

A study to Chinese domestic luxury visual brand logo: From domestic to global

ABSTRACT

The present study examines the logotypes of successful Chinese domestic luxury brands (CDLBs), Shanghai Tang and Shang Xia, in order to reveal the underlying resonance between Chinese values and aesthetics. Based on signaling theory, the research underscores the importance of incorporating Chinese cultural elements into the branding strategies of CDLBs to attract Chinese consumers and distinguish themselves within the luxury fashion industry. The study employs a mixed-methods approach, comprising literature review, case analysis, and in-depth interviews, to analyze data from three distinct perspectives: contemporary trends, Chinese name selection, and the incorporation of local cultural elements in design. The findings suggest that CDLBs must strike a balance between conforming to current trends, particularly simplicity, and preserving authenticity, when selecting a Chinese name that holds cultural significance, and integrating traditional design elements in the details. This research provides practical guidance for professionals in the field and paves the way for future studies to explore related topics.

KEY WORDS

Chinese domestic luxury brands, logotype, signaling theory, Chinese culture, branding, Chinese consumers, luxury fashion industry

Wang Zheng 
Louis Ringah Kanyan 
Musdi Bin Shanat 

University Malaysia Sarawak,
Faculty of Applied and Creative
Arts, Sarawak, Malaysia

Corresponding author:

Wang Zheng

e-mail:

Thomas.wang.design@gmail.com

First received: 18.2.2023.

Revised: 24.10.2023.

Accepted: 14.11.2023.

Introduction

The mainland of China has emerged as a leading market for luxury goods in recent years, driven by economic growth and increased demand for such items.

According to a report by Bain & Company, while the global luxury market saw a decline of 23% in 2020 due to the COVID-19 pandemic, the Chinese market experienced a 48% increase in luxury consumption.

Furthermore, the report predicts that the Chinese luxury market will continue to expand significantly in the coming years as travel restrictions are lifted and the "Zero-Case" policy is eliminated (Lannes & Zhang, 2020).

This research specifically focuses on two Chinese domestic luxury brands, Shanghai Tang and Shang Xia, rather than the more well-known international luxury brands such as Cartier, Louis Vuitton, and Chanel.

These two brands are notable for their success as luxury brands that are "Made in China" and have been the subject of extensive research in the past decade (Heine & Phan, 2013; Schroeder, 2017; Schroeder, Borgerson & Wu, 2014; Zhiyan, Borgerson & Schroeder, 2013). However, this study goes a step further by specifically examining their brand logo design, which is a crucial element in the brand identity design (van Grinsven & Das, 2016).

A brand logo serves as a visual representation of a brand and is an important tool for differentiating a brand from its competitors. In the rapidly changing luxury market, the brand logo also serves as a cultural signifier and is the first element that consumers encounter, influencing their perception of the brand (Shi & Jiang, 2022). Furthermore, a brand logo design incorporates elements of culture, marketing, aesthetics, and design language (Bossel, Geyskens & Goukens, 2019; Zheng, Shanat & Kanyan, 2022).

Marketing values and aesthetic preferences vary across cultures, which can be explained by Hofstede's (1984; 1994) model. For instance, angularity is often linked to conflict, masculinity, and dynamism, while roundness is associated with harmony, softness, and femininity. In collectivist societies, symmetry is highly valued, while individualistic societies tend to prefer more unconventional forms of creativity.

The individuals make inferences about the quality of a product based on signals given by the seller, even if they cannot directly observe the quality of the product itself. For instance, Song & Kim (2022) expands the scope of signaling theory by examining how brand heritage affects the dining experience of restaurant customers. Therefore, based on signaling theory to examine the influence of local elements in CDLBs' logo design on Chinese consumers' reaction.

This study aims to investigate how these two Chinese domestic luxury brands express and resonate with Chinese values and aesthetics through their visual design elements, specifically their brand logo design. Previous research has primarily focused on the marketing, product design, and catwalk fashion events of these brands, with relatively little attention given to their branding and visual design elements. Both brands have utilized traditional elements in their logo design, such as the use of Chinese characters, traditional motifs, and specific reading order, to communicate their cultural heritage and identity to domestic and overseas consumers.

