame	2. Motive	2. Motive
	3. Agency before misfortune	3. Unity	3. Credit	3. Credit (worthy love object)
	4. Denial of agency during misfortune	4. Motive (to the villain)	4. Fixed qualities (nobility, courage, loyalty, selflessness, honour, ambition)	4. Fixed qualities (gratitude, caring, loving, vulnerable, pathetic)
	5. Fixed qualities (pomposity, arrogance, vanity etc.)	5. Fixed qualities by juxtaposition (victim: noble, decent, worthy, good; villain: evil, devious, mean etc.)		
Emotions	Mirth, aggression (hate), scorn	Sorrow, pity, fear, anger, pathos	Pride, admiration, nostalgia, (envy)	Love, care, kindness, generosity, gratitude (nostalgia)

Figure 3: Generic poetic modes (Gabriel, 2000, p.84)

3.2.4 Risks with narrative analysis

A risk with the choice of the method of analysis is the selective use of narratives to support the researchers' own assumptions. In that way, the narratives only become parts of the researchers' own agendas (Gabriel, 2000). We will therefore, continuously throughout the analysis, ask ourselves three questions that Gabriel (2000) emphasizes: "What evidence stands or would stand in the way of my interpretation?", "What would be the most unwelcome finding that would undermine my analysis?" and "What feature of my data makes me feel most uncomfortable?". By applying these questions to our analysis, we believe we can make our flaws visible in our method of interpretation, and therefore be more aware of the possible weaknesses.

Czarniawska (2004) agrees with some of the risks that Gabriel (2000) brings to light. For example, during the collection of stories in an organization, it is impossible to tell fact from fiction, because there are no structural differences to the narratives. One way to overcome this obstacle, during narrative analysis, is to shift focus from "what does it say?" to

“what does it do?” By not caring about what the story tries to say, but instead focusing on what the effects of the story might be, you eliminate the relevance of knowing if it is fact or fiction. However, since we are not analyzing organizational stories within an organization, but external communication towards the organization’s target audience, we find the lines between fact and fiction to be relatively uninteresting.

3.3 Reliability, validity and scientific approach

The thesis is built on the scientific approach of constructivism, which is in line with Bryman’s (2012) argument that qualitative research should be focused on understanding and interpret the social world. Constructivism is based on the understanding that everything is produced through social interaction and in a social context. Also, constructivism includes the knowledge that our interpretation of the collected material will be affected by our own social world (Bryman, 2012, p.33). The result of the thesis should therefore not be seen as a definitive answer, but rather an example of how a young actor in the luxury industry might succeed.

Bryman (2012) explains the concepts of reliability and validity through the definitions given by LeCompte and Goetz (1982). The degree of external reliability is defined by how well the results can be replicated, or if they are random. We have tried to reach a high degree of representativeness in our sample selection to eliminate randomness, but understand that a broad generalization of all young luxury brands should be avoided from the result, due to the qualitative and the scientific approach.

Internal reliability is described as to which degree the members of the research team agree on the results. We have therefore only included interpretations in the analysis that both researchers agree with. Internal validity is explained as whether there is a good match between the researchers’ interpretation and the theoretical result they develop. By being transparent with our approach and flaws of the study, we believe the reader should be able to draw conclusions on whether the results hold high internal validity or not.

External validity refers to the degree of which the result can be generalized across social settings (Bryman, 2012). We concur with Merriam (1994), who argues that certain cases or organizations are not meant to be analyzed for generalizations from the results, but to gain deep knowledge about certain situations. Therefore, our study does not seek to generalize the results to other organizations or industries. We only tend to determine the tactics and stories used by Hublot, in line with what Merriam (1994) argues is defensible for an analysis

of this form.

To further ensure the validity and reliability, we have used Scott's (1990) criteria for collecting documents. Scott (1990) proposes four criteria he thinks are important when collecting documents for an analysis:

- **Authenticity** - is the document real and is the origin known?
- **Credibility** - is the document without manipulation or incorrect information?
- **Representativeness** - is the document typical for the category? If no, do you know to what extent it is not?
- **Meaningfulness** - is the document understandable?

A majority of the collected documents stems from official sources, such as their own website and youtube-channel. We are therefore certain of the origin (authenticity), understand from what context it came from (meaningfulness) and know that the documents are not manipulated when they are collected from Hublot's official sources (credibility). The most uncertain criterion is the representativeness. This criterion have been fulfilled by going through a great amount of Hublot's documents to understand to what degree the documents are representative. This ensures us that the risk of including fake or false documents is minimal.

The documents not coming directly from Hublot are still valuable for our analysis since they are a part of how Hublot want, and does, tell the story of their brand. This material have however been analyzed with the knowledge that the publisher might present the material in a way to attract and please their own target audience. This mindset goes hand in hand with Bryman's (2012) argument that documents are always created for a purpose outside the researchers.

4 Analysis

*First, the analysis of the explicit external communication from Hublot, told through brand ambassadors and sponsorships, will be presented. Later, the implicit story of distribution and censorship will be in focus to make sure that the entire **Hublot story** is portrayed.*

4.1 Ambassadors

Hublot uses several ambassadors to represent the brand. In this section we will therefore make a deeper narrative analysis on four carefully selected representatives, some still active, some not. As previously mentioned, Hublot classify the representation as ambassadors and will therefore be presented by us as such (further examination on the terminology will follow in the *Discussion*).

4.1.1 The Founder

Kapferer and Bastien (2012, p.36-37) compare luxury brands with religions with the first point being the originator, the creator. The first document to be analyzed will therefore be a portrait of the creator of Hublot, Carlo Crocco. The article, *Hublot's Singular Idea*, is written in 2007 by Maria Doulton for QP-Magazine, an influential luxury watch magazine. The article is built around an interview with Crocco and contains a brief portrait of the founder and the brand, viewed from previous, present and future events. It also contains six pictures, one with Carlo Crocco and five with various watches. The watch on the front page is casually designed while the others are more extravagant. The article is introduced as follows:

"Consistency" is Mr Carlo Crocco's reply when I ask him to explain the enduring success of the Hublot line. It is as simple as that. "You have to be consistent so that people can understand you."

(Doulton, 2007, p.63)

Following the framework given by Gabriel (2000) a story needs a protagonist, which is clearly Mr. Carlo Crocco in the article. With a protagonist, identity can be built, which is

crucial for luxury brands in order to build relationships with customers (Bruce & Kratz, 2007, p.131; Keller, 2009; Urde et al., 2007). Both the headline and introduction show the will of stating the brand's identity immediately:

I expected to meet swashbuckling gold-buttoned blazer wearer of a man. But this is not what I found at the MDM headquarters... Crocco is a man of quiet strength and gentle manners, and no gold buttons in sight; an animal lover who is more at home behind the wheel of his family Volvo than burning rubber in a Ferrari on a racetrack or flying his private jet.

(Doulton, 2007, p.64)



Doulton, (2013). Hublot's Singular Idea. *QP-Magazine*.
 Collected 2014-04-28 from:
http://www.qpmagazine.com/media/39611/Hublot_s_Singular_Idea.pdf

The quote above contains evidence of cultural capital. There are values beyond the financial connected to Crocco. He is portrayed as an intellectual man that goes against hedonic values. He becomes a character that balances the heavy economic capital by adding sophistication and restraint. Instead of appearing as a snob, he instead comes of as a man of good and selective taste. Next to the introduction is a photo of Mr. Crocco, purposely set to fulfill what follows in the text. His posture, clothing and glasses assure us that this is an experienced, hard-working, man that we can trust. Interestingly, the Hublot watch on his arm is out of focus, probably to put focus on Mr. Crocco himself (the protagonist) rather than the product. He is showcased as an elderly man wearing glasses with a satisfied smile on his face - a metaphor for wisdom and composure. His pose expresses rationality, a man who does not make unconsidered decisions which is also confirmed in the first quote where the aspect of consistency is highlighted. His clothing (suit) conveys professionalism, which is also backed up in the text. He is a man who sacrifices luxury for himself but

instead provides it to others.

By using the framework of Gabriel (2000) it can be argued that it contains features of the epic

story since it generates emotions of pride and admiration towards the founder. The pictures of

Crocco and the watches show a good index of what is written in the article. The story of the Hublot heritage, the fusion between rubber and gold and the simple man who creates advanced and extravagant timepieces are illustrated both visually and textually.

