CONSUMER-BRAND RELATIONSHIP OF AMERICAN LUXURY BRANDS
IN THE FINNISH MARKET
– A CASE STUDY OF MICHAEL KORS
The Finnish market for luxury fashion brands is experiencing a radical change. There is an increasing availability of American fashion for Finnish domestic consumers than ever before. In this modern customer-oriented competitive market, understanding how customers recognize specific brand meanings and its subsequent influence on buying behavior is crucial.

The purpose of this research is to study how young female consumers build up a brand relationship with American luxury brands in Finland, and to compare the cultural influence, Chinese vs. Finnish culture, on their concepts of brand meanings. This research applies the qualitative method, with data generated by conducting interviews on ten Michael Kors young lady consumers, of which five are Chinese participants and five are Finnish. The purpose of the interviews is to bring a better understanding on how Michael Kors builds its brand meanings, and how this brand-consumer relationship possibly influences purchase and contributes its relative success in the Finnish market. The study also compares how cultural perspectives, Chinese and Finnish, influence the Michael Kors brand meanings and the buying behavior.

In conclusion, the brand meaning of Michael Kors is influenced by factors including “Appreciating beauty, art and quality”, “Pursuing hedonistic pleasure, “Expressing the self”, and “Matter of investment. Factors that influence the behavior of purchase include the fashion phenomenon, quality and design, and price aspects. Michael Kors has made great efforts in achieving a rapid growth world widely as well as in Finland. These efforts are potentially linked with its content of brand meanings and contribute to its increased benefits. For example, their investment in public media may form the key driving force of street phenomenon, which consequently attracted a multitude of Chinese and Finnish consumers. Furthermore, this study provides empirical data which support the pivotal role of culture in the brand meaning of Michael Kors and its influence on the consumption behavior.
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1 INTRODUCTION

“Mom, I want a Gucci handbag!” In the wish of this little girl, neither color nor the material of the handbag was mentioned. However, “Gucci” as a brand name seems to cover all the contents of the handbag. This drives us consumers to meditate the meanings of brands, how they are constructed and how they influence the behavior of consumption. In the competitive market today, brand meanings are increasingly important for the potential success. In the light of this viewpoint, it is important to understand how a successful brand establishes its brand-consumer relationships and builds a relationship with consumers, motivating the current study.

Lots of branded products enter the Finnish market each year in order to meet consumers’ requirements and to share the profits. Increasing numbers of consumer’s desire to purchase luxury goods, while customers’ demand for fashion goods has never ceased despite of the economic recession (Deloitte, 2016). Therefore, it is essential for this class of companies to understand its consumers’ preference if they want to profit in the fashion industry and to hold a position the competitive market. Empirical data demonstrating how consumers associate to specific brands and dissecting the constructs of their brand meanings may provide beneficial tips for marketing.

Recently, the author has witnessed the astonishing consumption capability of Chinese tourists while working as an on-board Chinese Attendant of Siljia Line ferry which shuttles between Stockholm and Turku every day. During the summer, hundreds of thousands of Chinese tourists visit the Nordic countries including Finland and Sweden. This has become the routine every year. They bring new blood into the Finnish market via buying especially luxury products such as Michael Kors handbags, Chanel perfumes, Louis Vuitton handbags, Gucci watches and jewelries. Not only Chinese tourists but also local Chinese residents contribute to the Finnish market via buying luxury products.
1.1 Consumer-brand relationship as a research phenomenon

The development of consumer-brand relationship has become a core of branding theory in society today (Chang & Chieng, 2006, p928; Fournier, 1998). The brand plays a considerable role as a mechanism by engaging both sellers and buyers in a long-standing consumer-brand relationship (Davis, Buchanan-Oliver, & Brodie, 2000). Concomitantly, the good relationship between consumers and brands is crucial for a state of greater sales, fewer price susceptibility, greater margin and enhanced loyalty (Aaker & Joachimsthaler, 2000; Duncan & Moriarty, 1998). Therefore, consumer-brand relationship and the current marketing situation have promoted brand managers to find state-of-the-art ways to build beneficial connections with consumers (Mitchell & Orwig, 2002).

Establishing functional connections with consumers has been the focus of the traditional way of brand marketing. However, the market has changed hugely, and the currently consumers want more engaging experience (Schmitt, 1999). This is also supported by a survey which was conducted by a group of marketing executives and researchers on experiential communication. High proportion of those participants consider that experiential communication would raise during the next decade (Schmitt, 1999). Schmitt et al. also suggested that “experiential marketing has proven to be a very good starting point for consumer brand relationship research” (Schmitt, 1999). He also stated that the consumer-brand relationship consisted of brand knowledge and consumer experience. “The consumer-brand relationship depends on the successful establishment of the brand meanings (i.e., brand personality, brand association, brand attitude, and brand image) in the minds of consumers” (Chang & Chieng, 2006, p928). Thus, a consumer’s experience directly influences these brand meanings.

In the current study, the construct of consumer-brand relationship as a research phenomenon is through a case study of Michael Kors. More specifically, the author studied how young lady consumers build their relationship with Michael Kors handbags. Since Michael Kors is very popular world-wide and in Finland during these years, many of young ladies carry Michael Kors handbags on the street. How those consumers build a
relationship with Michael Kors handbags may be investigated via conducting face-to-face interviews. Understand the process of building this relationship and dissect the construct of the concept of brand meanings of Michael Kors will provide value to the current understanding of phenomenon of consumer-brand relationships.

1.2 Research gap

There were many studies focusing on consumer-brand relationship; however, those studies only focus on the relationship formulation and relationship development (Bagozzi, 1995). Although importance of consumer-brand relationship has been well recognized by academicians, existing empirical evidences that address the process of building a relationship with a brand are still lacking (Park & Kim, 2001).

Although the process of establishing a brand has been well studied, most of these researches have been done on global brands business development (Li, 2001, p121). There are few studies focusing on American fashion branding, especially its development in a single unique market. Finnish consumers’ perspective toward luxury brands have been studied by Ms. Lahtinen in her Master’s degree thesis at the University of Tampere (Lahtinen, 2014); however, their relationship with specific American brands have not yet been investigated deeply.

1.3 Why Michael Kors

“Branding is not simply the gerund of the verb “to brand”, but it derives from the word ‘brand’. A brand is an entity of name, term, sign, symbol, trademark, logo, sound, colors, package and product design.” (Li, 2001, p121)

Different brands convey different meanings for customers. A brand can define the products on sale, and to differentiate the products of one company from those of another (Schein, Mueller, Lituchy, & Liu, 1996). More and more customers pay attention to the brands when they make the purchase, for example by calculating how much value it could bring them if they buy the luxury handbag of a specific brand. Customers’ demand for fashion goods is constantly growing despite of the economic recession (Deloitte, 2016).
In 2016 for example, according to report of one top management consulting firm, consumption of luxury goods reached 253 billion euros in revenue (Bain&Company, 2016).

As a tool of marketing communication, branding has been catching of attention in the current society (Li, 2001, p121). The process of establishing a brand has been well studied. However, most of the research has been done on global brands business development. There are few studies focusing on American fashion branding, especially its development in a single unique market. Although Finnish consumers’ perspective toward luxury brands have been studied by Ms. Lahtinen at the University of Tamere (Lahtinen, 2014), their relationship with specific American brands have not yet been investigated deeply.

In this study, the author focuses on an American brand and how its consumer-brand relationship affects the brand meanings. The reasons to choose Michael Kors as the target brand are as follows.

1. Michael Kors has achieved great success in the Asian market and holds a steady position in the Finnish market, although its market is lightly shrinking last year.

2. Michael Kors is with relatively affordable price, easing this study to get subjects.

3. Classic marketing strategy of Michael Kors allow for preliminary dissection of the driving force of its consequent brand meaning.

1.4 Research purpose and questions

The aim of the current study is to understand how young female consumers perceive the meaning of American luxury brands in Finland and to compare the cultural influence on their perception. I choose Michael Kors as an example brand in the light of its huge profits in the Finnish market. However, the study is not to focus on how Michael Kors makes success, but instead to shed light on how brand meaning is linked with or behind this success. Also, I choose only Chinese and Finnish consumers in the current study. Direct comparison between the two cultural groups of consumers highlights the contrast and
makes the results easy to interpret. Moreover, this comparison could be easily extended to other ethnical groups. In this sense, the current study bears broad significance than it appears.

To understand how young female consumers build up a brand relationship with American luxury brands in Finland, specific questions regarding the following concerns will be asked.

1. What are consumers’ perceptions of the luxury brand meaning?

2. What influence young female consumers to make the purchase of Michael Kors handbags?

3. How culture shapes the brand meaning and/or influences the consumers’ buying behavior?

To ease the conductivity of this concept of study, Finnish and Chinese cultures, as representatives of the Western and Eastern culture, are compared regarding the formation of brand meanings. The author also chooses an American brand, i.e., the Michael Kors as the studied case. Furthermore, this research focuses only on how young female consumers that are fans of Michael Kors handbags. Thus, the purpose of this research is to study how young female consumers build up a brand relationship with American luxury brands, as exemplified by Michael Kors, in Finland and to compare the cultural influence, Chinese vs. Finnish culture, on their concepts of brand meanings.

This research applies the qualitative method, with data generated by conducting interviews on ten Michael Kors handbag young lady consumers, of which five are Chinese participants and five are Finnish. The purpose of the interviews is to bring a better understanding on how Michael Kors builds its brand meanings, and how this brand-consumer relationship possibly influences purchase and contributes its relative success in the Finnish market. The study is especially to compare how cultural perspectives, Chinese and Finnish, influence the Michael Kors brand meanings and the behavior of purchase.
To provide background for this study, the author first reviewed previous literature about brand meanings, especially around the concept of luxury brands, theoretical model of brand meaning development, and the cultural influence on brand meanings. The author also surfed the literature and internet to help understand the history and marketing strategy of Michael Kors. Michael Kors as a fast-developing company must have a healthy marketing strategy which may shape potential brand meanings.

Then, the author applies qualitative method that explores the deeper framework underlying customers’ feelings and emotional needs toward brand meanings. Qualitative methods is suitable to understand reality interpreted and constructed culturally, socially and situationally (Taylor and Bogdan, 1985). The aim of choosing this method is to comprehend complicated phenomena in a systematic way, instead of to establish direct relationships between single variables (Eriksson and Kovalainen, 2008). The data was generated through conducting ten interviews of Michael Kors handbag consumers, of which five were Chinese participants and five Finnish participants. Constructs of brand meanings are argued based on the interview results, and based on previous literature on theoretical model of brand meaning development and the cultural influence on brand meanings.
2 CONSTRUCTS OF LUXURY BRAND MEANINGS

2.1 *The concept of luxury brands*

The online Oxford English dictionary defines “luxury” by two levels of meanings, one based on its high-cost nature and the other on its low frequency to obtain. In Chinese language, luxury (奢侈) is also defined as overly expensive and uncontrolled indulgence in the online Xinhua dictionary. Luxury has been deeply rooted in Chinese history (Kapferer & Bastien, 2009, p337). For example, thousands of years in the ancient Chinese times, collecting luxury products such as pearls or crystals was practiced by those with high social status. Opinions on luxury goods have been divisive with some consumers criticizing its betrayal of community values and some regarding it as a signal of wealth, power and status (Berry, 1994; Berthon, Pitt, Parent, & Berthon, 2009). However, more positive aspects of perception of luxury goods were found in the 17th century when people started to notice its driving force in artistic creation and technical development leading to eventual social benefits (Kapferer & Bastien, 2009, p337). In addition to, luxury products promote the struggle for betterment. A fashion of luxurious styles of living drives the growth of a free market providing economic benefits (Berthon et al., 2009).