Given the significance of visual image design in the realm of luxury brand design, this study represents an important contribution to the gap in consumer and marketing research knowledge. It highlights the multidimensional aspects of Chinese domestic luxury brand logo design and represents a step towards a more cohesive framework for understanding local luxury brand design.

Methodology

Methodology Overview

The methodology employed in this study includes several chosen approaches: literature research, case study, and summary and in-depth interviews with target consumers.

Firstly, literature reviews and research were conducted to gain an understanding of consumption trends in Chinese Designer Labels (CDL), the incorporation of Chinese traditional elements in modern graphic design practices, and the expansion of Chinese culture in overseas markets through CDL brand logo design. Literature research was conducted through various sources such as journals and books.

This step is critical for forming an understanding of CDL and their consumers, as well as for collecting secondary data.

The case study, specifically based on the brands Shanghai Tang and Shang Xia, was conducted according to the methodologies outlined by American social scientist Robert Yin, who stated that "Case studies can be done using either qualitative or quantitative evidence. The evidence may come from fieldwork, archival records, verbal reports, observations, or any combination of these" (Yin, 1981).

The case studies of these two brands were used to further enhance understanding and make the findings more applicable and holistic for future practice.

The Interview

Finally, in-depth interviews were conducted to gather additional findings, specifically to understand why and how CDL consumers engage with the brand logos. The interviewees were selected based on the knowledge, understanding and interest of general luxury fashion. The subjects in this study possess prior purchasing experience, a crucial factor to consider in luxury research. They also demonstrate a willingness to allocate a significant portion of their income to luxury items.

Additionally, interviews were conducted with designers who offered valuable insights based on their extensive industry experience, having worked with clients in the luxury brand sector. The interviews were conducted online via LinkedIn and Questionnaire Star, conducting by both text and video interview. These three steps were used to form a conclusion, namely: What elements in these CDLB logos resonate with the audience? What different design strategies do the two CDLBs take?

Result

Applying Signaling Theory in CDLBs' logo design

Asymmetry of information is a key concept in signalling theory, which suggests that signallers and recipients do not have equal access to the same information. For instance, when it comes to evaluating product quality, consumers often lack sufficient information until they make a purchase and own the product. To mitigate this uncertainty about unobservable product quality, businesses use different cues to assist customers.

Cultural heritage or brand heritage has been established as an effective signal among others, to enhance consumers' perceived brand quality (Song & Kim, 2022).

For CDLBs, various existing findings suggest that they should consider and incorporate the rich Chinese heritage in their brand value (Southworth, 2019; Wu, 2022). In this case, the cultural authenticity in the brands serve as signaller. In some situations, customers may not have had direct experience with the original products or services (Song & Kim, 2022). They might not experience Chinese ancient culture or sprite before, therefore, a brand with authentical cultural heritage can convey the sense of credibility and authenticity.

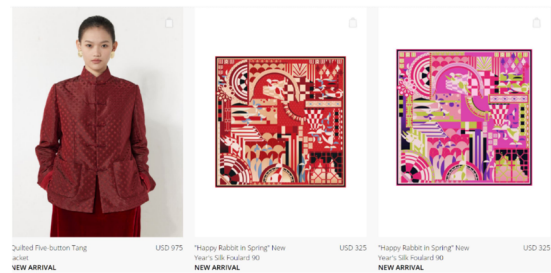
The Change in CDLB Markets

The Chinese luxury market is characterized by two key features: a young and large consumer base, coupled with positive economic growth (Kumar, Sunder & Sharma, 2015). Previous research has identified brand consciousness and attitudes towards certain brands as significant factors that influence Chinese consumers' purchasing decisions in the luxury market.

The concept of "Mainzi," meaning "face value" in Chinese, refers to the desire to gain higher social status through the possession of identifiable prestige items, such as luxury fashion bags and clothing.