Since Crocco is the creator, the watches become the creation, or icons, which gives them a role in the story. As mentioned in the article, Crocco had to leave Italy to create the watch in Switzerland. Keeping the ‘country-of-origin’ aspect in mind, that is of value to the story. Hublot watches are presented as ‘art of fusion’, with a mix of rubber and gold. The



elegance, design and beauty that represent Italy are fused with the quality and craftsmanship that Swiss watches represent. Kapferer and Bastien (2012, p.36-37) refer to it as the ‘holy land’ and in the case of Hublot; it is both Italy and Switzerland.

They also list the element of sacrifice, but reduce it to high price. It is also possible to broaden the element of sacrifice to other areas. In the article the sacrifice is instead Crocco’s homeland and family, which he had to leave behind to realize his dream. Hublot instead represents a new family that consists of his sacred products. Kapferer and Bastien (2012, p.36-37) also list icons in the shape of sacred products in the comparison with religions; consequently the watches become sacred products stemming from the sacrifice of the creator.

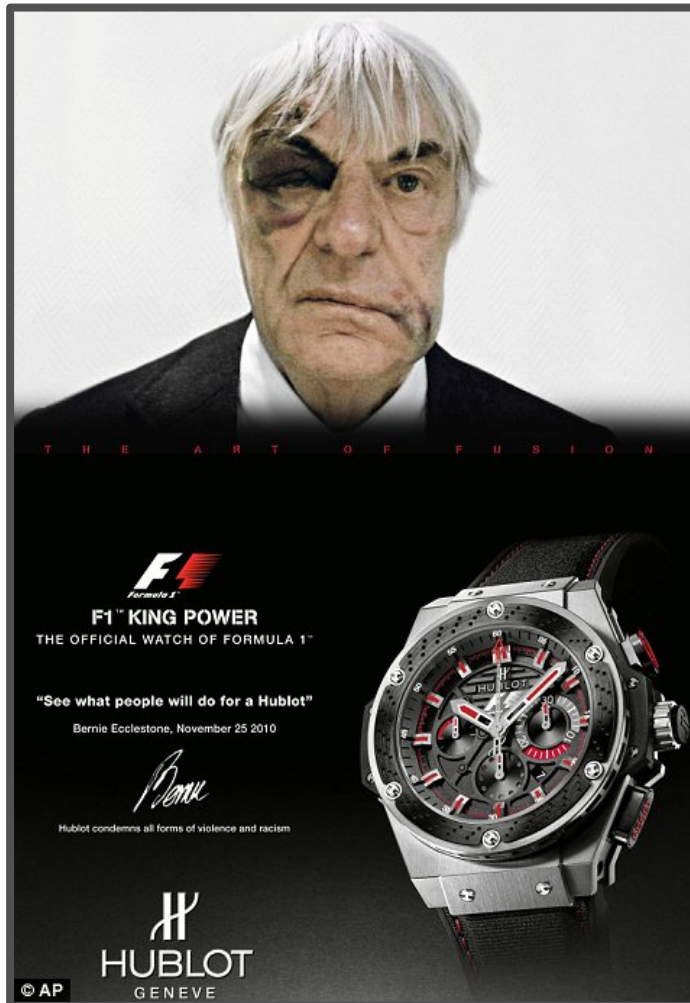
The luxury myth is both verified and discarded in the portrait. Frugality is usually not associated with the hedonic values that luxury represents. There is polarization in the article, extravagant watches and a portrait of a frugal founder. It does therefore tell us the story of the importance of balance and the hard work the watches represent.

Doulton (2013). Hublot's Singular Idea. *QP-Magazine*. Collected 2014-04-28 from:
http://www.qpmagazine.com/media/39611/Hublot_s_Singular_Idea.pdf

4.1.2 The Martyr

This advertisement was placed in Financial Times and International Herald Tribune (Elliott, 2010). The advertisement is based on a mugging of one of Hublot's previous brand ambassadors, Bernie Ecclestone, president and CEO of Formula One.

Even if this is just an advertisement, it tells a perfect story. All the parts that Gabriel (2000) argues exists in a story are there to find. There is a clear protagonist in Ecclestone, another character in the mugger, the action that is the mugging, becomes the predicament. As



Daily Mail (2010). Collected 2014-05-02 from:
<http://www.dailymail.co.uk/news/article-1336679/F1-boss-Bernie-Ecclestone-battered-face-new-ad-200k-Hublot-watch.html>

tempting it is to see Ecclestone as an underserving victim and the mugger as a villain, the fact that Hublot chooses to use the story in their advertising complicates story, especially when the picture is paired with the text “See what people will do for a Hublot”. The story is therefore seen as more of a provocative, almost comical, way for Hublot to profile themselves. People are willing to do extreme things, even physically assaulting someone, to get their hands on a Hublot watch. Hublot tries to send a message of exclusivity by communicating that this would never have happened if Ecclestone had not worn his Hublot watch.

In the story, we can find parts of both a comic and a tragic story. The predicament is clearly a crime, like in a tragic story, as well as unpredictable, like in a comic story. The way the story is presented when used as an advertisement, is not with a protagonist to feel pity towards, but rather someone that almost is seen as a deserving victim, because he wears a Hublot. The incident is not presented as something that reinforces injustice, like Gabriel (2000) argues the predicament does in a tragic story. The combination of a tragic incident and Hublot's

willingness to decrease the severity of it by using it in an advertisement creates a 'tragicomic story' that in a provocative and unusual way highlights the exclusivity and rarity of Hublot watches. This story also uses two parts of what Kapferer and Bastien (2012, p.36-37) see as a part of the luxury brand story – sacrifice and icon. Ecclestone had to sacrifice his own health and safety when wearing a Hublot and the watch itself plays an iconic role in the story as something being worth mugging someone for.

Most luxury brands use the art world or other creative producers for collaborations, according to Kapferer and Bastien (2012). The target market often welcomes this gesture, since it attaches cultural capital and a sense of good taste to the brand, as Bourdieu (1984) argues that the knowledge and appreciation of obscure art does. Hublot however uses this ambassadorship to reach a wealthy audience in a different way. Ecclestone is depicted as a man of great economic capital rather than cultural. He is portrayed in a way that he would do almost everything to increase his wealth - even sell a picture of his own battered face to be on advertisement. He is also closely connected to the Formula One industry - an industry known for extreme luxury and indulgence, with the classic scene of the 'champagne shower' at the prize podium after every race, as a shining example. This goes against the norm within the luxury industry of collaborating with those rich on cultural capital.

Hublot almost paints a romantic picture of indulgence with this advertisement. A picture of a man who does not care that he got beaten up and robbed, because he can buy a new Hublot at any time. Hublot plays with the idea of acquiring luxury goods as synonymous to having good taste and gain cultural capital. Hublot basically sends out a message that there is no cultural capital to gain, when appreciating their watches. You are welcome as long as you have high economic capital. They distance themselves from the world of cultural capital and cultural social status that the luxury industry often try to fit in to.

4.1.3 The Underdog

One of the most recent announced brand ambassador is Kobe Bryant, a famous basketball player in the Los Angeles Lakers (Hublot, 2013).



Hublot (2013) HUBLOT BLACK MAMBA NIGHT.

Collected 2014-05-06 from:

<http://www.hublot.com/en/news/hublot-black-mamba-night>

Hublot's collaboration with Bryant has resulted in a watch called King Power Black Mamba, after Bryant's nickname on the basketball court – The Black Mamba. Hublot held an event in Shanghai to present the watch described in a news story on their website, in which Kobe Bryant's ambassadorship and the watch are in focus.

NBA fans are excited immediately just when the name Kobe Bryant is mentioned. It is his black-mamba-like speed, slithering skills and near-perfect physical strength that make him a rare, versatile NBA legend. Inspired by his ceaseless quest for pushing the limit and unremitting passion for ultimate victory, that HUBLOT hired the basketball superstar as its newest brand ambassador.