What are luxury brands? Consumers typically associate luxury goods with certain brands, such as Louis Vuitton, Burberry, Hermes, Fendi or Chanel. Interestingly, academic literature lacks consensus as to the definition of luxury brands (Berthon et al., 2009; Christodoulides, Michaelidou, & Hsing Li, 2009; Shukla & Purani, 2012; Tynan, McKechnie, & Chhuon, 2010). Nevertheless, researchers have found certain extrinsic and intrinsic features that can attach to and categorize those brands.
A luxury brand typically consists of three dimensions. Firstly, the symbolic dimension is divided into a self-directed symbolic value and an other-directed symbolic value (Berthon et al., 2009; Tynan et al., 2010). The symbolic value associates the consumer to a desired group or self-image. Secondly, the experiential dimension refers to the pleasure, emotions and sensory stimulation brought by the purchase. This experiential value is individual and subjective, and aims to satisfy intrinsic needs of consumers with regards to variety seeking, hedonic pleasure and sensory stimulation (Vickers & Renand, 2003). Thirdly, the functional dimension is linked with greater quality and functionality of the goods. Luxury goods usually demonstrate uniqueness, reliability, durability and superior quality (Wiedmann, Hennigs, & Siebels, 2007). These three dimensions, alternatively, can be referred to as symbolism, experimentalism, and functionality. They interact with each other forming a single framework (Berthon et al., 2009).

**FIGURE 1.** The meaning of fashion luxury brands is comprised of several elements, modified based on (Mehmet, Hakan, & Ender, 2017, p379).
2.2 Theoretical models of brand meaning development

Our preference of a specific brand is so natural that we take it for granted without thinking about the meanings of a certain brand of choice. However, dissecting the brand meanings is critical for marketing and consumer research, since the meanings direct consumer behavior (Batey, 2008). For example, many people used to like Nokia mobile phones, and Nokia in their mind represented high quality. Nowadays, people tend to choose Apple smartphones as a fashion. Brand meanings permeate into the life of consumers in various ways. The brands seem to become significant signs to classify our identities and self-concepts.

The basic unit of brand meaning is a “sign” which stands for or categorizes something else, (Berger, 2010). As Berger states, it is a sign as “something that stands for something else, more technically, as a spoken or written word, a drawn figure or a material object unified in the mind with a particular cultural concept” (Arthur Asa, 2016, p16) However, this sign has more meanings than the word or figure itself and the meanings need to be interpret. For example, according to the Semiotics, brands are cultural signifiers (Berger, 2010; Oswald & Mick, 2006). More specifically, a brand is coded by associating a material

![FIGURE 2. The three dimensions of luxury brands](image-url)
signifier (the word, image, logo.) within a signified cultural concept. Several theoretical
models of the development of brand meanings have been built in order to market the
meaning of the brand. The following models focus on two questions: do marketers install
symbolic meanings into the goods while consumers just passively choose among those
goods based on self-concepts, or do individual consumers also participate in producing
meanings of the brands?

2.2.1 Peter and Oslon’s model

Peter and Oslon identified different roles of individual consumers (Peter & Olson, 2009,
p832). The authors suggest that meanings of brands are influenced by stimuli and actors
in physical, social and marketing environments. Physical environments generally refer to
the spaces in which commercial business occurs, including spatial elements including
buildings and stores, and non-spatial components such as time and temperature.
Furthermore, social environments are divided into macro-level structures including
cultural contexts, and micro-level elements including such as families and friends. The
marketing environments, on the other hand, overlap and absorb social and physical aspects
that are important for marketing strategies. These three environments interact in the
generation of meanings.

2.2.2 Ligas and Cotte’s model

In contrast, the model by Ligas and Cotte takes into account the roles of individual
consumers (Ligas & Cotte, 1999). In this model, the authors also consider three
environments, i.e., (the) marketing, individual and social environment, whose interplay
leads to the generation of brain meanings. The marketing environment associated with
marketing strategies such as advertising and media shares similar properties with that
proposed by Peter and Oslon (2009). It is the major source from which consumers obtain
information about the products and the intended meaning of the specific brands. The
individual environment contains the individuals’ intentions of being perceived in specific
ways by using the goods with specific brands (Ligas & Cotte, 1999). In contrast to the
overwhelming messages from marketing environments, personal experience with specific
brands has a huge influence on the marketer’s intended brand meaning. The authors also
argue that consumers must accept and carry the meaning of a brand in a social group, or else search for another alternative brand. On the other hand, the social environment provides an important reservoir for symbolic interaction, negotiation and learning. These three environments interact with each other leading to a consensus of brand meaning (Bengtsson, 2002).

2.2.3 McCracken’s model of meaning transfer

McCracken’s model of meaning transfer is commonly used by brand managers (McCracken, 1986). He proposes three main locations of meanings, including the culturally constituted world, consumer goods and individual consumers, as shown in Figure below. According to McCracken’s model, cultural meaning is embedded in a culturally constituted world in which consumer goods are purchased. Furthermore, this cultural meaning is further transferred to individual consumers via possession, exchange, grooming, or divestment rituals. Overall, in this model the author presents the two phases

**FIGURE 3.** Brand meanings are resulted from interactive effects between different environments, adapted from (Ligas & Cotte, 1999).
of meaning transfer, i.e., world-to-goods and goods-to-individual approaches, which bridges three meaning locations.

**FIGURE 4.** McCracken’s model of meaning transfer (adapted from McCracken 1986 & Lahtinen 2014).

Despite of the widespread recognition of McCracken’s proposal of meaning transfer, many studies criticize its over-stressing the top-down process of cultural intermediaries (Batey, 2008; Bengtsson, 2002; Ligas & Cotte, 1999; Thompson & Haytko, 1997). Instead of suggesting that consumers passively receive the intended meanings, they believe that the consumers reconstruct them according to social context and consumption objectives (Batey, 2008; Thompson & Haytko, 1997). Bengtsson (2002) also suggests that this meaning transfer process follows a diffuse and interactive model.
2.2.4 The interactive transfer of brand meanings

In contrast to McCracken’s proposal according to which individuals passively accept the cultural meanings, the interactive transfer perspective suggests that cultural or intended brand meanings are reworked by consumers to fit their own life styles (Holt, 1997; Ligas & Cotte, 1999). Therefore, intended cultural meanings, as defined and predetermined by brand management, are influenced by individual consumers following an interactive way instead of a top-down or linear process.

2.3 The culturally constituted world

Although brands are not created as symbols of culture unlike national flags, the market has associated them tightly with cultural meanings (McCracken, 1986). Therefore, in this culturally constituted world, brands are often regarded as carriers of cultural meanings that spread through consumption (Moisander & Valtonen, 2006). However, these cultural meanings carried by brands may vary in different cultural contexts. Before understanding the influence of (these) culturally variable contexts on brand meanings, we need first to understand what culture is. In the following section, the concept of culture is introduced from three different perspectives: culture as a social construct, culture as a psychological construct, and culture as an economic construct.

2.3.1 Culture a social construct

_The Chinese culture is part of my life, while the Finnish culture has shaped my way of thinking._

Obviously, culture is often seen as a national or regional code which is influenced also by socioeconomic, ethics and religious background (Berger, 2010). Culture can refer to a collection of norms or values that help to maintain social order and influence actions of individuals (Lahtinen, 2014). It is dynamic, updated and produced by social interaction (Moisander & Valtonen, 2006). For example, the Chinese culture is shared by people born, living or used to live in China. It shapes their way of thinking, behaving, and socializing. It has experienced dramatic changes throughout history. While old Chinese traditions,
such as wedding ceremonies, have survived in rural areas, modern (urban) Chinese culture has been influenced by socioeconomic changes. Chinese culture is spreading to other regions of the world by Chinese immigrants and has been reworked to some extent by the local host culture forming a similar but also different subtype of Chinese culture.

Participants of the same culture build up the culture and inhabit it together (Hall, 1997). Beyond its dynamic nature in a long run, however, culture is also temporarily stable and influential for individual’s behavior. For instance, although each individual acts in a unique way, one often feels easily understood by those from the same culture. Due to globalization, luxury brands are readily accessible in different cultural contexts; therefore it is significant to study the influence of different cultures on people’s consumer behavior.

2.3.2 Culture as a psychological construct

There are two models widely used in studying cross-cultural psychology at national level: the Trompenaars’ model of national culture differences (Schimmack, Oishi, & Diener, 2005) and the cultural dimensions theory (Hofstede, 2001). Trompenaars’ model analyzes national-level cross-cultural differences in psychology according to seven dimensions: individualism vs. collectivism, universalism vs. particularism, neutral vs. emotional, specific vs. diffuse, achievements vs. ascription, sequential vs. synchronic, and internal (control) vs. external control. In contrast, the cultural dimension’s theory by Hofstede considers cross-cultural differences in the sixth dimension individualism, power distance, uncertainty avoidance, masculinity and long-term orientation. The mainspring of these cultural dimensions, uniqueness of individuals and autonomy, with one empirical focus being the comparison of collectivist Eastern and individualistic Western cultures (Tafarodi, Marshall, & Katsura, 2004).

Those empirically derived cultural domains are valuable in explaining cross-cultural psychological differences between the East and the West regarding social behavior such as consumption (Schimmack et al., 2005; Shukla & Purani, 2012; Tafarodi et al., 2004; Wong & Ahuvia, 1998). Collectivist Eastern and individualistic Western culture shapes the concept of self which is highly important in the context of luxury brand meanings. It is suggested that collectivist societies are relatively more group-oriented, while
individualistic societies emphasize freedom and aspirations of individuals. At behavioral level, people from Eastern culture, such as people in China, tend to be largely interdependent with their family, friends and colleagues, and construct their images more based on what others think of themselves (Shukla & Purani, 2012). This different psychological thinking due to cultural difference has direct and indirect effects on consumption (Shukla, 2010). Consumer behavior needs to be understood in the context of the specific culture.

2.3.3 Culture as an economic construct

The customer culture researcher suggest that the current society is in an era of consumerism (Belk, 1988). Today, people are not anymore recognized primarily as citizens of a country, but instead consumers of specific products or brands. By consuming specific brands, the postmodern individuals especially define their sense of selves and identity (Firat & Venkatesh, 1995). This consumer culture had emerged firstly in the West, but have now spread to other parts of the world including those East countries through capitalization (Wong & Ahuvia, 1998).

Consumption is part of our life and culture. It does not only include the consumption for necessary everyday needs but also consumptions for unnecessary products such as luxury consumes. In relatively well developed economic zones, buying new products has become a satisfying entertainment for almost everyone. It is thought that commercial symbols have been tightly linked with any culture today since culture and economics often go hand in hand (Firat & Venkatesh, 1995; Moisander & Valtonen, 2006). Although those commercial symbols such as brands are not created as a culture conveyer, they have been give strong cultural meanings as an economic construct.

2.4 Brand as a carrier of cultural meanings

The meaning includes stages that turn a product into a brand, and show the link among the consumers, the brand and the social and cultural environment (Bengtsson, 2002). Meanings for consumers are occasionally obvious and occasionally hidden. Some brands convey their meaning more than others, for example products that are consumed
luxuriously, can better convey the brand's symbolic meaning to individuals who use them (Escalas & Bettman, 2005). According to buyers, circumstances where brand meanings become very important includes the integration and the differentiation.

It has been recommended that brands can be seen as one’s individuality, and it can be used to distinguish from oneself from others (Escalas & Bettman, 2003). Meanwhile, brands work for a social aim by reflecting critical ties such as cultural groups, community and one’s family. Thus, there are two sides to learn about brands, one side is that brands distinguish us from other people, on the other side, brands integrate us into both groups and society where we share close lifestyles and tastes. It is very evident for both functions in the consumption of luxury brands. Normally elites use luxury brands to differentiate themselves to other people. If they find that many people start using the same brand, these elites may simply reject those luxury brands that they have used and search for new brands (Berger, 2010). This consumers behavior can explain why in society exists the never-ending cycle of fashion (Michael R, 2003, p276). However, integration function is also obvious, because by using some luxury brands, people would like to get along with the specific groups that use these brands.