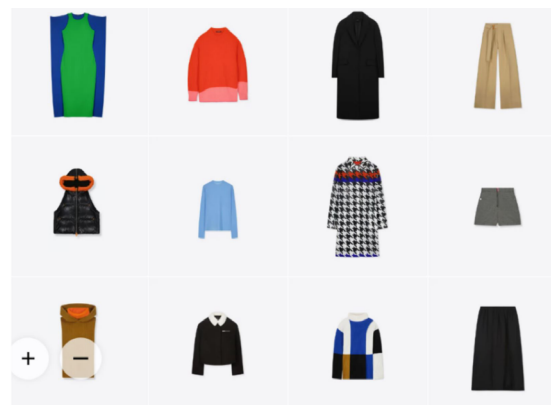
However, inconspicuous luxury consumption has been on the rise, becoming a trend both globally and in the Chinese market (Eckhardt, Belk & Wilson, 2015). Inconspicuous luxury consumers prefer to express their true personalities and tastes through unique designs on inconspicuous luxury items, rather than through loud logos. Shanghai Tang and Shang Xia are two Chinese domestic luxury brands that have embraced inconspicuousness since their establishment (Schroeder, Borgerson & Wu, 2014). Additionally, the increasing preference for domestic brands suggests that Chinese young consumers are more likely to choose local brands for more expensive products.

Shanghai Tang was founded in 1998 by Sir David Tang in Hong Kong. The brand positioned itself as the first and only luxury brand to have emerged from China. Shanghai Tang is unique for its fusion of Chinese traditional culture and design language, such as calligraphy and Qipao, with Western luxury fashion (Fig. 1). With the founder's ambition to become an internationally recognizable luxury brand, and to break the negative perception of "Made in China". In 2008, Swiss luxury giant Richemont fully acquired the brand, and it was sold to Italian entrepreneur Alessandro Bastagli in 2017. In 2000, after Frenchman Raphael le Masne de Chermont, the CEO of Shanghai Tang, and Joanne Ooi, the creative director joined, they repositioned the brand image and marketing strategy. After several years, the brand has been competing with world-class luxury brands such as Prada and Gucci. Shanghai Tang's primary market is mainland China, followed by the United States.



» **Figure 1:** Shanghai Tang AW22 collection

Shang Xia, a Chinese luxury lifestyle brand that has been acquired by Hermès Group, draws inspiration from traditional Chinese tea culture and incorporates traditional decorative elements and details in its design (Fig 2). The brand offers low-key luxury products that signify Chinese craftsmanship and aesthetic. Recently, the brand has expanded into the foreign market. Shang Xia aims to revive Chinese crafts that were nearly destroyed by China's Cultural Revolution, including ancient styles of porcelain, cashmere, felt, and furniture, and is part of a new generation of Chinese brands competing in the crowded European luxury goods market. The brand's product line includes fashion, teacups, houseware, and furniture that all communicate the spirit of the Chinese tea ritual.



» **Figure 2:** Shanghai Xia 2022 collection

The two brands are all successfully address Chinese traditional culture into the luxury industry and accept by the global market. Their success provides applicable case study and reference for other Chinese brands (Schroeder, Borgerson & Wu, 2014).

Cultural Authenticity, and Heritage Branding in CDLBs

The acceptance of Chinese local culture in the global market, particularly in the fashion context, has been under-researched in the past decade. For luxury brands, authenticity and cultural heritage hold greater importance compared to other product categories. The concept of "cultural heritage branding" was proposed by Eunju and Seulgi in 2011.

They analyzed three Asian brands: Issey Miyake (Japan), Damyon (Korea), and Shanghai Tang (China) and found that cultural authenticity was key to gaining global acceptance (Ko & Lee, 2011).

The visual appearance and brand name all contribute to creating an authentic brand. Integrating the value proposition, Chinese heritage, and modernity in the brand logo and name is crucial. For Western audiences, foreign cultures are often closely associated with Orientalism, which can lead to it being viewed as a rare and exotic style. The branding of cultural heritage refers to the positioning of a brand based on its cultural heritage (Prentice, 1993; Urde, 2007). Cultural heritage can be tangible or intangible attributes, and previous studies have explored how Asian luxury brands can incorporate cultural heritage as a competitive advantage in their marketing strategy (Ko & Lee, 2011).

Studies have also suggested that brands with distinctive positioning and authentic brand value are key in cultural heritage branding (Heine, 2010). This is particularly true in the global market, where a brand infused with its culture is necessary (Stewart-Allen, 2002).