(Hublot, 2013, para.3)

In the quote above, Hublot has moved from the comic/tragic way of presenting Ecclestone's story to a more epic one. Bryant is presented as an almost perfect character, born to do what he does. The focus of the plot is a man that have reached success through his quest (Hublot even uses the word *quest* in the quotation above) to be the best basketball player he can be, much like Gabriel's (2000) description of an epic story and also similar to Campbell's (1993) description of the *hero* who sets out on an adventure to overcome adversity. Later in the story, Hublot describes the other main character of the night – the watch:

The eye-catching number "24" stands for his Number-24 jersey which accompanies him to compete in all NBA games, while the dial with purple and gold accents honors the "Dynasty

of Purple & Gold” – Los Angeles Lakers for all its achievements and glories. What’s more, a black-mamba coils through the skeletonized dial, a design delivering mechanical aesthetic as well as mysterious charisma. In addition, a distinctive python snake strap sewed on black rubber and a caseback engraved with Kobe Bryant’s signature complete the watch design, really an ultimate interpretation of Hublot’s concept – “the art of fusion”.

(Hublot, 2013, para.5)



Hublot (2013) HUBLLOT BLACK MAMBA NIGHT. Collected 2014-05-06 from:

<http://www.hublot.com/en/news/hublot-black-mamba-night>

In this segment, the two main characters of the night, Bryant and the watch, have almost emerged into one. Hublot describes practically all the parts of the watch as directly inspired and based on the epic story of Kobe Bryant. By pointing out how closely connected Bryant’s character and the watch are, Hublot tries to identify and profile themselves with the same traits that they present Bryant with. Also, we can see some similarities in this segment in relation to the Ecclestone story. The watch is again presented as what Kapferer and Bastien (2012, p.36-37) describe as an icon, or a sacred product, by being so closely connected to the hero in the story.

By describing the skeletonized purple and gold dial, sewed snake strap and engraved caseback, Hublot also tells a story of craftsmanship, as Bruce & Kratz (2007, p.131) and Nueno & Quelch (1998, p.62) claim to be of importance for a luxury brand. They present a watch that consists several, carefully, thought-out elements: a watch that requires a high-level of craftsmanship and details, thus creating a feeling of exclusivity and quality.

The whole story surrounding Kobe Bryant also seems to be built around mysticism, as Holt (2004, p.21) argues that identity brands should do in collaborations with, for example, sport athletes. The name of the watch, *King Power Black Mamba*, tells a story about something mystical, a dangerous and powerful story including a man, described as a deadly

snake, almost like a fantasy creature. It is a heroic story about a self-made man, who sacrificed plenty to reach the top of his profession.

As mentioned earlier, luxury brands usually collaborate with artistic/creative industries (Kapferer & Bastien, 2012), rich in cultural capital. Hublot once again moves away from that in this case. They choose to cooperate with a practitioner of a sport that is one of the most popular and common in the U.S. Bourdieu (1984, p.215-217) argues that sports that are popular and folksy, as basketball is, do not usually amuse the upper-class, who logically should be the target market for Hublot. The popular sports do not have the possibility to socially distance a person from another as they, in their nature, includes everyone due to their popularity and accessibility. The upper class therefore, according to Bourdieu (1984, p.215-217), rather practices sports that are not as accessible, such as golf, skiing or sailing. These sports are, through the rich traditions and economic and social barriers, excluding towards the working class and therefore distance the participants from the rest of society. The sports you take part in become a story of how successful you are as a person, according to Bourdieu (1984, p.215-217). This also relates to how Kapferer and Bastien (2012, p.36-37) argue that the luxury brand should be seen as a religious communion, a fellowship where the initiated have a special relationship, an aspect that is dissolved with the wide popularity and accessibility of basketball.

Once again, as in the Ecclestone story, Hublot distances from the prototypical way luxury brands use ambassadorships, being collaborations with those rich in cultural capital. They almost go the opposite way, collaborating with a man with high economic capital and widely known for his skills in one of the most popular sports. Bryant is not representing the upper-class child who got born into the world of an exclusive sport or industry – he is a man of the people and the realization of the ‘American dream’.

4.1.4 The Apprentice

The next part of the analysis is made from a Youtube video posted by the official Hublot channel. It contains a filmed visit in the Hublot manufacturing facility with José Mourinho, or ‘The Special one’ as he is often called. He started in a small club in Portugal and worked his way to the top. Today he is one of the most famous and merited active football coaches and is currently representing the London powerhouse Chelsea Football Club (ESPNfc, n.d).

I think, I belong to the family for a long time. Because I think you start belonging to the family when you start loving the watches and especially when you start buying them.

(Hublot, 2014, quoted from: 0:50-1:03)

The quote from Mourinho shows that Hublot want to be something bigger than just a brand, a family. He does not distance himself or the brand from the ‘common’ man but invites him. The ‘family’ term can however be viewed as both including and excluding. If you see it as a union that anyone can be a part of it is including, thus differentiating from the selective nature of luxury, all you have to do is to buy a watch. The problem is however the price of the watches. If ‘family’ is instead seen as a club for only a selected few with enough economic capital to buy the luxury watches, it does instead convey a story of exclusivity. This goes in line with Kapferer and Bastien’s (2012, p.36-37) metaphor of the religious communion. The quote also shows that cultural capital can be bought, which is paradoxically the complete opposite of what providers loaded with cultural capital represents. The same example can however be applied on expensive art (high economic capital) which are loaded with cultural capital. In the story, Mourinho represents someone with a strong economic capital, while Hublot comes off as a provider of cultural capital.

I wouldn’t imagine the detail of the work. It looks clinic (laughs), so much detail pieces, you know, finally I understood what a watch is really.

(Hublot, 2008, quoted from: 1:40-2:04)

The pictures (on the following page) illustrate the disposition of the story perfectly. Initially, Mourinho’s main interest is the product, the surface. We can see him admiring the design and other visible attributes. On the picture everyone is wearing a suit, telling us that they are all professionals on a meeting. The room looks like a conference room, thus enhancing the

feeling of a regular meeting. By now, Mourinho is just an ambassador, he owns the power, and he is closest to the camera, standing up while the others observe. But is he the protagonist? It may be argued that it is actually the watch since everyone in the room is admiring the watch and talks about it. It can be argued that the watch is dominating Mourinho.



Youtube (2014) JOSE MOURINHO "THE SPECIAL ONE" CHOOSES HUBLOT
JOSE MOURINHO "THE SPECIAL ONE" CHOOSES HUBLOT.
Captions retrieved 2014-05-19 from:
<https://www.youtube.com/watch?v=AyKu7d8D4pU&list=PL38575E7ECB239684>

On the two following pictures the scenery has changed. The suits are changed into lab-coats and the corporate people to engineers. The tale of craftsmanship is being told. Mourinho admits the complexity behind the Hublot watches, even ridiculing himself for his previous ignorance. The luxury brand must not just achieve outstanding quality but also tell the story of craftsmanship (Bruce & Kratz, 2007, p.131; Nueno & Quelch, 1998, p.62). Mourinho's superiority is broken down piece by piece in the same pace as the watch is; both the viewer and Mourinho further understand the complexity of the craft. He makes the journey from being a master to a novice, becoming an apprentice.

As one of the best and most merited football coaches in modern time, Mourinho, normally embodies authority and knowledge. His club, Chelsea FC, is owned by the infamous billionaire Roman Abramovitch and represents strong economic capital. Mourinho himself is, as one of the most celebrated coach of our time, an authority, a strong man who possesses wisdom. The complexity of the craftsmanship is therefore strongly enhanced when it turns out that Mourinho is merely a novice when visiting

the lab. Hublot becomes an institution filled with knowledge and cultural capital, which they

gladly share with him. In the video clip, Mourinho comes off as a schoolboy, curious to learn more about these great timepieces. His poor English further illustrates that he is inferior to Hublot, they are the source of knowledge, the teacher - he is the student. Even though Mourinho is not visiting a Hublot store, it is also possible to argue that the manufacturing facility could be seen as an urban cathedral, which Kapferer and Bastien (2012, p.36-37) claim flagship stores usually are portrayed as in the luxury brand story. It is a place where Mourinho travels to get enlightened on the art of craftsmanship of Hublot. A place where he goes to gain knowledge and appreciation for the brand and the product. The manufacturing facility is portrayed as a place where cultural capital - knowledge, craftsmanship and technology - is constantly present.

The Mourinho story mostly fit into Gabriel's (2000) romantic poetic mode. The plot focus includes tokens of love, gratitude and appreciation. Furthermore, there is no predicament at all. All of these components fit well into Gabriel's (2000) romantic story. Also, as seen in the quotes above, he is expressing great emotion (even using the word love) and shows himself somewhat vulnerable intellectually by not knowing anything about the watchmaking process.