2.5 Individual as a creator of meanings

Individuals reshape the brand meanings through the context of culture, and this allows brands to adapt into each customer’s life. To better understand this process, it is very essential to dig into the customers’ statements of branding meaning which should be perceived as self-interpretations (Bengtsson, 2002). Customers has been actively transforming the meanings for the brands and products that they use in the daily life instead of being passively adopting the meanings (Batey, 2008). However, in current society with high rhythms, it is very important to understand the driving force behind our enthusiastic contribution in creating meanings for the brands that we use out of our busy schedule. On the other hand, we need to know whether we require products and brands to express ourselves to other people, and whether we need products and brands to prove our self-values and the meaning of our existence.
2.5.1 Individual and the extended self

What we own or tend to own may be an good example of a culture of consumption and it to some extent represents an important piece of our perception of the self (Bengtsson, 2002). “In contemporary consumer culture, consumption is considered as a key site from which one discursively constructs their identity, where by ‘we are what we consume’.” (Gurrieri & Cherrier, 2011) Therefore, scholars Thompson and Arnould (2005) consider that consumer identity projects are regarded as research programs of consumer culture theory. This concentration on consumption is the results of fragmented consumer of the postmodernity, whose sense of self is no more thought as unified construction driven by purposeful, well-defined and rational needs (Gurrieri & Cherrier, 2011). Western world confronted cultural revolution that exploded the traditional ties in the late 20th century. The individuals started to connect with on another and their surrounding communities through cultural revolution. Customs, habits and Value systems were scattered, and people were looking for other alternative approaches to build their own sense of existence (Lehtonen, 1997, p19). With the fast development of consumption possibilities, consumption symbolic meanings and their activities rapidly set a status in people’s identity formation (Solomon, Bamossy, Askegaard, & Hogg, 2006, p619).

2.5.2 Brand meanings as portion of the self-concept

The concept of self has been developing fast in a process where comparisons are intensive and self-evaluation are often subconscious (Solomon et al., 2006, p619). During this process, each of us may have developed an ideal image and actual senses of self. Our ideal self may emphasize on how we would like to understand ourselves and what we want to become. However, our actual self tends to make realistic assumptions about the qualities we have it or we are still lacking (Solomon et al., 2006, p619). This conflict on the other hand may have become the underneath driver for our buying behavior. For example, there is a difference between the ideal and the actual that individuals attempt to get rid of using certain brands of products (Susan B, 1997). While some brands of products are selected as they are perceived to meet consumer’s actual self, others are adapted to achieve the criteria set by the ideal image of the self. In a similar manner, in order to drop some brands, consumers can differentiate themselves from some identities where they are not able to or
prefer not to be associated (Michael R, 2003, p276). As Berger said “We are our brands.” (Berger, 2010)

However, this is not a simple one-way process. Along with the influence of social environment on the selves of individuals and their subsequent choice of brand meanings, each individual also actively connects the self to others by selecting certain brands that conveys something about the specific selves (Kleine, Kleine, & Kernan, 1993). This reciprocal process is also recognized as a process where the consumption of certain brands of products affects the definition of self-concepts. Consumers absorb “original” brands meanings and build their own identities and self-image into them, and then deliver these transformed or personalized meanings to others. In this way, they also become the judges for other individuals’ self-concepts. Thus, individual consumers are also players in the production of brand meanings, by bringing the brands into their daily life and reshaping them (Moisander & Valtonen, 2006).

Development of the image of self has been at the same time hugely influenced by social interaction (Hunt & Hansen, 2009). The social environment is composed of constantly transforming and evolving cultural meanings. Individuals naturally respond to these meanings by their social views consisting of the outer layers of the self (Solomon et al., 2006, p619). These social views influence the dynamic identities in the social and cultural environment, and they filter out the meaning of self-concept at the same time. Therefore, the meanings of brands often do not cooperate with the inner self, regardless of their different identities and social roles.

2.6 Synthesis of the theoretical framework

Theoretical framework in the current study can be summarized into two sessions. The first session discusses about what luxury means, and lists three dimensions of luxury brand including the functional, experiment and the symbolic aspects. The second session talks about the development of brand meanings. In this session, theoretical models, the role of culture and the role individual consumers in brand meanings development are elucidated.
While lacking a consensus definition, a luxury brand is typically characterized by three dimensions, as discussed in the first session. A symbolic dimension includes two different values, one self-directed symbolic and the other other-directed, associating the consumers to a desired group or self-images. An experiential dimension consists of the pleasure, emotions and sensory stimulation brought by the purchase, which is individual and subjective. A third functional dimension refers to the greater quality and functionality of the goods, which is linked to uniqueness, reliability, durability and superior quality. The three dimensions interact with each other forming a single framework.

Theoretical models have been proposed to understand the development of brand meanings, as listed in the second session. These models have been typically around interaction between elements of the marketing environment, social environment, and the individuals. However, each model has different emphasis on different elements. For example, the Ligas and Cotte’s model differs from the Peter and Oslon’s model by considering the role of individual consumers in shaping brand meanings. In contrast to these two models, the McCracken’s model stresses more the role of cultural in the formation of brand meanings, and on the other hand this model is the most commonly useful one for brand managers.

In the second session, the influence of culture on brand meanings has been also discusses. Culture has different perspectives including its social construct, a psychological construct and an economic construct. As social constructs, culture is often national or regional and is formed by a collection of norms and values that influence individuals. The psychological perspective of culture is also divided into different dimensions, with one empirical focus being the comparison between collectivist Eastern and individualistic Western culture. The second session further discusses the involvement of individual consumers in shaping the brand meanings. To understand the process how the meanings of a brands become personal and how marker-introduced perspectives are constantly customized through the culture context into individual consumer’s life, we need to know each individuals’ statement regarding the meanings of a brand.
3 RESEARCH METHODOLOGY

3.1 Research philosophy

Research often starts from making philosophical assumptions (Saunders, Lewis, & Thornhill, 2009, p649). These essential assumptions indicate the way the researcher views or perceives the world. It influences how we understand the data, what we study and how we learn from it (Eriksson & Kovalainen, 2016, p376). Epistemology, methodology and ontology can be considered as the most important concepts of philosophy in social sciences (Hunt & Hansen, 2009). Research philosophy shows a special way of observing the world, and it has an substantial influence on how qualified ways establish effective claims to knowledge, all of which affects the methodology applied in social research (Guba & Lincoln, 1994). Many researchers believe that ontological, methodological and epistemological premises are interconnected, in an interpretive structure along with certain beliefs to instruct the implementation of the study. These perspectives can be defined as a paradigm which defines what falls outside and inside the limits of legitimate inquiry (Gummesson, 2005). As Gummesson suggested, all researches should be built a foundation of a concrete paradigm and pre-understanding of the researcher (Baker & Saren, 2010, p1-4; Lahtinen, 2014).

3.1.1 The social constructionist paradigm

The concept of paradigms has been changing meanings constantly to an uncertain and indistinct direction (Baker & Saren, 2010, p1-4). As Kuhn suggests, scientific paradigms are characterized as accepted examples of actual scientific practices including law, application, theory, and instrumentation (Kuhn, 1962). On the other hand, paradigms can be defined as social constructions because they show the interest of researchers and their reference team, and also they reflect the values (Arndt, 1985). In a paradigm, researchers require not only to share their theories but also the basis for their theoretical choices (Eriksson & Kovalainen, 2016, p376). Furthermore, paradigms are applied to specific
fields of science, influencing the questions asked, the methods used to find the answers, and the rules to obey in the interpretation of the results (Arndt, 1985). These are also the key object, intersubjective and subjected choices in the research philosophy of researchers including Gumesson (Gumesson, 2005).

Variable forms of constructionism and interpretivism exists, with social constructionism being dominant form of current interpretive (Eriksson & Kovalainen, 2016, p376). The social constructionism is based on phenomenology and hermeneutics that both influence the interpretation of knowledge and reality as socially constructed (Schwandt, 2000). Social constructionism relies its foundation in four main assumptions. Firstly, it revaluates our taken-four-granted knowledge, and compares its perspectives of the world with empiricism and positivism in the traditional science. Furthermore, the way we understand the world are tightly linked to the history and culture in situ, and it depends on the economic and social agreement that is embedded in the culture. Third, knowledge is conveyed by language, and sustained by social interaction processes. Fourth, the interaction of knowledge and social actions generates a distinct of behavior or action by us human beings (Burr, 2003, p229).

It is interesting that social constructionist researchers often hesitate upon the practice of science, while their theory development are often not dispassionate or objective (Pauline, Michael, Barbara, & Mark, 2010). Thus, objectivity seems to be rare since “each of us, of necessity, must encounter the world from some perspective or other (from where we stand) and the questions we come to ask about that world, our theories and hypotheses, must also of necessity arise from the assumptions that are embedded in our perspective”, as described by (Burr, 2003, p229). To take it simple, no position of perspective and no view of the world. We all hold our unique position of perspective about the world, which can ultimately influence our interpretation of those social phenomena. Similarly, researchers only interpret phenomena through their individual life experience, academic socialization, and unique personality (Burr, 2003, p229). Thus, assignment of researchers is to work with their involvement and acknowledge, and to view the study as a cooperation between themselves and the studied subjects of interest (Burr, 2003, p229).
3.1.2 Epistemological, Ontological and methodological assumptions

“All knowledge is derived from looking at the world from perspective or other, and is in the service of some interests rather than others.” (David, 2015, p1)

Social constructionism does not regard knowledge as a simple perception of the reality, but as an interactive product between society, culture, and the selves (Norman K Denzin & Lincoln, 2003). Knowledge is regarded as continuously and actively being constructed based on the hypothesis of the environment and personal experiences (Norman K & Yvonna S, 2003, p682). Since perception and subjective experience play crucial roles in the so-called reality (Burr, 2003, p229), We should accept the cultural and historical relativism of all forms of knowledge. In this point of view, knowledge is assumed as a subsequent product of individual experiences and subjective perceptions. These assumptions regarding knowledge and reality influence the epistemological, methodological and ontological issues of this research.

Mapping the interaction between society, the world, and individuals constitutes the core nature of ontology (Eriksson & Kovalainen, 2016, p376). Contrast between subjectivism and objectivism explains the various ontological assumptions about these relationships. The Objectivism presumes that the truth runs itself beyond its people and their activities and actions. In contrary, subjectivism assumes that the reality is always conceived through interpretations of each individual (Guba & Lincoln, 1994). In comparison, the constructionists posit that realities can be found in the form of multiple intangible mental constructions that are based on local and specific in nature (Şahin, Zehir, & Kitapçi, 2011). They think that social interaction produces brand meaning. Since brand relationship is formed by brand meanings or brand knowledge and consumer experience (Eriksson & Kovalainen, 2016, p376), and is based on experiences and perceptions that may be various for people and changes over time and context, while two identical realities cannot exist, reality in this thesis is regarded as subjective and socially constructed.

“They are closely related to epistemological claims, and they are usually discussed together.” (Burr, 2003, p229; Lahtinen, 2014) Epistemology is about how knowledge can be produced and argued for, and how these processes constitutes the
nature of knowledge (Guba & Lincoln, 1994). One form of epistemology is called the constructionism which has two forms, the strong constructionism and the week constructionism. Constructionism assumes that the inquirer (of knowledge) and the inquired are linked in an investigation process and the results of an inquiry appear along with the progresses of investigation. Therefore, findings under the constructionism removes the probability of objective truth that could be deduced from replicable findings, (Järvensivu & Törnroos, 2010). According to the strong constructionism, all knowledge are regarded as relative and thus equally good. The weak constructionism, in contrary, accepts that knowledge could be personal, community-level and with specific local forms (Samil, 2009).

