

## Abstract

The value of the global market for luxury goods has been increasing steadily for several years now (Bain & Company, 2017). This trend is going to continue even further in the near future because of two developments happening worldwide currently. Firstly, because of the so-called “millennialization” of potential customers, which are even more likely and willing to invest into personal luxury fashion items (D’Arpizio, Levato, Kamel, & De Montgolfier, 2017). Secondly, this generation reaching their main earning years soon consequently leads to increases in spending power for this generation (Fry, 2015). The problem however is, that due to this generation being shaped by completely different characteristics than any generation before, prospects about consumer behavior are not quite clear (McGee, 2017). According to official sources, the luxury fashion brand Louis Vuitton (LV), is ranked as the most valuable brand in the luxury fashion industry (#20 Louis Vuitton) and is proven to be particularly popular among Millennials (D’Arpizio, Levato, Kamel, & De Montgolfier, 2017). For this reason, this paper investigates which attributes of the luxury fashion brand actually attracts female Millennials. Furthermore, the thesis explores which other factors influence the decision making and purchasing process as well as the post-purchase behavior of Millennials in the case of luxury products. By doing so, the thesis provides insights about the consumer behavior of Millennials with respect to popular high fashion brands.

Eight interviews with female Millennials have been conducted leading to the result that company values such as tradition and a prestigious image make Millennials trust the brand and conclude that it delivers high quality products. Still in order to be fully satisfied Millennials are expecting much more than just basic product features. The overall purchasing experience is increasingly important as well as delivering products that add value to the customers’ life in terms of handiness and practicality, even in the luxury fashion industry. Furthermore, the business model of consumer loyalty does not apply in the case of Millennials in the same way anymore. Even when highly satisfied with their purchasing experience, the generation is likely to switch to other brands, forcing companies to invest heavily in innovation management to succeed in the long run. Moreover, a set of suggestions about business strategies related to how to attract and retain Millennials as customers are given.