4.2 Sponsorships

4.2.1 *The Magician*

One of the most successful partnerships for Hublot is the one with Yves Rossy, or ‘Fusion Man’. Yves Rossy is an airline pilot who had a dream to fly without a cabin surrounding him. With the help of Hublot’s sponsorship, he was able to build a machine that would allow him to fly freely. Some of Rossy’s journeys were documented on video by Hublot on their Youtube-channel. This part of the analysis will focus on the first time Rossy officially flied with his machine.

After one year and a half of intensive training, ideal weather conditions gave Yves Rossy nine minutes of pure emotion

(Hublot, 2008, quoted from: 1:01-1:11)



Youtube.com (2008) FUSIONMAN - YVES ROSSY'S 1st OFFICIAL FLIGHT - 14 MAY 2008 | HUBLOT
Captions retrieved 2014-05-19 from:
<http://www.youtube.com/watch?v=j9lc7MFbISM>

Right in the beginning of the video, we see a typical trait of Kapferer and Bastien’s (2012, p.36-37) definition of a luxury brand story – sacrifice. In this case, the sacrifice is the long intensive training required making the short, but emotional, event to occur. This relates to Campbell’s (1993) definition of the story’s beginning when the hero sets out on an adventure, which Rossy did, one and a half year earlier. Rossy is portrayed as a man who is set out on a mission, a challenge, which is common in Gabriel’s (2000) definition of epic stories.

The watch-brand Hublot, Yves Rossy’s main sponsor, believed in him since day one. As Mr. Biver said today: Everyone has once dreamed of flying. On the 14th of May, in Bern, Switzerland, this dream came true.

(Hublot, 2008, quoted from: 1:33-1:50)

In the quote, we can determine another part of the epic story - the assistants helping the hero to achieve his goal. In this case, it is Hublot that acts as the good helpers that make Rossy’s

dream come true. By getting the sponsorship from Hublot, he can overcome the challenge on his adventure. The story's plot is focused on what Campbell (1993) would call *the foot of the adventure*, where the hero faces his greatest challenge yet and receives his reward. In this context, *the foot of the adventure* would be to officially fly with the machine for the first time. This is also in line with Gabriel's (2000) epic story, where the plot focus is mainly on the achievement and success of the hero.

Yves Rossy has to overcome stringiest times to achieve today's success. It is the beginning of a great and unique challenge which Hublot will continue following

(Hublot, 2008, quoted from: 2:18-2:30).

Once again, the narrator in the video chooses to highlight that Rossy had to sacrifice a lot and that Hublot has helped him overcome arising obstacles. By also indicating that Hublot wants to continue to help Rossy, the narrator further strengthen Hublot's place as the hero's assistant in his future adventures.

To reach those goals, Yves Rossy needs to improve his wing. It has to become lighter and more reliable in order to fly longer.

(Hublot, 2008, quoted from: 2:45-2:52)

With this short segment, Hublot also tells a story of craftsmanship, which Bruce & Kratz (2007, p.131) and Nueno & Quelch, (1998, p.62) argue a luxury brand should do. The story, as a whole, has an undertone of craftsmanship since Yves Rossy's project is a technological challenge. It is something that has never been done before and requires new innovative solutions, which is something Jackson (2004, p.158) argues is a necessary part of the craftsmanship story. Even though the craftsmanship does not stem from Hublot's own products, they cannibalize on it by being the helpers, or assistants, in the main story.

The craftsmanship can, as we have mentioned earlier, be connected to Bourdieu's (1984) definition of cultural capital. To gain the knowledge and possibility to create the flying machine, Yves Rossy is probably a creative and skilled engineer, since building a machine that flies is not something every man can do. Rossy being a pilot, a highly regarded occupation, also helps to portrait him as a man of high cultural capital. Hublot however, who has acquired the part of the helper in the story, is the one with economic capital. They even

mention Hublot as the main sponsor in the video, which means that they are not shy of being portrayed as a brand with high economic capital. Hublot is here connected with someone rich in cultural capital to gain social status and legitimize their own existence in the luxury industry. Bourdieu's (1984) thoughts on those rich in economic capital striving to gain access into the arena of cultural capital are therefore in line with this particular case. Also, Kapferer and Bastien (2012, p.262-263) who argue that luxury brands typically collaborate with artistic and creative individuals are right.

4.3 Sales figures

In this section, two documents that tell the story of censorship in sales and distribution will be analyzed. One is an article from Reuters and the other is the official financial report of LVMH, the parent brand of Hublot.

4.3.1 The Secret Document

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Revenue (EUR millions)	1,310	2,836	1,343
Revenue by geographic region of delivery (%)			
France	6	6	6
Europe (excluding France)	27	27	26
United States	12	12	13
Japan	13	14	14
Asia (excluding Japan)	27	26	27
Other markets	15	15	14
Total	100	100	100
Profit from recurring operations (EUR millions)	156	334	159
Operating margin (%)	12	12	12
Operating investments (EUR millions)	98	136	52
Number of stores ^{1a)}	351	347	334

LVMH (2013) Watches and Jewelry, p.13

The first document analyzed is a part from the financial report by LVMH (2013). The chapter concludes the sales for all jewelry and watch brands. No specific information on sales for particular brands within LVMH (2013, p.13) is given in the report. This strategy supports Catry's (2003) argument that withholding information by censorship may be of great value in the story of a luxury brand. It helps to enhance the illusion of scarcity, rarity and exclusivity. The only information given on Hublot concerns the image and a

specific product release:

Hublot boosted its upscale image with highlights such as designing the world's first brightly colored ceramic and introducing the MP-05 LaFerrari watch with a power reserve of 50 days, a record in watchmaking. The brand continues to strengthen its image and visibility while expanding its network of boutiques.

(LVMH, 2013, p.13)

The document does indeed cohere with the rarity principle. Even though it is a financial report, barely any information is given on specific sales. Some detail is given on distribution

but no specifics appear. Hublot instead tells the story of innovation combined with craftsmanship, just as Jackson (2004, p.158) claim a luxury brand should communicate. They do this by stating that the protagonist of the story, the MP-05 LaFerrari watch, has a power reserve of 50 days and claiming it to be a record in watchmaking. By communicating their innovative superiority, and doing something another brand never achieved before, they charge the brand with cultural capital. They claim to have the knowledge and skill to create something unique.

4.3.2 The Strategic Snitch

In the article, "Hublot chairman sees US sales rising, more stores", the author Phil Wahba interviews Hublot chairman Jean-Claude Biver about Hublot's future in the U.S. (Wahba, 2012). The article treats the past, present and future marketing, sales and distribution. As a whole, the article tells the story of selectiveness, or specifically, an expanding distribution in the U.S. This tells us a story of success; Hublot is doing well and are showcasing rather it than hiding it.

Hublot expects U.S. sales to represent a growing portion of the Swiss luxury watchmaker's global revenue in the coming years, helped by new stores and tourism at hubs like Miami and Las Vegas, Chairman Jean-Claude Biver said.

(Wahba, 2012, para.1)

Catry (2003) elaborates on information-based rarity; that a luxury brand benefits from hiding volume and sales. In the article, Biver is however generously leaking information about sales. It can be argued that the article goes against the rarity principle given by Catry (2003), Keller (2009) and Kapferer & Bastien (2012). There is however no exact information given on sales, specific models, nor the total revenue. The only figure on total sales (\$2.5 billion) available is the total sales for Jewelry and Watches for LVMH, which include several other brands. It can therefore be argued that the numbers are strategically leaked to increase interest from investors and stakeholders.

Hublot, one of the fastest-rising watch brands within LVMH, sells about 30,000 watches a year ranging in price from \$5,000 to \$5 million. The brand was founded in 1980 and is renowned for using distinctive natural black rubber straps.

(Wahba , 2012, para.7)

Hublot's singular idea, as Carlo Crocco previously put it, is also mentioned in the quote above. The distinctive natural black rubber strap can be seen as symbol, only significant to the initiated, when applying the framework of Kapferer and Bastien (2012, p.36-37). Jackson and Haid (2002) argue for the importance of innovative craftsmanship and also to stick to the roots, a view also shared by Chevalier and Mazzalovo (2008). By consequently highlighting their differentiated craft, the perception of innovation is maintained. The story also contains Kapferer and Bastien's (2012, p.36-37) story element of sacrifice. To belong to the Hublot family, you need to pay a very high price.