“The chosen ontological and epistemological premises guide the choice of methodological alternative.” (Eriksson & Kovalainen, 2016, p376; Lahtinen, 2014) In this thesis, I used the constructionism inquiry, and more specifically its moderate or weak form. The method used in this thesis is for a better understanding of the research phenomena that will be discussed later. The purpose of constructionism inquiry is the reconstruction and understanding of the constructions of knowledge that people (containing inquirer) hold (Silverman, 2005). Therefore, to find and interpret the answers participants hold for Michael Kors brands, particular methodological choices were made. Methodology may be defined as the choices that researchers make, including the issues to be studied, to generate data, analyze data and interpretation of the results (Norman & Yvonna, 2017, p992).

3.1.3 Research strategy

A research strategy of inquiry refers to a bundle of skills, assumptions, and practices that researchers employ as they move to the empirical world (Normand K Denzin & Lincoln, 1994). Simply, it practices the paradigms of understanding. Meanwhile, the strategies of inquiry allow researchers to use particular methods to gather and analyze empirical materials together, such as a case study which needs interviewing, document analyzing and observing. To put it differently, research strategies comply and anchor paradigms in empirical sites or in particular methodological applications. Thus, no methods are mechanically added as an entity in a research project. Instead, they are combined with the theoretical groundwork of methodologies and they should be intimately connected with
the data needed, the research question and the theoretical frame that applied in the research project (Steven J Taylor, Bogdan, & DeVault, 2016, p416).

3.1.4 Qualitative methodology

The current thesis used qualitative method which is more proper to find answers for my research questions. The choice of the type of method is also related to what we expect, how we define the question and how to develop an approach to answer the question. No methods, quantitative or qualitative, is by itself superior than the other one. The method basically will work efficiently for a particular task that cannot be decided in advance. This pragmatic argument essentially means that the nature of the phenomenon of research should determine the most suitable method of inquiry (Silverman, 2005). A methodology is the way in which we handle questions and find answers. It addresses how research is conducted in the social sciences. The qualitative methodology refers to how to select descriptive data, interview’s words, and records of interview’s behavior. It is also on how to study social life phenomenologically (Norman K Denzin & Lincoln, 2003).

This paper uses the qualitative research method. The qualitative research is important to understand reality interpreted and constructed culturally, socially and situationally (S J Taylor & Bogdan, 1985, p266). As Ray Rist pointed out in 1977, “qualitative methodology, like quantitative methodology, is more than a set of data-gathering techniques. It is a way of approaching the empirical world.” (Bodgan & Taylor, Steven J; DeVault, 2015, p7). The aim of qualitative methodology is to comprehend complicated phenomena in a systematic way instead of establishing direct relationships between single variables (Eriksson & Kovalainen, 2016, p376). The data collection and analysis in qualitative methods are sensitive to the phenomena with cultural and social context and to make an understanding of these themes of studies (Normand K Denzin & Lincoln, 1994).

The objective of this research is to understand how young female consumers build up a brand relationship with American luxury brands in Finland and to compare the cultural influence on their concepts of brand. Therefore, we chose to use qualitative instead of quantitative methodology. While quantitative studies allow to understand the consumer-brand relationship in terms of quantity, intensity and frequency, qualitative approaches
emphasize on processes and meanings, e.g., by illustrating how culture and social experience influence this tie in between (Moisander & Valtonen, 2006). This research is not to focus on the intensity or frequency of the brand relationship interpretations that requires the use of quantitative methods. We need to analyze the quality and structures of the data, such as regarding on how culture affects the way they interpret and construct the brand meaning. As Alasuutari (2012) mentioned, qualitative method is to solve culture-related problems. Culture is not simply treated as a reflect of the economy but instead considered independently (Alasuutari, 2012; Lahtinen, 2014). Markets and economics have dominant role in the production of cultural meanings when studying the consumers and the consumption phenomena more specifically. This thesis conceptually belongs to the category of study, under the Consumer Culture Theory, that uses cultural approach to investigate the marketplace phenomena and consumer behavior (Gummesson, 2005).

Qualitative research approaches are characterized with simultaneous data collection/generation, analysis and interpretation processes (Eriksson & Kovalainen, 2016, p376). Data in social environment usually do not appear as a collection of signal objects. Analyzable data is often generated by the researcher. Analysis of the data can be based on either inductive, deductive or abductive reasoning (Eriksson & Kovalainen, 2016, p376). While inductive analysis is to draw general conclusion from observed phenomenon, deductive method is to understand the phenomenon based on hypothesis and theories. Abduction approaches, as used in the current study, is to transfer the observed phenomenon, i.e., the collective data, into categories and concepts which answer our specific concerns (Yin, 2003, p204).

3.2 Michael Kors as a case study

The consumer-brand relationship was in-depth investigated in the case study of Michael Kors. Michael Kors, a fast-growing brand for luxury products has attracted many consumers in the Finnish market and globally.

The purpose of this thesis is to elucidate how young female consumers build up a brand relationship with American luxury brands in Finland and to compare the cultural influence on their concepts of brand. It is recommendable to use case study method when we want
to dig into a real-life phenomenon deeply. A case study can be described as an empirical inquiry that studies a contemporary phenomenon and its real-life context in depth, especially when the gaps between the social context and the phenomenon are unclearly (Eisenhardt, 1989). A case study can also delve into the dynamics of the contemporary phenomenon (Gummesson, 2005). Case study is a holistic method that aims to provide a valuable description of the interactions and relationships between elements of a phenomenon (Eriksson & Kovalainen, 2016, p376). Besides, case study method can make complicated topics more understandable (MK Official Webpage, 2017).

Michael Kors is a luxury global fashion brand led by some excellent designers. Michael Kors is very popular in the European countries during these years. Increasing young ladies show deep interest towards its distinctive materials, craftsmanship and designs with a jet-set aesthetic that combines sporty attitude and stylish elegance. The brand image of street phenomenon naturally evolves. The street phenomenon of luxury products is linked to the increasing interest towards high-quality and fashion related issues, and this phenomenon is developing, making new interest and renovations. Michael Kors is a leading global company. It currently has more than 400 stores in 89 countries in the world. The company with flagships in London, New York, Paris, Tokyo, Milan, Hong Kong, Singapore, Seoul, Istanbul and Dubai. Michael Kors produces demanding products, including both clothes, accessories and shoes (Eriksson & Kovalainen, 2016, p376). Since young generation is pursuing for fashion and high-quality products, more and more those consumers start to pay attention to Michael Kors. That is the reason why we choose Michael Kors as a case study subject.

3.2.1 History of Michael Kors

Michael Kors was founded by Mr Kors who name the company by his own name. Mr. Michael Kors is the son of Karl Anderson Jr. and he was born on the 9th of August in 1959 in the quiet town named Merrick in New York. His mother is Joan Hamburger Anderson Kors Krystosek who used to work as a model for Celine Cabas bags. Joan Hamburger remarried a businessman when Kors was at five years old. She asked Kors to choose his first name by himself, and Kors decided to use Michael as his first name. Kors started to work as a model for some companies when he was at young age. Although his mother
expected him to have a brilliant future on performance, she also found Kors to have a passion of clothes when they were shopping together. At the age of 10, Kors began to design and sell his own clothes in the basement which was named as “Iron Butterfly”, name given by himself. At that time, Kors also started school, but he quitted when he was at the age of 14 for he dreamed to become a fashion designer in the future. Kors had a great passion for fashion as he described, “I practically hyperventilated every month when Vogue arrived, and I loved shopping.” (Biography.com, 2016, p1)

Kors’s dream to become a fashion designer made him move to New York which is one world’s capital of fashion. In 1977, Kors attended to the Fashion Institute of Technology and stayed nine months in the New York city. Later, he again dropped off school and started his work as a salesperson. Later, he became the visual display head and the designer at a French boutique, the Lothar’s. The fashion director of Lothar gave an opportunity to Kors to merchandise and design his first fashion collection. His work was praised. After that he began to create his own brand in the fashion boutique at the West 57th Street in New York. Along with the development of Kors’s career, he was once interviewed by the largest daily newspaper Pitsburgh Post-Gazette in 1979, where he said “I had no pre-conceived notions about what worked and what didn’t. After (a year-and-a-half), I realized what kind of clothes I wanted to make, and that they worked. I always loved very simple, understated things.” (O’HALLORAN, 2013, p1)

Michael Kors was founded in 1981 and the company is headquartered in New York City. Michael Kors is a global luxury fashion brand that has carried the luxury industry into a new stage (Mark, 2011). Kors had a clearly goal for his career. His womenswear collection was firstly launched in 1981. The collection was sold in the high-end department stories including the Saks Fifth Avenue and Bergdorf Goodman. In the fall of 1984, Michael Kors's first fashion show was held successfully. The fashion-industry trade journey WWD (Women’s Wear Daily) made a great compliant to his design as high-end, classic casual series and elegance in Simplicity.

In addition to the use of simple and elegant clothing, Kors’s design attracts consumers also through his pervasive marketing skills. Kors travelled to attend small fashion shows across America, including those held in private homes. He even humbly shows his
collections on the bed of his apartment. At the age of 23, Kors managed to persuade Anna Wintour, the formidable fashion Editor of Vogue, to view his designs. Later, his design also attracted fans like Barbara Walters.

After a pushed reorganization in 1990, Kors launched a lower-priced line, the KORS Michael Kors. In 1997, he became the creative director of Celine, a French fashion house. Holding this position for six years, he continues to expand his own brand and launched the menswear, perfume, and accessory lines. In the year of 2003, Kors received the award “coveted Menswear Designer” due to his unceasing efforts for fashion industry. The award was given by the Council of Fashion Designers of American, which was the most incredible and prestigious prize in American fashion (Biography.com, 2016, p1).

3.2.2 The Project Runway

From 2004 to 2012, Michael Kors served as a judge at the Emmy Award-winning reality show "Project Runway", which made him known across the United States and famous all over the world.

In the year of 2004, Kors was invited to be one of the Judges on the reality television show which was called “Project Runway”. At that time, Kors did not expect that this reality television show would become popular and win the public love and recognition. Later, he recalled this and said, “I thought that Only fashionista freaks, gays and men wanting to see Heidi Klum in a short dress would watch it.” (Biography.com, 2016, p1) It was not as he initially thought. The show premiered on the first of December in 2004 and it suddenly became not only an instant hit for the fans but also for those critics. Kors received a lot of likes from fans and he got wide acclaim. In the same year, MICHAEL Michael Kors apparel collections and accessories were launched. This line collection was released all over the department stories of America. It also spread across ready-to-wear jeans, footwear, swimwear and accessories (Telegraph Media Group, 2017).

Kors had been judge of the the reality fashion competition show Project Runway for 10 seasons. After that, in the year of 2012, Kors announced to vacate his chair from the Project Runway (Nordyke, 2012).The show received several awards and honors that
included the Emmy Award nominations. With new lines of products constantly launched and the influence of the Project Runway, Michael Kors vastly raised the brand awareness among consumers. Countless celebrities chose Michael Kors garments. For example, the first lady of America Michelle Obama selected Michal Kors dress as her first official portrait. Michal Kors fashion empire continues to increase (Biography.com, 2016, p1).

3.2.3 Michael Kors-A global fashion brand

“Michael Kors is the leading American fashion designer for luxury accessories and sportswear. The company’s heritage is rooted in producing polished, sleek, sophisticated American sportswear with a jet-set attitude. Whether Aspen, Palm Beach or Capri, our mission is to bring our vision of a jet-set, luxury lifestyle to women and men around the globe. Our products, emblematic of the highest standard of quality, include apparel, accessories and beauty. Our lifestyle-driven company embraces the highest standards of creativity, quality, technology and human resources.” (Zapyle.com, 2016, p1)

Michael Kors is led by a world-class business team, and by a legendary award-winning designer, i.e., the Mr. Kors. The leading team is substantially experienced whose members having an average of 27 years of experience in the retail industry and an average of 10 years in Michal Kors. This team has been across many disciplines in the retail industry, such as sales, design, marketing, merchandising, public relations, supply chain, finance and real estate. Its designers have an operational experience and excellent track records, and they also have great creativity. All these experiences are very important for the management and the organization of Michael Kors (Annual Report, 2017, p89). The goal of Michael Kors is to strength the brand globally and to get more value for shareholders by raising the profits and revenue (STATES & COMMISSION, 2015).