Luxury Brand logo design

The importance of logo design in brand identity cannot be overstated (Melewar & Jenkins, 2002). A brand logo often includes elements such as the brand name, logo-type, symbol, and color. While there have been numerous studies and case studies on the Chinese logo design that incorporate traditional elements into the modern design (Liu et al., 2018), most of these have focused on utilitarian products rather than hedonic products (Shi & Jiang, 2022). However, luxury fashion brands are more oriented towards the hedonic side and are considered to have higher hedonic value (Lee & Shin, 2020), thus creating a research gap that this study aims to fill.

Brand Logo Simplicity

The majority of luxury fashion brands are western, therefore, the logo often involves alphabetical characters, such as Burberry, Chanel, and Gucci. Some luxury fashion brands include symbols in their brand identity, such as Versace and Hermès. However, the recent rebranding trends in the luxury fashion industry indicate that simplicity is key (Loureiro, Jiménez-Barreto & Romero, 2020; Lypert, 2020; Wiley & Rapp, 2019), for example in the rebranding of Burberry and YSL.



» **Figure 3:** *Shanghai Tang logo evolution*



» **Figure 4:** *Shang Xia logo evolution*

The examination of luxury Chinese domestic brands Shanghai Tang (Fig. 3) and Shang Xia (Fig. 4) reveals a trend of simplicity in brand logo design. Shanghai Tang has undergone a shift from a highly decorative and complex logo formation to a simple black and white design featuring only Chinese and English characters. In contrast, Shang Xia has adopted a more modern and minimal style, with a transition from a calligraphic touch to a machine-written typeface. Both brand logos are presented in simple black and white, a universally accepted visual cue that signifies premium and luxurious characteristics (Wang et al., 2022). It is noteworthy that the inclusion of alphabetical letters as a main component in the brand logo design can be attributed to the findings of a study conducted by Lu (2010), which suggests that Chinese consumers tend to view brands with names written in alphabetical (roman) letters as more luxurious.

Brand Logo Complexity and Interview

Despite the trend towards simplification in brand visual design, the distinction between Chinese luxury brands and their Western counterparts remains discernible. Shanghai Tang, for instance, maintains a strong connection to traditional Chinese culture, as evidenced by its incorporation of the Chinese characters "□□□" in its brand logo (Figure 4). Chinese logographic characters are generally considered to be more visually complex than alphabetic characters (Tavassoli & Han, 2002), and the company has retained the same Chinese typeface for over three decades. In contrast, Shang Xia adopts a more Western aesthetic, opting to replace its original "□□" monogram with the horizontally oriented letters "SHANG" and "XIA", which have been rotated 240 and 90 degrees respectively. This unconventional arrangement of letters creates a sense of visual complexity (Pieters, Wedel & Batra, 2010) and requires more time to process.

Visual complexity can influence consumer perceptions and preferences for a brand and its products (Lee, Hur & Watkins, 2018). Previous research has indicated that luxury brands can benefit from simplicity and directness (Lee, Hur & Watkins, 2018), however, this may not be the case in China, where the writing system is more visually complex (Shu, 2003). Jang et al. (2018) found that higher levels of visual complexity in brand and store design did not negatively affect consumer perceptions in Asian countries and, in fact, resulted in increased engagement among those with a higher level of fashion involvement (Jang et al., 2018).

An interview with Mr. Xiao, a 32-year-old interior designer based in Shanghai, who is a consumer of Shanghai Tang and willing to spend money on fashion products, revealed:

.....
I don't think the use of Chinese characters in the brand logo diminishes its luxuriousness, especially when it is executed correctly. I genuinely appreciate Shanghai Tang's current brand logo design, as compared to previous versions. The logo is more complex than some Western brands, but it aligns well with the brand's style and cultural background. It is both modern and retro at the same time.
.....

The previous research explained the visual complexity with processing fluency theory (Deng & Wang, 2020). Processing fluency" refers to the ease with which our minds can process a stimulus, which can be influenced by how quickly and easily information flows (Reber, Winkielman & Schwarz, 1998; Reber, Schwarz & Winkielman, 2004).

In contrast, "disfluency" is the experience of a slower and more difficult flow of information. Deng & Wang states that Chinese consumers rate the designs with low (vs high) semantic fluency words as more beautiful, and simple visual design with high processing fluency leads to less aesthetic perception of the entire design (Deng & Wang, 2020).