Another interesting point made by Biver is the 'country of origin' factor. Bruce and Daly (2007, p.63) and Jackson (2004, p.158) argue for the importance of where the brand has its origins. The origin suggests that the brand represents the high standards of other brands in the same region. With Switzerland being the absolute strongest player in the luxury watch market (Jackson, 2004), Hublot can cannibalize on the heritage and tradition that the Swiss watch industry represents.

The article concludes: "The Swiss watch industry has no competition,' Biver said. 'Nobody will buy a \$10,000 watch if it's not Swiss made.'" (Wahba, 2012, para.12), further cementing the importance of the CoO.

Since the volume is hidden in the financial report but leaked in the article, it may be argued that the illusion is nullified. If the consumer seeks exclusivity, presenting volume-figures may be a high risk if the figures are too high. It may be harder to engage in a long-term individual relationship with a customer if the product is shared with thousands of others, if keeping Kapferer and Bastien's (2012, p.36-37) factor of community in mind. On the other hand, it might be easier to attract investors if there is a communicated progression in sales and profit. There must be a balance, which is somewhat achieved with the strategic snitch leaking information from the secret document.

5 Discussion

In this section, we intend to discuss our empirical findings as a collective mass using our presented theories as a tool to find similarities and differences in the stories.

Upholding selectivity

Through various external channels, different types of communication can be applied depending on the communicative goals. To increase brand awareness, advertisement and product placement is preferred (Catry, 2003 p.15). The brand awareness factor might explain the somewhat provoking advertisement with Ecclestone, which stands out as the only humoristic presentation of the ambassadors. Catry (2003, p.15) claims that Public Relations is more effective when building a personal relationship with the customer, due to its selective nature - hence, PR is better to reach a specific audience. Hublot are mainly utilizing PR in their communication strategy, only in the case of Ecclestone an advertisement was placed. It may however be argued that the purpose of the advertisement is PR related due to its provocative nature.

Selectiveness is key when distributing luxury to create a personal relationship with the customer. If it is too available it is not exclusive. Therefore selecting the right locations and vendors is a necessity when distributing luxury (Keller, 2009; Miller & Millis, 2011, p.1437; Dall’Olmo Riley et al., 2004, p.42). Kapferer and Bastien (2012) and Catry (2003), add that rarity should be distributed and communicated without rarity - to grow without anybody noticing. In the article with Biver, the distribution strategy is clearly communicated. Carefully selected locations (e.g. Miami and Las Vegas) where an audience with plenty of new money visits are chosen for new stores. Hublot therefore fulfill the criteria of selectiveness when choosing the right vendors. It could however be argued that a more silent communication strategy should be applied.

Providing quality

They have however depicted a concise story of craftsmanship and design. By acquiring a different strategy of representativeness (sports profiles rather than performers of the high arts,

normally used by luxury brands) they matched their craft - rubber combined with gold, low class combined with high class. By finding a balance of censorship and telling the story of their financial success, they also engaged high involvement customers within a neo-tribe (being a hedonistic audience with new money that enjoy sports).

Representatives

A story can also be told through collaborations. A luxury brand must have proper ‘diplomatic’ representation, which is achieved through brand ambassadors, or testimonials as Kapferer and Bastien (2012, p.262-263) put it. The key word is consistency. The brand and the ambassadors must match each other optimally so a concise and representative story is conveyed (Williams & Atwal, 2013, p.387). It has been argued by Holt (2004) that an inconsistent communications strategy can be beneficial when creating an iconic brand. It may also be argued that Hublot have done just that; by mixing testimonials, ambassadors and sponsoring projects while somewhat censoring volume and sales, they have been consistently inconsistent. To even further solidify the story it could be beneficial to move towards a testimonial strategy rather than investing in ambassadors.

Ecclestone is clearly portrayed as a testimonial. He testifies to be using the brand rather than representing it. Hublot also use Bryant as a testimonial by having him state how much he loves the watch collection made for him. Also Mourinho testifies to how much he loves the Hublot watches, indicating that he is wearing them himself. These types of celebrity testimonials, rather than just representations, further solidify their place in the luxury industry. Kapferer and Bastien (2012, p.262-263) also argue for the importance of the brand dominating its ambassadors. In the case of Mourinho, this criterion is vastly fulfilled. Within sports, Mourinho is described as a genius or ‘The Special One’. When arriving at the Hublot manufacturing factory he is instead portrayed as an apprentice curiously seeking knowledge on the amazing timepieces produced there. The craft is so complex that not even ‘The Special One’ can comprehend its structure. Just like the product that fusions rubber and gold, the partnerships convey a similar story - sports combined with luxury while most other luxury brands work closely with aristocracy and the high arts.

Capital and metaphors

A theme throughout the analysis has been Hublot's connection to the sports industry. The ambassadorship of a basketball-player, a football coach and the CEO of Formula One, which have been presented in the analysis, are just three examples of Hublot's close connection to people within the sports industry. What is interesting is the selection of sports - basketball and football is arguably two of the most common and loved sports all over the world and certainly not connected to exclusivity or rarity. Bourdieu (1984, p.215-217) recognizes physical team activities as leisure meant for everyone and not a selected few. It is therefore interesting that Hublot use ambassadors from physical team-sports. The sports connected to a higher degree of cultural capital and social status are not as well represented among their ambassadors.

In the sponsorship analyzed, the roles of cultural and economic capital switch. Hublot has high economic capital and Rossy is a man of high cultural capital. The reason for this might be that, in a sponsorship project, the brand and its products are not in focus - the sponsored person is. The sponsorship activities are far away from Hublot's own product line and industry. Hence, they do not jeopardize own cultural capital as in an ambassadorship relation.

The metaphor on religions given by Kapferer and Bastien (2012, p.36-37) can also be identified in our analysis. *The creator* is clearly Carlo Crocco. *The founding myth and legend* can somewhat be found in the same story, but elevating it to a legendary story is a slight stretch. Our analysis shows that *storytelling to maintain the mystery* has been heavily utilized. The *holy land* has been identified as Switzerland (and partially Italy in the creator story). The rubber strap combined with gold and gems can be attributed as *symbols only significant to the initiated*. The watches, or the *sacred products* are communicated as *icons*. The *urban cathedrals* are portrayed in the story with Mourinho and the article with Biver, first as the main manufacturing facility and later as flagship stores. The aspect of *communions* is upheld through all the representatives since they act like helpers to the brand. *Community* is preserved through the perception of belonging to an exclusivity tribe. At last is the element of *sacrifice*, which in the case of Crocco is described as the sacrifice of family, hard work and conferring luxury to others while personally remaining frugal. In the case of Ecclestone, it is described as the sacrifice of health, for Bryant and Mourinho, sacrifice is portrayed through the story of hard work. Rossy sacrificed his time and life to pursue his dream, to fly free outside the walls of a cockpit.

6 Conclusion

In the final conclusion, the answers to each research question will be presented. The answers are based on gathered theory and empirical findings.

6.1 How does Hublot profile their brand through storytelling?

As mentioned in the discussion, there is one certain pattern to be found. All the elements from the religious metaphor by Kapferer and Bastien (2012, p.36-37) have been identified and some are present in several stories. However the analysis did not show a certain pattern in how Hublot presented their stories in relation to Gabriel's (2000), and Campbell's (1993) frameworks. The roles can be found but are portrayed differently in each story; hence no concise storyline is upheld. Instead, there were some traits that would reappear in most, or all of the stories.

The results show that Hublot utilizes both personalities and celebrities to construct their own brand narrative. The story is told through real embodied stories of their ambassadors and their own heritage, thus increasing the brands authenticity. Most of the protagonists in the stories are self-made men. None of them are born into a world of high cultural or economic capital and they are therefore somewhat of a reflection of the young and new luxury to which Hublot also belong. The overall plot focus in the stories seems to be fairly consistent - success by sacrifice. The protagonists in the stories can be seen as 'self-made', the *creator's* of their own success. It is achieved through hard work, sacrificed health and giving luxury to others at the expense of personal frugality. The predicament in the stories would therefore be to overcome adversity, or working the way to the top. The stories consist of emotions of joyfulness and satisfaction - happy and content men who have realized their dreams. Also, they consist of a feeling of indulgence; examples of what new money might bring, in form of extravagant watches with details and design beyond the ordinary. Hublot is often portrayed as the *other character*. They are often seen as a giver, helping Rossy realize his dream of flying, giving Bryant his own product line and enlighten Mourinho in the world of watchmaking. When the product is in focus, like in the Ecclestone, Bryant,

Crocco and Mourinho stories, they are often portrayed as sacred icons. As previously mentioned the religious metaphor has been identified in several stories. The element of sacrifice is however featured in all the collaborations and can be therefore be attributed special value.