The brand has been growing quickly. It has become an American luxury style of the representative and a highly recognized brand around the world. The brand was launched by his namesake more than 35 year ago. During these 35 years, Michael Kors has used its unique design, craftsmanship and materials to produces fabulous goods. Sporty attitude and stylish elegance are combined with a jet-set aesthetic, which can be found in all kinds
of products. The company has gone through different stages. It started from being an American luxury sportswear house until now becoming a global footwear, accessories and apparel company across almost 100 countries (Jennifer, 2014).

Michael Kors has succeeded in shaping the concept of self-expression and distinctive life, and distinguishing the brand from the classic American luxury brands. At present, Michael Kors has more than 500 stores in the world 89 countries, distributed to the world's top department stores. Behind this blooming Michal Kors empire, there exists a unique designer with unfailing eyes for enduring chic and an innate sense of glamour. Michael Kors has won countless honors in the fashion world. He has earned the affection and respect of millions of people (Annual Report, 2017, p89).

Annual report 2017 states that the net sale of Michal Kors is 2.572 billion dollars, which increased 7.4% comparing to the net sales of 2016 (BusinessWire, 2017). Michael Kors has four main retail store formats that includes lifestyle stores, collection stores, e-commerce sites and outlet stores. The lifestyle stores can be found in global leading regional shopping centers and most visited metropolitan shopping areas, generally with each store around 2,800 square feet. The similarly sized collection stores are generally located in the richest and most illustrious shopping areas, for instance Rodeo Drive in California and Madison Avenue in New York. The e-commerce sites, already launched in Canada and America, recently are also established in France, China, Germany, Japan, Italy, Spain, the United Kingdom, and Switzerland as well (Annual Report, 2017, p89). In 2018, the e-commerce sites will be launched in South Korea and in some European countries. Besides, Michael Kors plans to reach larger consumer groups by its outlet stores. The outlet stores are generally more spacious than both the lifestyle stores and the collection stores. In addition, the company looks forward to achieve total revenue around $4.25 billion for fiscal 2018, and reduce the high-single digit range for comparable sales (BusinessWire, 2017)

3.2.4  The three-primary collections

In the Michael Kors empire, ready-to-wear apparel and luxury accessories were produced by award-winning and world-renowned designers. Many products are produced in three
lines, Michal Kors Collection, MICHAEL Michael Kors and Michael Kors Mens line. The Michael Kors labels sell products that include footwear, accessories, watches, men’s and women’s ready-to-wear clothes, a full line of fragrance products, eyewear and jewelry. Michael Kors stores are spread across the world. They locate in prestigious cities such as Beverly Hills, New York, London, Chicago, Paris, Milan, Istanbul, Munich, Shanghai, Tokyo, Rio de Janeiro, Hong Kong, Seoul and Dubai (MK Official Webpage, 2017).

Among the three product lines, the Michael Kors Collection is a luxury line (Annual Report, 2017, p89). Each collection targets different classes of consumers (Singer, 2013). The Michael Kors collection was first available at Bergdorf Goodman in 1981 (Mark, 2011). It represents the aesthetic authority of the entire brand. Michael Kors Collection can be found in many finest luxury department stores world widely, such as Saks Fifth Avenue, Bergdorf Goodman, Holt Renfrew and the Neiman Marcus. Products of this line contains handbags, leather goods, apparel, footwear and accessories. Michael Kors handbags are usually made of leather and other exotic skins. Michael Kors Collection symbolizes the highest standard of quality, since Michael Kors is a life-driven company with products representing the highest level of quality, technology, human resources and creativity (Mark, 2011).

With the success of the Michael Kors Collection line, the company thought that there would be an opportunity to apply the brand strength of Michael Kors by bring another product line. In 2004, MICHAEL Michael kors was thus launched. This line produces accessible luxury goods in order to meet the demand of a broader range of consumers in the competitive market. MICHAEL Michael Kors mainly focuses on accessories, while also provides apparel and footwear. MICHAEL Michael Kors has also entered in many lifestyle leading departments stories all over the world. These stories include Nordstrom, Harvey Nichols, Bloomingdale’s, Macy’s, Printemps, Galeries Lafayette, Hyundai, Lotte, Lane Crawford, Isetan (Annual Report, 2017, p89). Following the successful path of the first two lines, Michael Kors is also expanding men’s market by introducing the Michael Kors Mens line. These three lines of collections have brought Michael Kors consumers from variable social classes and established the company with a premium luxury image.
3.2.5 The Michael Kors women

After launching three lines (Michael Kors collection, MICHAEL Michael Kors, Michael Kors Mens), Michael Kors started to reach to different social classes of women, including household moms, artists, and office ladies. These ladies can wear Michael Kors appeals in different occasions. As Michael Kors mentioned, “I have dressed everyone from Jessica Simpson to Aerin Lauder to my mom.” (Dana, 2006) The idea of the Michael Kors design is to expand his products to everyone in the world. One of Mr. Kors’s good friends, the co-owner of the Scoop boutique chain, described, “A Michael Kors woman is a woman who celebrates her femininity, she is body-confident, she wants to make a statement but does not want to be screaming. She is the women who wants to be trend-inspired. She is a loyal follower. Michael Kors women are cult-like.” (Dana, 2006) This statement has given a vivid picture of Michael Kors and the meaning for its women consumers.

3.2.6 Michael Kors lady’s handbags

“I wouldn’t want a woman to say, I can’t go to the supermarket with this bag.”-Michael Kors (Jane, 2015, p1)

According to the survey Talking Stock with Teens in 2016, submitted every year by asset management firm piper Jaffray and investment bank, the most popular handbag brand is...
Michael Kors (Chelsea, 2017).

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<th>Top Clothing Brands</th>
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<th>Top Footwear Brands</th>
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<td>Steven Madden</td>
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**FIGURE 5.** Piper Jaffray 32nd Semi-Annual Taking Stock With Teens Survey, Fall 2016, figure adapted from (Chelsea, 2017)

Michael Kors handbags have gained a lot of attention of the teens. According to the Business wire report, Michael Kors won 34% among all arm candy manufacturers, which is followed by Kate Spade with 19%, Coach with 10%, Louis Vuitton with 5%, and Longchamp & Vera Bradley with 3%. These data is based on a survey involving 10,000 teens from dozens of states (Chelsea, 2017).

Mr. Kors has headed a luxury fashion label for 36 years. As one of the supermodels, Iman hold Michael Kors’s first catwalk show in the year of 1984. Kors’s brand has gone stratospheric in the past few years. His handbags have become very popular and successful for people around the world. The success of Michael Kors handbags that sent company revenues extremely high. For instance, the company reached $3.3 billion in 2014 (Jane, 2015, p1).
In past decades, designer brands have emphasized their exclusivity, i.e., the basis for their attractiveness is non-reachability. However, Kors takes an opposite way. He wants to transform the concept of luxury, instead, to democratize fashion by calling it ‘everyday luxury’, in simple words “a slice of something decadent for a price within reach of many more than a privileged few.” (Jane, 2015, p1) After that, MICHAL Michael Kors was launched. Surprisingly, MICHAEL Michael Kors bags became very popular for different social classes and it showed up as top sellers in retail John Lewis. It was reported that the MICHAEL Michael Kors bags were sold by 80 bags per day according to the broadcast. This phenomenon also has happened in the shopping mall Selfridge and around 225 MICHAEL Michael Kors Selma bags were sold every week in Selfridges. In Harvey Nichols, it reports a 34% raise in demand for MICHAEL Michael Kors handbags. Mr. Kors explained the unprecedented popularity of his handbags by this, “a handbag is one of those things that’s utilitarian – we need to be able to transport our stuff – but at the same time it adds personality and glamour,” and also “people want luxury and quality but not something so precious that they will only ever use it on special occasions. I wouldn’t want a woman to say, I can’t go to the supermarket carrying this bag.” He also points out that “she should be able to take it to the gym, to work, wear it at the weekend…” (Jane, 2015, p1).

There is another element that pushes the success of Michael Kors handbags, i.e., a price spot on fashion. Based on the recent reports, consumers regard £300 as a magic price point where coveted designer and aspirational shoppers treats meet. As the biggest sellers, Kors sells Semla and Sutton at a price of £315 and £285, while the Riley costs only £260. Kors thought that “three hundred pounds” is probably that magic spot. He also agrees that “it’s not inexpensive but it is not so prohibitive that it becomes your once-in-a-lifetime moment.” (Jane, 2015, p1) Kors also explained that many of consumers are such big super fans of the handbags that they purchase them in a rainbow of colors. For example, Selfridges carries the MICHAEL Michael Kors Selma handbags in 36 shades, while Harvey Nichols customers want to have more handbags in mandarin (Jane, 2015, p1).
3.2.7 Michael Kors in Finland

Nowadays, Michael Kors has expanded to Nordic Market. It can be found in Nordic countries such as Norway, Sweden, Denmark and Finland. All Michael Kors stories are present in either the most prestigious fashion shopping mall or shops at the heart of the city. For instance, One Michael Kors store locates in the prominent shopping district of Stockholm of Sweden which is called “Biblioteksgatan” (Pressmeddelanden, 2013). Bibliotekstan is the richest shopping district that retails many international luxury brands such as Gucci, Marc Jacobs Prada, Whyred, Hope as well as Acne.

At present, Michal Kors products has retailed in different shopping mall in Finland, especially in the Stockmann department store both at Helsinki and at Tampere. Stockmann is a Finnish company established in the year of 1862. It is the biggest and most outstanding department store in Finland. The Michael Kors brand contains many selections in Stockmann where people can find their favorite products (Official Webpage, 2017). Michael Kors accessories and Iconic Michael Kors bags have arrived at its new boutique at the Helsinki international airport near gate 32 (Finavia, 2015). Besides, Michael Kors products also can be founded in different prosperous districts of Helsinki and Tampere, and those stores mainly sell Michael Kors shoes and handbags.

3.2.8 Future strategy of Michael Kors

Michael Kors will constantly introduce innovative and trendsetting products and expand their offerings to different product categories in order to improve its leading fashion role globally (Annual Report, 2017, p89). Michael Kors also improves the business growth by expanding licensed product offering such as smartwatches and fragrances. The company will also raise product requirements by developing new products, and also the company increase products varieties within footwear and menswear businesses (Jennifer, 2014).

To improve brand communication, Michael Kors will plan to raise the customer loyalty and brand awareness by using different ways. For instance, Michael Kors will reinforce Mr. Kors’s popularity and prestige globally though different media activities. Meanwhile, semi-annual runway exhibition will be held to improve Mr. Kors’s high-fashion image
and designer status (STATES & COMMISSION, 2015). Michael Kors will organize activities in global markets and make more excitement through its product lines. Michael Kors will also develop more retail stores in different high-visibility and the most prestigious districts around the world. Moreover, Michael Kors will deliver straightforward messages and concise brand points through all marketing channels to sustain its messaging consistency. Therefore, Michael Kors will increase brand awareness in primary global markets by more outdoor advertising placements (Annual Report, 2017, p89).

Michael Kors will enlarge the international e-commerce by establishing another e-commerce site in Europe and this site will support eight counties. An e-commerce site will be also built in South Korea in Fiscal 2018 (STATES & COMMISSION, 2015). Moreover, Michael Kors will concentrate on how to meet the new standards of customers’ expectations by, for example, intending to add the personalized suggestions to a very new mobile app, which will be provided next year. Since Pamela Danziger said that personal service plays an essential role for the company (Stephanie, 2017).