Based interview and pervious findings, the researcher assumes that complexity is necessary to contain complexity in order to imply cultural authenticity and increasing disfluency.

Typeface in Two Logos and Interview

The two CDL brand logos exhibit distinct characteristics that reflect their respective brand strategies.

In addition to the presence of Chinese characters in the logo of Shanghai Tang and the unconventional placement of letters in Shang Xia, the choice of Roman typeface also differentiates the two brands. The Roman typeface used in Shanghai Tang is characterized by a subtle hand-written touch, while Shang Xia employs a bold, machine-style font. The usage of type font plays a significant role in shaping brand perception and personality (Pan & Schmitt, 1996; Batra, Lehmann & Singh, 1993).

In an interview with a senior graphic and brand designer, Mr. Wong, based in Hong Kong, he remarked that the obvious visual differences between the two logos are not only a result of their marketing strategies but also their brand culture and consumer preferences.

He states that:

.....
The obvious visual difference is not only due to their marketing strategy, as well to their brand culture, as their consumer preference. Shanghai Tang is a more historic brand than Shang Xia. The subtle calligraphic touch in Shanghai Tang's roman letter is echoing its brand history and hand craftsmanship, however, Shang Xia is a much more contemporary feeling. The same phenomenon can be found in their store design as well.
.....

Shanghai Tang is a more historically rooted brand compared to Shang Xia, and the subtle calligraphic touch in the Roman letters of Shanghai Tang's logo effectively echoes its brand history and hand craftsmanship. Conversely, he suggests that Shang Xia conveys a more contemporary feeling. This phenomenon is also evident in the store designs of the two brands. Mr. Wong speaks from a professional perspective on the brand logo designs. The researcher argues that as Shang Xia strives to represent the concept of "splendid simplicity," and simplicity is a fundamental aspect of its product design, this is reflected in its store appearance (Heine & Gutsatz, 2015) and, as the researcher argues, in its brand logo design. Additionally, both brands employ uppercase lettercase in their logos as it creates a sense of premium and high-end feeling, as supported by research (Teng et al., 2021; Xu, Chen & Liu, 2017; Yu et al., 2022).

Examining the Cultural Factor and Brand Logo Design

The incorporation of Chinese cultural elements in branding and design refers to the use of symbols and artifacts that embody the traditional and distinct characteristics of Chinese culture. These elements often involve artistic expression and carry ideological values. As such, this study will examine the use of cultural elements in branding and design in two categories: naming and visual.

Chinese Culture in Naming and Interview

The consumption of luxury goods and brands are inherently embedded within various cultural contexts (Ying, Sun & Song, 2011). Furthermore, research suggests that a brand's name plays a significant role in shaping consumers' perceptions of the brand's image by communicating its origin, manufacturer, or functionality (Thakor & Lavack, 2003; De Mooij, 2010). The naming of CDL branding is heavily influenced by domestic culture and is a key component in overall brand equity and design (Aaker, 1991). A study conducted in 2020 by Kim et al. found that bilingual (English and Chinese) branding can hurt Chinese consumers' perceptions of Western

luxury brands (Kim et al., 2020). However, it should be noted that this study only examined luxury brands of Western origin and did not include CDL luxury brands.

Previous research has shown that Chinese consumers tend to prefer Chinese names for brands with traditional backgrounds and spirits (Chan & Huang, 2001). The rich Chinese semantics developed for traditional brands such as bicycles, clothing, tea, and wine (Chan & Huang, 2001). The two CDL brands have effectively leveraged this preference by utilizing Chinese names that directly indicate their origin.

The name "Shanghai Tang" or "□□□" is created from two words that were chosen to convey a specific significance. The use of the founder's name in the brand name implies a sense of genuineness (Paulicelli & Clark, 2008). "Shang Xia" or "□□" on the other hand, means "up and down" in English, and references the Chinese philosophy of seeking balance and harmony in relationships, similar to the concept of "Yin" and "Yang" (Eckhardt, Belk & Wilson, 2015).

In contrast, using a Chinese name that is translated from its Western (Roman) name based on phonetic similarity can potentially damage the brand image and dilute the cultural meaning (Kim et al., 2020).