By using different elements from all story types, we see the need to present a framework, suitable for a young luxury brand - conveniently called ‘The Hublot Story’. The framework can be seen as a tool to explain how young luxury brands can profile the brand through storytelling.

Protagonist	self-made man
Other characters	helper, giver of cultural capital, icons
Plot focus	success by sacrifice
Predicament	making dreams come true, overcoming adversity
Poetic tropes	love, ambition, indulgence
Emotions	joyfulness, satisfaction

Figure 4: The Hublot Story

6.2 How is the feeling of quality, exclusivity and rarity maintained?

Throughout the analysis, there have been some recurring tactics used by Hublot to maintain the feeling of quality, exclusivity and rarity. The first one, present in most stories, where the focus on craftsmanship. Luxury is hand-made only which, for example, is highlighted throughout the video clip with Mourinho. Carlo Crocco’s CoO, manners and background in a watch family, is well presented in his interview and also attach a sense of exclusivity to the brand. Crocco’s background is the only indication of an attempt to communicate some form of heritage or tradition by Hublot. This is a central part for other brands in the luxury industry.

The innovation aspect is also a main reason to how Hublot is maintaining the feeling of quality and exclusivity. By constantly communicating their innovative spirit and design, they manage to separate themselves from the traditional watchmakers and legitimize their existence on the market.

It is crucial to not present specific sales figures in the financial report to enhance the feeling of rarity. By instead mentioning financial numbers in other places (like in the interview with Biver), Hublot might have found a better solution to still attract stakeholders and investors. Our gathered theory and analysis does however show that further financial discretion should be attempted to remain the feeling exclusivity.

By using PR as the choice of communication, Hublot has successfully been able to practice a more selective communication strategy. A selective flow of information combined with a selective distribution helps to uphold the illusion of scarcity, exclusivity and rarity.

6.3 How does Hublot charge their brand with cultural capital?

It is possible to argue that Hublot does not need to charge their brand with cultural capital. When interpreting their documents, we can conclude that their target audience is interested in broadly appreciated sports, have plenty of new money and enjoy visually extravagant luxury, thus reducing the importance of selling cultural capital. It is however possible to widen the terminology of cultural capital. It can be seen as any type of knowledge, possible to obtain through economic capital as in the case of Hublot. Since the luxury consumer is of high-involvement character, she seeks more knowledge about the product and Hublot is ready to provide it. The brand is therefore charged with heritage based on knowledge, partially cannibalized from the CoO, which is Switzerland. Biver even highlights that no one is prepared to spend a fortune on a watch, which is not Swiss, thus confirming the importance of the CoO for Hublot.

As previously brought up, Hublot also exhibits their knowledge by telling the story of quality and craftsmanship. The CoO and the craft (being the quality and innovative design) are the main indicators used by Hublot to justify the high price tag and charges the brand with cultural capital, thus indicating that the Hublot watches provides social status.

6.4 Summary

We have shown that a young luxury brand can profile itself by using a narrative charged with cultural values. Intangibility, selectivity and a distinguished narrative can be used to stand out, thus creating an identity, suitable for a crowd with newly acquired economic capital. By cannibalizing on the country of origin, telling the story of superior craft and carefully managing distribution, the illusion is upheld.

7 Possible further research

As our research shows, it is possible for a young luxury brand to exist and grow in a heritage based luxury industry. By charging the brand with other values, success can still be reached. We have shown that a luxury brand can target an audience with newly acquired money by charging the brand with cultural capital, disguised as knowledge and the element of sacrifice by using ‘self-made men’. We therefore urge future researches to compare Hublot’s story with other young luxury brands to see if it is possible to find common generalizable elements to create a broader knowledge of the young luxury brand’s stories.

During our analysis, we have noticed that a vast majority of the representatives are men. We therefore encourage researchers to investigate the gender aspect of luxury marketing. How does luxury marketing differ between men and women? We propose both a document analysis using commutation tests to compare how men and women are portrayed, as well as a quantitative analysis, to show in exact figures how the representation actually looks.

8 Final Words

Luxury is built on perceptions. Our salary, our taste and our identity are showcased through superfluous items, not for what they physically offer, but for what they represent. Through these connotations we tell the story of our superiority in matters of economic and cultural capital. We purchase the story to just not wear it but also to tell it ourselves. We buy an illusion and spread it to others.

Luxury is both exclusive and rare, still the luxury industry is booming. It is physical and intangible, superior craft combined with stories to carry the sacrifice we make to possess it.

It is an epic tale, and we pay millions to hear it.

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10 Appendices

Appendix 1 – Carlo Crocco interview in QP-magazine



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Hublot's Singular Idea

Carlo Crocco keeps to the straight and narrow
Maria Doulton

“Consistency” is Mr Carlo Crocco’s reply when I ask him to explain the enduring success of the Hublot line. It is as simple as that. “You have to be consistent so that people can understand you.” And for Mr Crocco, fidelity is everything. The original porthole-inspired Classic (indeed, *hublot* is the French for “porthole”) is still MDM Fabrication SA’s best seller, and we have yet to see anything but black rubber on a Hublot strap.

© QP Magazine 2007



A look through the porthole

Carlo Crocco does not welcome coverage about him personally as he is naturally a discreet man, but to understand Hublot you have to have an understanding of its creator. After reading about Crocco, the Italian who forged Hublot out of sheer determination and a lot of courage, I expected to meet a swashbuckling, gold-buttoned blazer wearer of a man. But this was not what I found at the MDM headquarters in Nyon, a lakeside medieval town half an hour outside Geneva.

Crocco is a man of quiet strength and gentle manners, and no gold buttons in sight; an animal lover who is more at home behind the wheel of his family Volvo than burning rubber in a Ferrari on a racetrack or flying his private jet. Hoping to find a hint of hedonism or a glint of jetsetter glitterati, I ventured a question about his holidays – but no, Crocco would rather stay at home with his wife in Lugano or travel to help the children of southern India, a project very close to his heart.

But his inner calm belies a tale of determination and success. What he has done in the watch industry has not been repeated. In the last few decades almost no one has managed to create an entirely new watch brand from scratch, start off a trend and, what is most astounding, survive the “fashion moment”. But MDM have, and have evolved over 23 years, basing everything around the one product: Hublot.

It is hard to imagine the apprehension that Carlo Crocco must have felt in 1980 when he stood at the Hublot stand at the Basel watch fair. No one had ever heard of this watch before and no one had ever seen a watch that looked like it. The minimalist, porthole-inspired, yellow-gold case with twelve screws on the bezel and the distinctive rubber strap was an all-or-nothing bet. Now comfortably settled behind his desk at the Hublot headquarters in Nyon, Crocco offers me a porthole-shaped chocolate, and recalls the nerves he felt at the time: “it was a strange moment and the reactions were very different.” At the time nobody, least of all Crocco himself, guessed the huge success that this watch line would become. This tearaway son of a family of Italian watchmakers – and the creators of the watch brand Breil – had made a very bold move. But he had done his homework.

In fact, he had done 3 years of homework. The Hublot Classic was the result of months of research and investigation. Crocco distanced himself from the family business to create a watch that was refined yet understated, comfortable and practical. Crocco describes his aim as: “to create one brand around one image, one watch. And it was very strong because at the time most of the other Swiss watch companies had more than 200 models so they did not have a strong identity.”

A bold step

The story of how he came up with the idea of using a rubber strap alongside a gold case is one of those spark-of-inspiration tales. Legend has it that while Crocco was looking at the initial hand-drawn designs, he consistently struck them out with a thick black felt-tipped pen and came to like the contrast of the deep black strap with the warm gold of the case, that the only way of achieving this matte black was with rubber. And, as the saying goes, “genius is 1% inspiration and 99% perspiration,” then came the long haul of finding a way of making rubber perform to Crocco’s exacting standards. The Malaysian rubber straps with reinforced steel plates in the tips took a long while to perfect. In the late 1970s there was no one who knew how to work rubber to watch-making standards, so Crocco looked to tyre producers to create the exact mix of rubber and steel for the thin, flexible and resilient strap. Possibly the genius touch was to add a subtle vanilla scent



Crocco can be credited with the current fashion for rubber in watch straps and jewellery, but he had to go to tyre producers to get the right mix of materials.

to mask the slight acrid smell of the rubber. The fact that we now see rubber so frequently in watch straps and jewellery can be credited to Crocco.