Michael Kors will keep raising its market and e-commerce sales in Europe and Asia (MarketWatch, 2017). It aims to strength the existing business by increasing the market share and brand awareness globally by offering cosmopolitan jet-set lifestyle experience to customers. More investments in marketing will be launched to increase brand awareness. At the same time, in Asia new stores will be opened to leverage the recently required business. Besides, Michael Kors will increase the international e-commerce in order to improve the existing business. It will also grow men’s business, take advantage of the store fleet and improve the store experience (BusinessWire, 2017).

Michael Kors will continue to increase men’s accessories and apparel business and will concentrate on how to raise the brand awareness and the brand presence by different ways (Fani, 2014). Firstly, Michael Kors will strongly promote men’s lines through global advertising activities. Second, Michael Kors will raise product assortment and men’s store presence, such as men’s accessories and apparels through all channels. Third, Michael Kors will advance men’s different categories in order to meet multiple distribution requirements. Finally, Michael Kors specially pay attention to design elements that
highlight the iconic items and logo that is linked with Michael Kors brand (STATES & COMMISSION, 2015).

3.3 Data generation

In this thesis, the data was created from only one source, i.e., data through the conducted interviews. There are two qualifications that should be considered to solve particular research problem when choosing participants for a qualitative study. One is the accessibility, and the other one is the suitability of the participants (Malhotra & Birks, 2007, p161-167).

Interviewing is one of the most important parts in the thesis. During the interview, we probably get the idea on how respondents think and understand something that they are interested in, and what they have experienced. One most efficient way of interviewing for conducting qualitative research is the semi-structured interview (Ted, 2008). It is a qualitative method of investigation that associates a pre-determined set of open-ended questions, and with the chance for the interviewer to find specific answers. A semi-structured interview allows respondents to be free from pre-determined responses. Semi-structured interview may be also applied to comprehend how intervention works and how they could be optimized. The semi-structured interview also allows respondents to provide unexpected responses that interviewer may not have considered before (Fylan, 2005).

“Semi-structured interview are simply conversations in which you know what you want to find out about and so have a set of questions to ask and a good idea of what topic will be covered.” (Fylan, 2005)

In a semi-structured interview, the conversations between interviewer and interviewees are free to change. Comparing to a structured interview where there is a pre-determined set of open questions, questions may be given in a randomized or personalized order in a semi-structured interview. Comparing to unstructured interviews, the area of investigation in semi-structured interview is nevertheless delineated (Fylan, 2005).
In this thesis, participants are convenient samples recruited from the author’s own networks. Twelve young ladies including six Chinese and six Finnish were interviewed in the current study. All subjects provide their oral permission for using the collected data and are anonymously addressed in the thesis. No ethical approval is required for the current study. The participants are from different backgrounds and their age are between 24 to 29. The participants’ names were represented by letters, A to E were used for Chinese respondents and numbers 1 to 5 for Finnish respondents. All conversation between interviewee and participants were recorded by using iPhone 6. The selection criteria of subjects were that they had to be Michael Kors products consumers. Since selection of the suitable subjects is restricted due to accessibility which is a common research problem for specific topics (Eskola & Suoranta, 1998, p268), a convenient sample of Chinese respondents are used. Therefore, all Chinese subjects are within author’s own social networks who have lived in Finland for over two years, although their current residence may be from Tampere, Helsinki or the United Kingdom; Finnish respondents were friends or acquaintances who may currently live Helsinki, Tampere, or Netherland. The subjects involve both students and workers with variable professions allowing to minimize potential biases due to homogeneous background. Detailed information of subjects is illustrated in the Tables below.
TABLE 1. Information of the Chinese subjects.

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Residency</th>
<th>Occupation</th>
<th>Location of the interview</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>26</td>
<td>Tampere, Finland</td>
<td>Researcher</td>
<td>University of Tampere</td>
<td>60 min</td>
</tr>
<tr>
<td>B</td>
<td>29</td>
<td>Tampere, Finland</td>
<td>Sales and Marketing manager</td>
<td>Coffee Shop</td>
<td>45 min</td>
</tr>
<tr>
<td>C</td>
<td>26</td>
<td>Helsinki, Finland</td>
<td>Lead developer</td>
<td>Coffee Shop</td>
<td>60 min</td>
</tr>
<tr>
<td>D</td>
<td>25</td>
<td>United Kingdom</td>
<td>Student</td>
<td>Skype Meeting</td>
<td>40 min</td>
</tr>
<tr>
<td>E</td>
<td>26</td>
<td>Helsinki, Finland</td>
<td>Sales Manager</td>
<td>Mobile Phone</td>
<td>60 min</td>
</tr>
</tbody>
</table>

TABLE 2. Information of the Finnish Consumers.

<table>
<thead>
<tr>
<th>Name</th>
<th>Age</th>
<th>Residency</th>
<th>Occupation</th>
<th>Location of the interview</th>
<th>Duration</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>26</td>
<td>Tampere, Finland</td>
<td>Marketing teacher</td>
<td>University of Tampere</td>
<td>40 min</td>
</tr>
<tr>
<td>2</td>
<td>24</td>
<td>Tampere, Finland</td>
<td>Student</td>
<td>Skype Meeting</td>
<td>60 min</td>
</tr>
<tr>
<td>3</td>
<td>29</td>
<td>Tampere, Finland</td>
<td>Insurance handler</td>
<td>Burger king</td>
<td>30 min</td>
</tr>
<tr>
<td>4</td>
<td>26</td>
<td>Netherland</td>
<td>Student and part-time worker in the gym</td>
<td>Skype Meeting</td>
<td>40 min</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>Tampere, Finland</td>
<td>Owner of the Cotton Store</td>
<td>Cotton Store</td>
<td>30 min</td>
</tr>
</tbody>
</table>
Specifically, interviews are done face-to-face, or via phone or skype. Steps of interview is following the questionnaires below, also seen in Appendix 1. The duration of interviews varies between 30 mins to one hour. For Chinese subjects, the interview was done using Chinese language while for Finns English was used. All Finnish subjects are good English-speakers and no interpretation was needed. Content of the interviews was voice-recorded and later transferred into written format by the researcher, or they were simultaneously recorded into written formats during the interview. All contents of the interviews are summarized in the Appendixes.

3.4 Data analysis

In research using qualitative approaches, data analysis, generation and their interpretation are often taking place at the same time. The purpose of qualitative data analysis is to make conclusion from the data to in a general sense without sacrificing significant information (Eskola & Suoranta, 1998, p268). In the approach, the analysis of the data has already started during the fieldwork. Preliminary conclusions could be simple derived from voice recording and note making in the interview. The author starts to analyze the obtained data by hunting for connections and observations about frequently emerging and consensus constructs and phenomena (Shukla & Purani, 2012).

As soon as all interviews were completed, in the current study, the author went through all the interview records to identify main factors and constructs. Previous study by Lahtinen (2014) has provided information about potential constructs that Chinese and Finnish young consumers use to build the luxury brand meanings. Screening process for the constructs of the brand meaning was based on those proposed constructs by Lahtinen. Furthermore, the current study also investigated potential factors or elements that influenced the buying behavior of luxury brand consumers. Culture as an important construct of brand meaning was studied during the data analysis, especially the potential influence of the Eastern Collectivism and Western Individualism on the brand meanings and buying behavior.
4 CONSUMER-BRAND RELATIONSHIP OF MICHAEL KORS

4.1 Constructs of the Brand meaning of Michael Kors

A previous study has provided clue on potential constructs that contribute to the brand meaning of luxury products among Chinese and Finnish young consumers (Lahtinen, 2014). These constructs include “Appreciating beauty, art and quality”, “Pursuing hedonistic pleasure”, “Matter of investment”, “Daydreaming and fantasy world”, “Driving force in life”, “Connecting and expressing the self”, and “Valuing sustainability”.

While Lahtinen (2014) focuses on luxury products in general, this current study focuses on a specific brand, i.e., the Michael Kors, and more specifically its lady’s products. Thus, by using more a concrete research target, I hypothesize that factors constructing the brand meaning may vary. The current study aims to search for potential factors that influence the interpretation of meanings of American Luxury brands in Finland.

4.1.1 Appreciating beauty, art and quality

Like Lahtinen’s study, this construct “appreciating beauty, art and quality” is also a key element in forming the brand meaning of Michael Kors among Chinese and Finnish consumers in Finland. Almost all subjects in the current study stated that they appreciated the design, quality of the products repeatedly.

I just like its colorful design, relatively good quality, and that the price is affordable for working class people. (A)
It is simplistic and stylish... When I first time saw the Michael Kors Selma Bag, I was attracted by its design... I like Michael Kors because of its design, quality and style. (B)

It has become popular due to its unique design, chic log "Michael Kors"... I like Michael Kors bags also due to the design is simplistic design that fits both casual outfit and work outfit well... the bags come in such a variety of colors and styles that are really appealing. (D)

The difference between MK and other brands is its design and that particular collection. (E)

I consider that Michael Kors handbag is elegant and the design is pretty simple. (2)

I just happened to really like the black Hamilton leather bag because of its neutral and timeless design. (4)

4.1.2 Pursuing hedonistic pleasure

Pursuing hedonistic pleasure is often a driving force for the consumption behavior. Since the current study used interview questions which did not directly reveal the emotional drives behind the consumption behavior of Michael Kors products, this construct is possibly hidden behind. However, although most subjects did not state their feelings, a positive tone indicated their pleasure behind their purchase of Michael Kors products. Meanwhile, one subject also mentioned that Michael Kors handbags stand for happiness and bring pleasure directly as well.

I think the handbags stand for a happy and relaxing feeling. (C)
4.1.3 Connecting and expressing the self

Many subjects mentioned that they bought Michael Kors handbags because they saw others buying them. I tend to interpret this street phenomenon as a step toward connecting the self to their surroundings.

* I came to know this brand when I saw somebody with this bag on a bus when I was still in China. It occurred to me that this might be some good brand, but I never heard about this brand before, nor did I see it anywhere in news or advertisement. Later when I came to Europe, I saw these brand stores in airports and department stores. (A)

* I know the brand Michael Kors because one of my Chinese friends who asked me the price of handbag in Finland. Then, I began to know this brand. It is a popular brand in Finland. I found a lot of ladies carrying MK handbags on the street. (C)

* I knew the brand of Michael Kors due to the fashion phenomenon. I saw a lot of young ladies carrying this handbag. I was curious why the bag was so popular until I went to Stockmaan and I found the handbags very affordable... Many people on the street have MK handbags, so I would like to become one of them and experience the most popular bag. (D)

* I got to know Michael Kors when I moved to Finland. I saw quite many young and trendy ladies had the similar bag. I got curious because at that time the design of popular Michael Kors bags are similar as other luxury brands. (E)

* I know the Michael Kors brand because it is very popular, people started to carry the handbags and I noticed, liked them and decided to purchase them. I saw lots of people were wearing the same brand, and then I wanted to buy it as well. (3)

Similar, subjects may dislike to connect this this brand.
At this time, I would not buy any Michael Kors handbags anymore, because for me, they represented different kinds of luxury than the traditional European brands. (1)

Michael Kors is a bit of “teenager brand” at the moment. (4)

4.1.4 Valuing sustainability

High quality is often a feature of luxury products. Along with the “high quality”, sustainability was also found a factor that influences the brand meaning of Michael Kors products.