CDL brands, however, have taken the opposite approach by first creating Chinese names and then creating Roman name accordingly. This approach was noted by Miss. Amelia, a US photographer currently working in Shanghai, states:

.....
I don't speak Chinese and am not familiar with Chinese culture as well, however, the "Shang Xia" sounded oriental and authentic to me. Me and friends were instantly attracted by its name when we heard it for the first time! The meaning explained by my Chinese friend, I think it is brilliant to adopt a philosophy and a lifestyle into the brand name, more interesting than simply using the founders' name.
.....

This statement highlights that a meaningful Chinese brand name can resonate with Western audiences, particularly when the meaning behind it is understood (Chan & Huang, 2001). The spelled and sounded are all in foreign language can be the differentiated cue for a more authentic brand perception (Ko & Lee, 2011).

Overall, luxury fashion brands need to understand Chinese culture and consumers' preferences when choosing a name for the brand to resonate with Chinese consumers and to be perceived as authentic.

Chinese Culture in Designing

Unlike other daily commodities such as food and beverages, luxury fashion brands require global recognition to be successful, as stated by Turunen (2017).

As a result, the marketing and visual strategy for adopting Chinese elements in design should be approached differently. As previously discussed, the two Chinese luxury fashion brands, Shanghai Tang, and Shang Xia, have reduced their visual elements to align with contemporary and trendy trends.

However, the visual elements still symbolize Chinese culture. Shanghai Tang, for example, incorporates Chinese characters set in a traditional right-to-left reading order, a hallmark of traditional Chinese fashion. The Shanghai Tang motif (Figure 5) is another illustration of cleverly using Chinese elements. The motif reflects the charm of Chinese seal carving and showcases the beauty of Chinese logographic characters. The layout is complex yet elegant, and the creative arrangement of letters provides a unique feeling. It is rooted in ancient history but elevated to the modern luxury market.

Shang Xia presents a different method of incorporating local elements. It not only reduces overall visual complexity, but also gradually adopts more Western elements in comparison to Shanghai Tang.

As a brand that emphasizes modernity and craftsmanship, it rebranded in 2021 in order to appeal to the Generation Z demographic. The direct Chinese visual elements, such as the seal-looking logo and calligraphic implications in typography, have been removed (Figure 4).



» **Figure 5:** Shanghai Tang Motif

Discussion

The Chinese luxury market is experiencing a drastic increase, even amidst the impact of the COVID-19 situation. For CDLBs are looking to gain a foothold in the market and achieve global recognition, it is crucial to establish a brand image that is visually appealing to both domestic and overseas consumers.

Therefore, there are several suggestions for brand logo design strategies that can help CDLBs to optimize their brand image. Literature on the subject has highlighted the importance of creating an authentic, traditional culture as the foundation for CDLBs to be successful. An example of this is Shanghai Tang, which lost half of its sales and customers due to its imitation of Western styles and exoticism.

However, a new creative director was able to revive the company by returning to authentic Chinese culture and incorporating Chinese elements, resulting in a more distinct and recognizable brand. The following three perspectives are formed by the researcher based on the findings from interviews and analyzing literatures.

Perspective I: Trendy but Different

The results of this research and previous studies reveal that modern-day luxury brands are rebranding to become simpler, and Chinese Gen-Z are also preferring simpler visual identities. Therefore, CDLBs with highly complex brand logos may damage their brand image in both the domestic and overseas markets. This finding is reflected in the case studies of logo evolution in Shanghai Tang and Shang Xia. However, CDLBs also need to consider that domestic consumers have a higher tolerance for visual complexity than Western consumers.

Furthermore, Asian consumers tend to associate complexity with traditional culture (Kim & Lim, 2019). Therefore, a deliberate and moderately complex visual appearance may help CDLBs differentiate themselves in the global market. The greater visual complexity of CDLBs' logos results in a longer processing time, which in turn creates a more positive brand impression.