The improbable marriage of black rubber and yellow gold brought Hublot onto the jetsetters' radar screen. It helps that this distinctive look is highly recognisable even through a fuzzy paparazzi high-powered zoom lens, and soon the Hublot became both the must-have accessory of the Hoi! crowd and an essential fashion item in Italy overnight. No doubt its success was aided a great deal by the purchase King Constantine of Greece made for his brother-in-law, none other than King Juan Carlos of Spain. That good-looking, yacht-racing young monarch probably did more for the brand than any carefully orchestrated PR campaign could have hoped for.

There is more

So it would be easy to finish this story here and tick off Hublot as a successful exercise in watch-

making for fickle watch fashionistas. But there is more to tell. Today, Montres MDM Fabrication SA produces 15,000 watches a year – all Hublots of course – and has the enviable position of selling almost the same number of men's and women's watches. In fact, so strong is the Hublot name – which is the name of the watch model – that it overshadows the company MDM Fabrication SA (which stands for Montres Danielle Marie). And this, of course, was Crocco's intention. Like Rolex's Oyster or Audemars Piguet's Royal Oak, one strong product associated with the company fixes the brand in the public's mind. And it worked for MDM – or should I say Hublot...?

Crocco likens his approach to Porsche's strategy: "Porsche are like Hublot: they are based on one product, the 911 model. The concept of our watches is very similar because it is the evolution of the line but the concept is the same. It is fantastic because we introduced the watch 23 years ago and it is still our best seller." But there has been

Despite the fact that all Hublot watches are based around the original design of the Classic, MDM have produced many distinctive variations by applying their creativity to the cases and dials of their watches.

The meaning of Art

The Hublot Art Collection features timepieces with faces decorated with engraving, champlevé/cloisonné enamel or bas-relief, and is inspired by Urushi Ancestral Japanese Art, founded in Asia around 6,000 years ago. The Urushi techniques originally involved using gold, silver or mother-of-pearl inlays to beautify furniture, make-up accessories, toys and writing implements. Urushi was also used in Buddhist temples and in the making of armour, helmets and swords.

Urushi lacquer is traditionally made via a lengthy process of up to nine coatings of the sap extracted from the Urushi tree, and takes 3 months to prepare. Even now, none of these stages have been mechanized, meaning that the craftsmen's skills are still an essential part of the production. As the lacquer hardens it takes on a glossy sheen, making it look rounded, wet and deep. Interestingly, 7% of Urushi lacquer is actually natural rubber, a central component of Hublot watches.



one exception to this mono-product approach, which we are sure Hublot would rather forget. In 1988 Crocco launched a new watch called the Thor, a retro-looking bubble of a chronograph on a Kevlar and steel strap. Five thousand pieces were made but, as Crocco himself admitted, "it was very difficult to create another brand. After this, we realised we had to keep the strategy to one brand." Not without a hint of regret, Crocco shelved the Thor, but it is clear that this experiment was enough to convince him that sticking to Hublot was the way ahead.

Crocco is adamant that his approach is about the craft of watchmaking. But he will not for an instant claim that he aims to compete on a technical front and create complicated timepieces. Crocco confirms that his watches are fitted with ETA and Frederique Piguet movements. "We do not produce mechanical watches ourselves because there are so many who are very good at it." However, he believes that the art of watchmaking can also be applied to creation of the case and the dials. And the latest chapter in Hublot's history is the creation of limited-edition watches using skills that are still

rare, such as bas-relief, enamel, cloisonné enamel and incision engraving. He has tracked down gun engravers in northern Italy, Dutch and Swiss enamellers, Florentine miniature portrait painters and Japanese Urushi lacquer masters, and applied their skills to his Art Collection watches (see above).

Hublot worldwide

The next big market for Hublot is Russia, along with Japan. The Russians particularly appreciate the enamel work that Hublot have been developing, and have shown interest in the special-edition pieces. While touring the assembly areas, I spotted a specially commissioned series of "77" watches for the Japanese Tigers baseball team, confirming that this nation is showing more than a passing interest in Hublot. For many years Spain has been one of Hublot's strongest markets, something Crocco himself can not fully explain. The Hublot agent in Spain, Milan-born Marzio Villa, concedes that King Juan Carlos did help to raise the profile of Hublot, but this alone can not explain the enduring success of the brand. "After all," Villa explains, "the King has a lot of watches." Villa

credits much of their success to long-term thinking. "The Hublot phenomenon in Spain has not been an overnight sensation but a steady growth that has outpaced the usual big sellers. Hublot occupies the number 2 slot of luxury watch sales in Spain, after Rolex and above Cartier." Villa also recognises that timing was important to his success. "When I started distributing Hublot in Spain, there were few other watch brands in the local market. Rolex were here and Cartier and Omega were just starting to enter the market." Another reason for this success is the fact that Hublot, like the Spanish, prefer classic styles to changing fashions. This would account for why the Classic model still represents 80% of sales in Spain.

Every year new Hublot models are brought out, all being faithful to the original design but with new twists. Each and every one is instantly recognisable as an Hublot, whether the 1910 with a tantalum case and a meteorite dial, or the new extra-large SuperB chronograph – that Crocco himself wears – in pink gold and steel. Even the sparkling array of jewelled women's chronographs, including the icy Diamonds models, are distinctively Hublot.

What next?

Crocco explains that this is a good moment for Hublot as there are no clear trends making themselves heard in the watch world. At times like these, a "classic" like Hublot does well. "In more mature markets, people like to have an Hublot as a third or fourth watch as it is still very different from other watches." Not a bad niche to have, and one that can hope to be maintained as more people become interested in watches.


As a wholly privately owned watch company with 45 staff, Crocco realistically expects growth to be around 10%–15% per year, which is admirable considering the product offering is based around one line of watches.

As we drove back to the airport past tractors trailing the grape harvest, I was shown the piece of land that MDM Fabrication SA have bought to house the new Hublot production plant and offices. Following the launch of the tantalum model, Crocco promises more innovations in materials used. But do not expect any change in the black rubber strap. That is here to stay. ◻

Further information: Hublot, Suite 275, 2 Lansdowne Row, Berkeley Square, London W1J 6HL. Tel: 0870 444 6336, www.hublot.com


Appendix 2 – Kobe Bryant news article

HUBLOT BLACK MAMBA NIGHT



Kobe Bryant, NBA legend and brand ambassador of HUBLOT, shows up at Shanghai "HUBLOT Black Mamba Night" to present the King Power Black Mamba Chronograph Watch .

(Shanghai, August 7, 2013) As night falls, the lights go on! The "Black mamba" drives down the roads of Shanghai at high speed. This night, a Black-themed party was held with boundless passion at the HUBLOT boutique on Nanjing West Road, Shanghai. Kobe Bryant, NBA legend and the newest brand ambassador for HUBLOT, showed up at to present the King Power Black Mamba Chronograph Watch together with Loic River, branding director of HUBLOT China. At the party, all the guests present cheered the legendary collaboration - the passionate fusion of a Swiss luxury timekeeper brand and professional basketball.



NBA fans are excited immediately just when the name Kobe Bryant is mentioned. It is his black-mamba-like speed, slithering skills and near-perfect physical strength that make him a rare, versatile NBA legend. Inspired by his ceaseless quest for pushing the limit and unremitting passion for ultimate victory, that HUBLOT hired the basketball superstar as its newest brand ambassador, to join Dwyane Wade of Miami Heat and the World's Fastest Man, Usain Bolt.

To commemorate this new partnership, HUBLOT specially launched Bryant's signature timepiece - the HUBLOT King Power Black Mamba Chronograph Watch at a launch event in March in Los Angeles, the basketball stars hometown. Today, for the first time, Kobe came to the boutique to pick up his very own! The collection is limited to only 250 pieces worldwide, which incorporates many special elements as tributes to Bryant's profession basketball career as well as the basketball sport.



The eye-catching Number "24" stands for his Number-24 jersey which accompanies him to compete in all NBA games, while the dial with purple and gold accents honors the "Dynasty of Purple & Gold"- Los Angeles Lakers for all its achievements and glories. What's more, a black mamba coils through the skeletonized dial, a design delivering mechanical aesthetic value as well as mysterious charisma. In addition, a distinctive python snake strap sewed on black rubber and a caseback engraved with Kobe Bryant's signature complete the watch design, really an ultimate interpretation of HUBLOT's concept - "the Art of Fusion".