I decided to buy a good bag (Michael Kors) so that I can use it for a very long time. (A)

I have been using my Michael Kors bag for two years and it still looks great. (D)

Michael Kors handbags are durable. I bought my MK handbag two years ago and it still looks good for my daily usage. (E)

I used the bag for three years and it was definitely my favorite bag. (1)

I bought this handbag (Michael Kors) since I began my studies at the University, and I am still using it daily. (2)

4.1.5 Other factors

According to the current study, “matter of investment” may not be a construct of the brand meaning of Michael Kors since values of the Michael Kors handbags are generally declining and people may not think it worth collecting. Furthermore, since Michael Kors handbags are cheaper compared to similar luxury products, “matter of investment” is not potentially a factor influencing its brand meanings.
“Daydreaming and fantasy world” as a construct of luxury product brand meaning seemed to be weak for Michael Kors products. Even “pursuing hedonistic pleasure” could only be concluded indirectly with the current research method. “Driving force in life” was not a factor influencing the brand meaning of Michael Kors, and at least it could not be reflected in the current study.

4.1.6 Consensus map of Michael Kors brand meaning

In this thesis, an alternative consensus map for the Chinese and Finnish young consumers was built, see Figure below. The consensus map contained four collective constructs for Michael Kors brand meaning, which were shared by both the Chinese and Finnish participants. These constructs are “Appreciating beauty, art and quality”, “Pursuing hedonistic pleasure, “Connecting and expressing the self”, and “Valuing sustainability”. The constructs resembled the meanings of Michael Kors that consumers may be relating to an American fashion brand.

![Consensus Map](image)

**FIGURE 6.** Constructs of the brand meaning of Michael Kors in young lady consumers.

In current study, all subjects are from different Finnish regions with various professional backgrounds. This map contains key constructs that potentially form the brand meaning of Michael Kors. It may represent a brand meaning that young consumers with multiple culture background build up for Michael Kors in Finland.
4.2 Factors influencing purchase

Michael Kors, led by a legendary award-winning designer, is a global luxury fashion brand that has carried the luxury industry into a new stage. The brand has been growing very fast. It has become a fashion luxury style of the representative and a well-recognized brand all over the world. Michael Kors has used its unique design, craftsmanship and materials to produces many fabulous goods. A vast number of young ladies prefer Michael Kors due to its unique design and good quality.

Many Fins and Chinese are familiar with Michael Kors and psychologically chasing after the global fashion has driven many young ladies to consider and to buy Michael Kors products. This global phenomenon of fashion may subsequently influence the purchase behavior of Michael Kors users.

Brand meanings that consumers help to build up may also be reflected in the motivation of purchase. In the current session, I analysed the key motive factors that influence the behavior of purchase. In a multi-cultural environment, it is hypothesized that the subsequent brand meaning may differ under various cultures and background (Tafarodi et al., 2004). The empirical data generated by interviewing the Chinese and Finnish participants explained the motivation of purchase.

4.2.1 Street phenomenon

Empirical data generated via interviews revealed that Chinese consumers tend to make the purchase due to a street phenomenon. This is seen in the response of four out of the five Chinese participants, where they stated why they chose Michael Kors handbags, as previously in session 4.1.3 and as follows.

*I know the brand Michael Kors because one of my Chinese friends who asked me the price of handbag in Finland. (C)*

*I knew the brand of Michael Kors due to the fashion phenomenon. (D)*
I saw quite many young and trendy ladies had the similar bag. (E)

I saw lots of people were wearing the same brand, and then I wanted to buy it as well. (3)

In comparison, street phenomena as driving force for purchase seems scarce in Finnish participants. Only one participant reported that she bought Michael Kors handbags mainly because she saw a lot of Finnish young ladies using the handbags.

I know the MK brand because it is very popular, people started to carry the handbags and I noticed, liked them and decided to purchase them. I saw lots of people were wearing the same brand, and then I wanted to buy it as well. (3)

This finding goes in line with the cultural difference between the Western individualism and Eastern collectivism (Vigneron & Johnson, 2004). Chinese people seem to chase after fashion and follow their surrounding individuals. In contrary, Finns emphasize their reason for choosing Michael Kors handbags more on the quality of the handbags instead of seeing others doing the same thing, and underneath this phenomenon may lie the philosophy of Individualism.

4.2.2 Appreciating design and quality

The superior quality is one of the most mentioned attribute when people think about brand meanings (Wiedmann et al., 2007). Previous studies of luxury consumption usually highlight the significance of quality which subsequently affects the perception of luxury, and high quality is thought an important character of a luxurious product (Samil, 2009). However, consumers may perceive quality through different culture and background.

For Chinese participants, utilitarian becomes a factor that influenced them to purchase Michael Kors handbags. For example, materials, details and durability come together with the good image of excellent product quality. For Chinese consumers, these may be importance for the feeling that the products are of good quality.
It is not because I think this brand itself will give me a sense of vanity. I just like its colorful design, relatively good quality, and that the price is affordable for working class people. (A)

When I first time saw the Michael Kors Selma Bag, I was attracted by its design. It is suitable for different occasions, e.g. business meetings and casual parties. I like Michael Kors a lot. They have many choices for different clothes style and different occasions. Meanwhile, the quality of the bag is fantastic. (B)

I like Michael Kors bags also due to the design is simplistic design that fits both casual outfit and work outfit well. The quality of Michael Kors handbag is excellent in terms of relative price. I like Michael Kors bag due to the simplistic design with functional styles. (D)

As long as the price is acceptable, the design is simple and unique and the quality is excellent, I would consider it. (E)

For Finnish participants, they consider much more high functional quality when they purchase Michael Kors handbags.

Overall, I consider that Michael Kors handbag is elegant and the design is durable, so consumers can use it every day. I also bought my Michael Kors watch five years ago and I still use it both at School and at workplace, the bag as well. I like Michael Kors products. (2)

I thought the handbag was simple, sophisticated and I liked that it was in one color. I loved the fact that they had different sizes of handbags for different occasions. (3)
4.2.3 Price aspects for consumers’ decision making

From the participants’ point of view, price of Michael Kors handbags is reasonable comparing to other luxury brands products. Michael Kors handbags are not expensive as they expected in the light of their high quality and unique design. Price aspects are essential for both Chinese participants and Finnish participants.

Yes, definitely! I would not spend the money to buy a Prada or Gucci bag. This bag, is still within the affordable range. (A)

I consider prices when purchasing bag by comparing with some other brands. I generally think Michael Kors price is reasonable, not cheap while not that expensive either. Sometimes, I ask my friends to buy Michael Kors bags from US to me. The price is cheaper than that in Finland. (B)

I have limited budget for handbags, so surely the price will affect my decision. Also discount can affect my decision. (C)

As long as the price is suitable for my budget, I would like to pay and buy new handbags. (E)

Price aspect is very important to me. Living and other expenses are very high in Finland. Michael Kors brands suit me because they are affordable luxury brands. (3)

Of course price affects my purchasing decisions. Michael Kors bags are not too expensive compared to LV for example. (4)

Some participants, however, did not consider price as important as other factors such as design, quality and fashion trends.
So, the design is very important for me. These factors influence my purchasing decision much more than the price. (1)

When I think about the price, I will relate to the quality as well. In case you want good quality. Perhaps you are ready purchasing some more money into it. For instance, I have used my MK handbag for several years. The price of MK handbag for me is not high as other brands. The more money you pay, the better quality you will get. I think that it has also got some sales. Hamilton was a new product that it was very expensive. If you want to be among the first ones to get it is even more expensive. When it has become older designer, they were selling it lower price. (2)

None of my interviewed subjects are shopaholics and thus they may tend to make reasonable comparison before each purchase. When comparing with other alternative choices like Louis Vuitton, Gucci and Chanel, Michael Kors seems to be a more economic choice for most consumers.

Personally, I care less about whether the brand itself is famous or not. I simply like the fact that they have plenty of colorful bags, with design that I like, very convenient to use, and not too expensive. (A)

I consider that Michael Kors learned a lot from the top luxury designs but the price is cheaper than those luxurious bags. Therefore, consumers can easily make a purchase for handbags with similar design but lower price. (D)

I think the price is also suitable for my budget compare to LV and Chanel. MK handbags are not expensive compare to other luxury handbags, but the quality is really good. (E)

Michael Kors brand is very affordable, yet it has that luxury look and feel to it. Other brands tend to cost a lot of money and are out of my budget range. (3)
Some of them may even regard Michael Kors not as luxury brands.

Michael Kors is light luxury. I don’t think Michael Kors is a luxury brand, much cheaper and more suitable for young people. (B)

I don't actually think of Michael Kors as a luxury brand. To me luxury brands are Louis Vuitton, Prada, Mulberry, Fendi, maybe Tory Burch etc. (4)

4.2.4 Other potential factors

However, some subjects tend to choose other more luxurious brands in comparison to Michael Kors, considering her consumption capability. Reasons include history of the brand, and whether it is craftsmanship.

I appreciate those brands including L.V., GUCCI, Chanel, actually more because they have been around over a century. (1)

Meanwhile, some participants thought that Michael Kors is a timeless, functional, considered and modern brand for women. The design of the brand is unique and simple, especially the logo is not attention grabbing.

I consider that MK handbags are not attention grabbing. The label especially the lock of MK is not easy to figure out, for instance I have MK handbag, there is a lock and the key, there are not shouting out of the brand. Comparing to LV handbags, the LV mark on the bag is very easy to see and the label is all over the bag. For me I like the brand more when it is luxury but only the people know the brand. (2)

Though most interviewed subjects appreciate the design and quality of the handbags, while some of them are disappointed that the products are a bit overexposed and lack originality or distinction.
Now, I would not buy any MK handbags anymore, because for me, they represented different kinds of luxury than the traditional European brands. MK represents big marketing forces behind the brand. I cannot find any real story or a long heritage behind the brand. I find it very American and then for me it is not positive brand image because for me American brands represent only those kinds of brands that have huge marketing budgets, but they don’t have the real authentic heritage or history. When I considered L.V. or Gucci, I worked for L.V. store for half year in Finland. Then I got know more about this brand and the history of the brand. I appreciate those brands actually more because they have been around over a century. The handbags are made by craftsmanship. They represent craftsmanship and real artisans make them. There are still handmade bags for those brands. In comparison, Michael Kors bags are made in China or Bulgaria and they are like mass produced instead of craftsmanship and handmade. (1)

I don't think that I have any special kind of relationship with this brand. I actually prefer brands that are not so popular at the moment. I'm more a fan of timeless design. To me Michael Kors belongs in the same category as Guess: Not always very classy (except for the MK Hamilton bag). (4)

The customers’ decision making traditionally revolved around price, customer service and product quality (Indika Jayasinghe, 2016). It is thought that the most important one that has high influence on consumers’ satisfaction is quality and price (Dapkevičius & Melnikas, 2009). Understanding consumers’ decision making is also very important to profitable growth for the brand and the whole market.

Consumers’ satisfaction on their purchase is an important element that makes successful marketing. If consumers are satisfied with their purchases of the products, they will buy the same products again, and also they will suggest the products to friends. Thus, to know what factors influence the purchase behavior is crucial for marketing. In this session, I found three factors that related to consumers’ satisfaction. One is the consumers’ judgement for the product quality. The second factor is the street phenomenon which
drives the consumption behavior, especially the Chinese consumers. Finally, the price aspect is critical as well.

4.3 Culture and the brand meanings of Michael Kors

According to findings in the study, culture has clearly shaped the buying behavior of consumers. It is most clearly seen in the street phenomenon being an important element influencing the behavior of purchase (session 4.2.1). Most Chinese consumers in this study seem to choose Michael Kors handbags because that they see other buying them. In contrast, Finnish subjects tend to study the brand, including its history and design, before the purchase. This phenomenon is associated with the Eastern collectivism and Western individualism. However, culture seems to be a weaker influencer for the brand meanings of Michael Kors. At least based on results of the current interview this could not be reflected.
5 CONCLUSION

5.1 Summary of the research

The overall aim of the study is to add value to the understanding of brand meaning of luxury products, using a case study of Michael Kors. The study shows how young consumers build up a brand relationship with Michael Kors. The study is also to compare the cultural influence on branding meanings and regarding the buying behavior. The study contains three research questions in order to achieve the objectives, i.e., what are consumers’ perceptions of the luxury brand meaning, what influence young female consumers to make the purchase of Michael Kors handbags, and how culture shapes the brand meaning and/or influences the consumers’ buying behavior.