Perspective II: Name Selection

The semantic meaning in the logo name is extremely important. As part of the cultural elements in the design, the naming has a connotation with Chinese history. Due to the shifting Chinese domestic market, young Chinese Gen-Z are beginning to appreciate their own country brands. An appropriate name that can refer back to Chinese traditional culture and heritage can facilitate the CDLB brand promotion and recognition in both domestic and overseas markets. The name selection can be in figurative forms (e.g., animals, locations, etc.), such as Shang-

hai Tang, or referring to abstract Chinese philosophy and spirit, such as Shang Xia. Practitioners in the field should also be aware that the Chinese name applied in CDLB should not be meaningless, for example, like direct translations based on its western name. The process suggested by this study is creating a meaningful Chinese name first, then making an English translation based on it.

Perceptive III: Cultural Elements in Design

The cultural heritage must also be applied visually. While the brand name must heavily imply Chinese culture, the visual elements can be more subtle. Through the case study and interviews, the analysis of Shanghai Tang and Shang Xia illustrates that different marketing strategies require different visual applications. While Western design was once highly sought after, recent years have seen the incorporation of Chinese elements in brand design prove to be an effective means of attracting consumers. For CDLBs, particularly in the fashion industry, originality and authenticity are of paramount importance. Elements such as traditional calligraphy style can be subtly incorporated into Roman alphabets.

The case study of Shanghai Tang demonstrates the preservation of the right-to-left reading order, along with slight modifications to Roman letters, such as calligraphy. For CDLBs with more Western styles, such as Shang Xia, a different placement of Roman letters may be appropriate. Furthermore, Shanghai Tang's motif serves as inspiration for the combination of traditional culture with modern aestheticism. The seal-crafting with beautifully arranged letterforms can be appreciated by individuals even if they do not understand Chinese.

Conclusion

This research offers a comprehensive analysis of Chinese domestic luxury brands (CDLBs), specifically focusing on two iconic brands: Shanghai Tang and Shang Xia, which are among the most recognizable CDLBs worldwide. This paper presenting the following theoretical contribution: firstly, the study applied signaling theory and propose the visual design in CDLBs' logo and consumer perception. The study gives an overview of the possible factors that will impact on the CDLBs's brand perception and awareness.

Secondly, the research also thoroughly examines the visual identities and brand logos of these two brands. The results bridge the gap in understanding what CDLBs should consider when it comes to branding or rebranding, particularly regarding their brand logo design. Luxury is heavily rooted in local culture and recognized globally (Hennigs et al., 2012), with some countries having reputable luxury histories such as France, Italy, and Switzerland.

However, "Made in China" has long been associated with mass production and poor quality. Therefore, CDLBS must incorporate rich Chinese heritage into their brands rather than simply imitating Western brands. To this end, the research provides three perspectives for CDLB brand logo design: following the trend while differentiating oneself, choosing a meaningful name, and incorporating traditional elements.

These strategies are supported by the examples of the two successful brands and in-depth interviews. This research may be beneficial for designers and brand managers in terms of promoting their brands and increasing recognition both domestically and overseas. For the brand logo design, combining elements of the brand cultural heritage can enhance its authenticity and appeal, therefore, might help its performance in the market. The logo should effectively communicate the brand's value proposition and cultural heritage, while also being modern and visually appealing. By combining traditional cultural elements with modern design elements, a brand can create a unique and authentic visual identity that sets it apart in the global market.

Thirdly, from an academic standpoint, this research provides a viewpoint of the utilization of "cultural heritage branding" in the logo design of Chinese domestic luxury brands (CDLBs), an area that has not been thoroughly explored to date. Prior studies have analyzed related concepts such as "heritage branding" (Urde, 2007), "cultural archetype" (Lim & Yoon, 2008), and "cultural heritage" (Herbert, 1995; Prentice, 1993), however, this study introduces a new convergent concept that can open up avenues for further research and discussions in the future.

Limitations and future study

However, it should also be noted that there are limitations to this research. For example, the interviews were only conducted in cities such as Shanghai and Hong Kong, and the subjects were primarily middle-class individuals with a high level of fashion involvement. This research could be expanded upon in future studies through the inclusion of a broader range of locations and subjects. Previous studies have investigated the relationship between visual complexity and brand perception, as demonstrated by the works of Deng & Wang (2020), Ko & Lee (2011), and Zheng, Shanat & Kanyan (2022).

Future research could explore the correlation between visual complexity and the selection of Chinese names, given that Chinese-centric names may or may not require the incorporation of a more complex visual image. Additionally, future studies could investigate the optimal degree of visual complexity, as previous research suggests that moderation in complexity is key (Lee, Hur & Watkins, 2018; Wiley & Rapp, 2019).