This is the time for personalized successes. Building on a perfect fusion of traditional Swiss Haute horlogerie expertise and modern high technologies, HUBLOT has achieved countless successes in Swiss watchmaking history.

With its innovative concepts, appealing R&D and unique marketing strategy, it has been admired as a worldwide "model of success". Nowadays, the fast-growing HUBLOT has accessed innumerable prestigious partnerships, from which you can find its collaborations within the worlds of car racing, football, basketball, skiing, sailing, yachting, polo and even rock 'n roll.

In speaking of the collaboration with HUBLOT, Bryant feels quite pleasantly surprised to be invited to present the King Power Black Mamba Chronograph Watch in China in such an innovative way. "My credo is to be firm, decisive and forward-moving, which is also the reason why I joined HUBLOT family without any hesitation. Moreover, I personally love the King Power Black Mamba Chronograph Watch collection very much, and it's so amazing to witness such a perfect fusion of exquisite watchmaking expertise and my favorite basketball!"

Hublot chairman sees US sales rising, more stores

Wed, Jun 20 2012

- * US sales to represent 20 pct of global sales eventually
- * Expects U.S. store count to rise to 10 from 5
- * Expects Hublot's 2012 global revs up double digits

By [Phil Wahba](#)

June 20 (Reuters) - Hublot expects U.S. sales to represent a growing portion of the Swiss luxury watchmaker's global revenue in the coming years, helped by new stores and tourism at hubs like Miami and Las Vegas, Chairman Jean-Claude Biver said.

Hublot, a unit of LVMH, operates five U.S. stores and gets about 14 percent of its sales in that market. But that could grow to 10 stores and 20 percent of sales, Biver told Reuters on Wednesday. Hublot is set to open a sixth store, in Atlanta, in August.

U.S. luxury sales have rebounded since the financial crisis in 2008. The rise in tourism from countries with an emerging middle class, like Brazil, China and Russia, have been instrumental to that growth for high-end chains like Tiffany & Co and Saks Inc.

Latin American shoppers account for 90 percent of sales at Hublot's store in Miami, making it the company's top-grossing location anywhere, Biver said.

At its Madison Avenue store in New York, international customers generate a third of revenue.

"The country is important," Biver said. "You cannot underestimate America. It's underdeveloped. We have not reached the (full) potential."

Hublot, one of the fastest-rising watch brands within LVMH, sells about 30,000 watches a year ranging in price from \$5,000 to \$5 million. The brand was founded in 1980 and is renowned for using distinctive natural black rubber straps.

The watches and jewelry unit of LVMH generated 1.95 billion euros (\$2.5 billion), or 8 percent of the company's revenue, in 2011. The other brands in the division include TAG Heuer, Bulgari and Montres Dior.

Last month, Tiffany lowered its revenue forecasts, citing slowing growth in China and the United States.

Biver acknowledged a slowing of growth industrywide, but said Hublot's global revenue should rise by a double-digit percentage rate this year, outpacing the 9 percent to 10 percent increase expected for Swiss watches industrywide.

Biver said luxury watches like Hublot's were relatively insulated from a pullback in spending, given their scarcity.

"The Swiss watch industry has no competition," Biver said. "Nobody will buy a \$10,000 watch if it's not Swiss made."

1 euro = \$1.27

Appendix 4 – Watches and Jewelry section of LVHM’s financial report

BUSINESS REVIEW AND COMMENTS ON THE HALF-YEAR CONSOLIDATED FINANCIAL STATEMENTS OF LVMH GROUP

Watches and Jewelry

5. WATCHES AND JEWELRY

	June 30, 2013	Dec. 31, 2012	June 30, 2012
Revenue [EUR millions]	1,310	2,836	1,343
Revenue by geographic region of delivery (%)			
France	6	6	6
Europe (excluding France)	27	27	26
United States	12	12	13
Japan	13	14	14
Asia (excluding Japan)	27	26	27
Other markets	15	15	14
Total	100	100	100
Profit from recurring operations [EUR millions]	156	334	159
Operating margin (%)	12	12	12
Operating investments [EUR millions]	98	136	52
Number of stores ^(a)	351	347	334

(a) Excluding franchises.

Highlights

In the first half of 2013, the Watches and Jewelry business group continued its upmarket strategy aimed at boosting the renown and image of its Maisons. The power of their iconic product lines, the quality and creativity of newly launched products, and the buoyancy of the high-end segment, particularly with respect to jewelry, all played a key part in the strong performance of exclusive brand boutiques. In an uncertain economic environment and a highly competitive market, the start of the year was nonetheless marked by cautious purchasing on the part of multi-brand watch retailers. The business group continued to invest in bolstering distribution quality and consolidating its savoir-faire in fine timepieces and jewelry.

Bulgari kept momentum up with events celebrating the Maison’s savoir-faire as embodied by the *Serpenti* line, one of its most powerful symbols. An exhibition of legendary pieces that

belonged to Elizabeth Taylor was held in Los Angeles during Oscar week. At Baselworld, Bulgari successfully presented its *Catene* watch for women and a reinterpretation of the emblematic *Bulgari Bulgari* men’s watch.

In a blend of past and future, **TAG Heuer** celebrated the 50th anniversary of its legendary *Carrera* collection and, in Basel, launched its *MikropondulumS* chronograph, the first magnetic double tourbillon in the history of watchmaking. The brand has continued to demonstrate its pioneering spirit, becoming a founding member and official timekeeper of the upcoming Formula E championship designed for electrically-powered racing cars. The new TAG Heuer movement manufacturing facility, opened in June, will be fully operational by the end of the year.

Hublot boosted its upscale image with highlights such as designing the world’s first brightly colored ceramic and introducing the *MP-05 LaFerrari* watch with a power reserve of 50 days, a record in watchmaking. The brand continues to strengthen its image and visibility while expanding its network of boutiques.


Zenith deployed all the new components of its brand image and continued developing its *Pilot* collection with new models for men and women.

The *Joséphine* tiara ring by **Chaumet** met with increasing success, and the Maison added new high-end jewelry watches to its *Attrape-moi si tu m’aimes* collection. **De Beers** consolidated its position as the jeweler of light, launching several new collections. **Fred** and **Montres Dior** continued to develop their emblematic product lines.


Outlook

In the second half of the year, Watches and Jewelry business group brands will get a boost in growth from deliveries of the new products successfully presented at Baselworld. Against a still mixed economic backdrop, approaching each market attentively and allocating resources selectively will remain key. Investments in innovation and in the development of manufacturing capabilities will continue. Amongst other initiatives, **Bulgari** will build a new jewelry workshop in Italy, combining excellent craftsmanship and cutting-edge technology.

Appendix 5 – Add with Bernie Ecclestone



T H E A R T O F F U S I O N



F1
Formula 1

F1™ KING POWER
THE OFFICIAL WATCH OF FORMULA 1™

“See what people will do for a Hublot”
Bernie Ecclestone, November 25 2010

Bernie

Hublot condemns all forms of violence and racism

H
HUBLOT
GENEVE

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Appendix 6 - Table of Luxury Brands

Brand	Founded	Source
Audemars Piguet	1875	audemars-piguet.com
Blancpain	1753	blancpain.com
Breitling	1884	breitling.com
Breguet	1775	breguet.ch
Cartier	1847	cartier.com
Chopard	1860	chopard.com
IWC	1868	iwc.com
Jaeger-LeCoultre	1833	jaeger-lecoultre.com
Franck Muller	1991	franckmuller.com
Omega	1848	omegawatches.com
Patek Philippe & Co.	1851	patek.com
Rolex	1905	rolex.com
TAG Heuer	1860	tagheuer.com
Ulysse Nardin	1846	ulyse-nardin.com
Vacheron Constantin	1755	vacheron-constantin.com
Zenith	1865	zenith-watches.com

Appendix 7 - Table of gathered material

Object	Medium	Pictures	Size
Carlo Crocco	Printed article	6	5 pages (character count not available)
Kobe Bryant	Digital article	9	3388 characters
Jean Claude Biver	Digital article	0	397 characters
LVMH Financial report	PDF	0	3447 characters
Bernie Ecclestone	Printed ad	2	133 characters
Yves Rossey	Video		3 min 8 sec
José Mourinho	Video		2 min 20 sec