Previous studies indicate that consumption of fashion products has been raised among young lady consumers which is the most targetable groups. The data of the interview showed that chasing after fashion and appreciating the quality and design, as well as the relatively lower price compared to other luxury products, are key reasons for the purchase behaviour. For instance, some participants were willing to invest in brand product because they like to purchase good quality and durable products. This supports the previous idea that along with seeking connection to certain social classes and the materialistic consumption, there is also a form of responsible consumption (Nyrhinen & Wilska, 2012). Moreover, the study showed the similar results from previous marketing research on the cultural influence of brand meaning. Most significantly, the results recommend that Finnish customers appreciate high quality and sustainability products, while Chinese customers lean to purse hedonistic pleasure and to follow the fashion. This finding nicely mirrors the influence of the Western individualism and the Eastern collectivism.

As the purpose of the study is to understand how young female consumers build up a brand relationship with American luxury brands in Finland and to compare the cultural influence
on their concepts of brand, specific questions regarding the following concerns will be asked. However, these research questions are not completely independent from each other. For example, consequent brand meanings in the current study may also contain factors that are the driving forces for consumers to make the purchase.

To dissect the constructs of brand meanings and to understand how social and cultural elements contribute in building these meanings, the theoretical framework was firstly built via literature review. The first part in the literature introduced the concepts of luxury brands, including the dimensions of luxury fashion brands, i.e., the functional, symbolic and experiential dimensions. The three dimensions are virtually one signal unit charactering the nature of luxury products. In order to further dig into the multiple dimensions, different models of brand meaning construction were explained. These models highlight the connections among the users, the context and the products. This part also explains the engagement of cultural significance and cultural meanings in developing luxury brand meanings. This thesis uses semiotics to clarify the brand meanings structures. The concept of a signifier relationship recommended that brand meaning has two components: a material indicator and an abstract sign. The literature review presented three different theoretical models of meaning development and pointed out that brand meanings were more likely to be derived from an interaction between culture, brand and individual. The theoretical framework forms the basis of this empirical study.

Social constructivism is an appropriate philosophical basis used in the current study. Based on the ontological assumptions, “reality” is understood as socially constructed. In contrast, subjectivism presumes that reality is always group and individuval-level understanding. By suggesting perceptions, for example the brand meanings may be different and change over time and between individuals. This thesis takes the form of modest constructivism and consider the scientific knowledge carefully as the product of social negotiations to exclude the possibility of objective truth. Under the paradigm of social constructivism, the interaction between the inquired and the inquirer is linked in the research process.

In line with the research purpose, these assumptions that relating knowledge and reality influence the methodology issues of this study. This thesis applied for qualitative method
and more specifically used semi-structured interviews. Qualitative approach by interviewing ten young Michael Kors handbag consumers allow for dissecting the brand-consumer relationship in an American brand case study. Chinese young lady consumers in Finland seem to be more influenced by fashion phenomenon, as many of them state that they buy the products because they see their friends or surroundings buying them. However, Finnish consumers seem to investigate more time studying the brand meanings including its history and design. This finding is tightly associated with the effect of cultural difference, where Chinese culture is more inclined to collectivism while Finnish culture more on the side of individualism. This study also reveals that price aspect plays an important role in the behavioral of purchase in most consumers, although some others may care more about the quality and the design of the Michael Kors.

Furthermore, this study combines a literature review session around the relative success of Michael Kors, especially in the Finnish market. Michael Kors has a highly motivated and professional leader team, with its conceptualization around quality, strategy and fashion. Its brand-consumer relationships are mildly modulated by culture while prominently shaped by its high-quality and fashionable design. By interviewing ten consumers with both Chinese and Finnish background, the current study shed light on how young lady consumers perceive Michael Kors, reflecting a successful model of brand-consumer relationship that may lead to potential success in the Finnish market.

To summarize, this study has addressed the three research questions that direct the research. The brand meaning of Michael Kors is attributed by at least four constructs, including “Appreciating beauty, art and quality”, “Pursuing hedonistic pleasure, “Connecting and expressing the self”, and “Valuing sustainability”. Meanwhile, culture shapes the brand meanings of Michael Kors handbags and drives the buying behavior among your lady consumers. Interestingly, according to the Finnish culture, the brand image of Michael Kors may be with a core of high quality, a brand with short history, and American commercial products. Finnish subjects in the current study seem to be more careful in choosing Michael Kors products regarding the effort that they make to understand the brand including its history and whether it is handmade. However, almost all Chinese subjects choose Michael Kors products initially because they see others using them, which is at least a phenomenon. The brand image, on the other hand, also shapes of
behavior of buying. This is most obvious regarding the street phenomenon and the quality of the products. One most significant factor that influence the behavior of purchase, however, is the price aspect. Almost all subjects involved in the current study made the purchase partly due to its affordability.

Heterogeneity of the brand meaning highlights the role of different consumers or product users in shaping the meaning of luxury brands, under the influence of social as well as cultural environment. The views of both Chinese and Finnish participants in the thesis have expanded the brand meanings far beyond the scope of the ones that brands have created by themselves. These meanings are much higher than previous ones that are recognized by prior research or institution. The current study presents considerable imagery from the different consumers in the construction and interpretation of the luxury global fashion brands as reflected in a case study.

5.2 Practical implications of the research

The current study bears potential practical meanings for marketing executives. This study provide knowledge on the consumer-brand relationship of Michael Kors in Finland. However, this knowledge may be used propagated to other brands. Therefore, the broader aim of this research is to provide marketers, firms, policy-makers and consumer organizations new conceptual methods for obtaining a better comprehension of brand meanings and the influence of different cultures in the market, and based on this to help practitioners to better adapt themselves in the market (Moisander & Valtonen, 2006). These new conceptual methods, as provided in this study, are largely about how cultural background and economic status affect the consumer-brand relationship.

The first practical significance of this thesis is to help understand the heterogeneous brand meanings in the realm of luxury brands. Brand meanings has been investigated under different models, including the model by Peter and Oslon (Peter & Olson, 2009, p832), the model of Ligas and Cotte (Ligas & Cotte, 1999), and McCracken’s model of meaning transfer (McCracken, 1986). This study is based on the paradigm of social constructivism. In my interpretation, brand meanings are subjective and contextual, and they are developed largely through social interaction (Holt, 1997; Ligas & Cotte, 1999; McCracken,
1986). Based on that, marketers can evaluate how the consumers choose and build a consumer-brand relationship with the products. They can also consider whether they should adjust their strategic marketing and brand positioning in order to compete for customers in the competitive market.

The second practical significance of this thesis is the comprehension of the process how consumers build the brand meanings based on their living environment and according to the other characteristics of the brand. According to the traditional approach, it is recommended that marketers make symbolic meanings for the brand, whereas consumers select the best correspondent to their own self-concepts. This study specifically pointed out the role of consumers, Chinese and Finnish buyers, in the process of reprocessing the meanings for brands. This thesis expands the managerialism perspectives by incorporating consumers and identifying their co-construction of meanings of luxury brand (Mehmet et al., 2017, p379). The current study, along with a previous one by Lahtinen (2014), recommends that luxury fashion brand marketers should turn their attention from product-centric instead to focus on strategies that emphasize personalized and customer-centric operations.

The third significance concerns the ways where managers need more information about their customers and the competitive market. Most marketing research method needs literal language in order to collect, analyze the data and to report the results (Catchings-Castello, 2000). This research applies the qualitative method, with data generated by conducting interviews on ten Michael Kors handbag young lady consumers, of which five are Chinese participants and five are Finnish. Through the interviews, this data shows a better understanding on how Michael Kors builds its brand meanings, and how this brand-consumer relationship possibly influences purchase and contributes its relative success in the Finnish market. It is suggested that marketers should apply interviews in the marketing survey in order to obtain better comprehension of their customers.

5.3 Evaluating the research quality

The current case study is based on the theory of social constructivism combined with an interpretive research philosophy. This research provided valuable information as is data-
mined subjective experiences and common meanings between people. Research quality evaluation in the current session is done according to external criteria as suggested by Moisander and Valtonen (2006), and as done similarly in a previous study of the similar topic (Lahtinen, 2014).

According to Moisander and Valtonen (2006), criteria for assessing the quality of studies are related to both methodological and theoretical perspectives, and are set in the regulation for different methodological choices through the different phases and research processes. Concepts including validity, reliability and generalizability have offered a fundamental framework for assessing the quality of studies in business research and social sciences (Eriksson & Kovalainen, 2016, p376). They are also suitable criteria for research studies that depend on the critical or realistic conceptions of the world, producing results that can be empirically tested and therefore validated (Moisander & Valtonen, 2006).

In this thesis, the meaning of the brand, i.e., the brand meaning of Michael Korse, is examined in the context of global luxury fashion brands. The findings are compared to the results that was done by similar studies (Lahtinen, 2014). Lahtinen (2014) has studied the brand meanings of luxury products in general, but this study is based on a concrete luxury brand, providing novel information. Participants were young Chinese and Finnish females who have or had lived in Finland and consumed Michael Kors handbags. These themes are new in the business filed, bearing potentially commercial value.

As Moisander & Valtonen recommends, variable ideal ways to interpret the data may exist (Moisander & Valtonen, 2006). I have been continuously evaluating the quality of the research processes including the data analysis. To improve the consistency of the research, the explanation of findings is based on data. In the current study, quotations from the interviews were often used to better illustrate the link between the actual data and the researcher's explanation as in previous studies (Lahtinen, 2014). Furthermore, the research process has been aided by professional marketing researchers who have helped with the quality control of the research and the questionnaire design.
5.4 Research limitation and further research directions

The current study is a simple qualitative research focusing on the brand-consumer relationships by conducting semi-structured interviews. However, the current study bears flaws regarding the relatively small sample volume and limited cultural variety. An accurate model of brand-consumer relationship is not easily mirrored in such a small group of subjects. All these restrictions call for caution while interpreting the current findings to practical business strategy. For further studies, cultural influence on this brand-consumer relationship should be extended to more variable cultural, e.g., by including other European residents in Finland.

With the development of economic, more and more luxury brands enter the competitive markets. It is essential for business to understand consumer’s requirements in order to create long-standing relationships with consumers and to get new fans for the different brands. Thus, marketers need to understand the types of brand meanings sought by consumers and the processes on how these brands meanings are built. Consumption researchers should be advised to pay attention to the individuals’ intentions of these particular brands from a consumer’s perspective. The qualitative methodology is one of the most appropriate tool to gain consumer insight for these questions in the future.

This thesis only focused on two countries Finland and China. China is a big country, and it contains 56 different ethnic groups. However, the participants in this thesis were only five participants from a same ethnic group, i.e., the Han Chinese. It will be interesting if more Chinese participants are invited, including those from other Chinses ethnic minorities, to compare the interpretations of luxury brand meanings in the future studies. Moreover, the Finnish participants in this thesis are all from big cities. It will bring me more knowledge about the socio-cultural nature of the luxury brand meanings if I can reach to people from different parts of Finland.

Like previous studies (Lahtinen, 2014), this thesis also concentrates on socio-cultural constructs instead of the individual-level elements that may affect the creation of various luxury brand meanings. As also suggested by Lahtinen, future researches are encouraged to gain insights about the consumer psychology behind brand meanings by concentrating
on the psychological processes. Besides, the brand meaning itself could become one of the future studies. For instance, by exploring the difference of brand implications that brand managers create from these brand meanings that the customers create. It would be beneficial to choose one or two Finnish luxury fashion brands as a case study examples in the future, since this thesis take America luxury brand.
REFERENCES


Bain&Company. (2016). The global personal luxury goods market in 2016 will mirror last year’s low single-digit real growth, even as geopolitical turmoil and luxury brands’ emerging strategies reshuffle internal market dynamics.