In addition, future studies may explore the perception of Chinese traditional design elements by both Chinese and non-Chinese consumers. Furthermore, future research could expand and enhance signaling theory by examining the impact of Chinese cultural elements or cultural authenticity in the logos of Chinese domestic luxury brands on purchase intent. Lastly, luxury consumption is linked to conspicuous consumption (Lee, Hur & Watkins, 2018). Therefore, future studies could investigate the relationship between cultural authenticity and conspicuousness.

Funding

This research did not receive any specific grant from funding agencies in the public, commercial, or not-for-profit sectors.

References

- Aaker, D. A. (1991) *Managing Brand Equity*. New York, The Free PressNY.
- Batra, R., Lehmann, D. R. & Singh, D. (1993) The Brand Personality Component of Brand Goodwill: Some Antecedents And Consequence. In: Aaker, D. A. & Biel, A. L. (eds.) *Brand Equity & Advertising*. New York, New York, Psychology Press.
- Bossel, V., Geyskens, K. & Goukens, C. (2019) Facing a trend of brand logo simplicity: The impact of brand logo design on consumption. *Food Quality and Preference*. 71, 129–135. Available from: doi: 10.1016/j.foodqual.2018.06.009
- Chan, A. K. K. & Huang, Y. Y. (2001) Chinese brand naming: A linguistic analysis of the brands of ten product categories. *Journal of Product & Brand Management*. 10 (2), 103–119. Available from: doi: 10.1108/10610420110388663
- De Mooij, M. K. (2010) *Consumer behavior and culture: Consequences for global marketing and advertising*. Thousand Oaks, Sage.
- Deng, X. & Wang, L. (2020) The impact of semantic fluency on consumers' aesthetic evaluation in graphic designs with text. *Journal of Contemporary Marketing Science*. 3 (3), 433–446. Available from: doi: 10.1108/jcmars-08-2020-0034
- Eckhardt, G. M., Belk, R. W. & Wilson, J. A. J. (2015) The rise of inconspicuous consumption. *Journal of Marketing Management*. 31 (7–8), 807–826. Available from: doi: 10.1080/0267257X.2014.989890
- Heine, K. (2010) The personality of luxury fashion brands. *Journal of Global Fashion Marketing*. 1 (3), 154–163. Available from: doi: 10.1080/20932685.2010.10593067
- Heine, K. & Gutsatz, M. (2015) Luxury brand building in China: Eight case studies and eight lessons learned. *Journal of Brand Management*. 22 (3), 229–245. Available from: doi: 10.1057/bm.2014.25

- Heine, K. & Phan, M. (2013) A Case Study of Shanghai Tang. *Asia Marketing Journal*. 15 (1). Available from: doi: 10.53728/2765-6500.1507
- Hennigs, N., Wiedmann, K. P., Klarmann, C., Strehlau, S., Godey, B., Pederzoli, D., Neulinger, A., Dave, K., Aiello, G., Donvito, R., Taro, K., Táborecká-Petrovičová, J., Santos, C. R., Jung, J. & Oh, H. (2012) What is the Value of Luxury? A Cross-Cultural Consumer Perspective. *Psychology and Marketing*. 29 (12), 1018–1034. Available from: doi: 10.1002/mar.20583
- Herbert, D. T. (ed.) (1995) *Heritage, tourism and society*. London, Pinter.
- Hofstede, G. (1984) *Culture's Consequences: International Differences in Work-Related Values*. London, Sage.
- Hofstede, G. (1994) Management scientists are human. *Management Science*. 40 (1), 4-13.
- Jang, J. Y., Baek, E., Yoon, S. Y. & Choo, H. J. (2018) Store design: Visual complexity and consumer responses. *International Journal of Design*. 12 (2), 105–118.
- Kim, M. J. & Lim, J. H. (2019) A comprehensive review on logo literature: research topics, findings, and future directions. *Journal of Marketing Management*. 35 (13–14), 1291–1365. Available from: doi: 10.1080/0267257X.2019.1604563
- Kim, S., Yi Luk, K., Xia, B., Xu, N. & Yin, X. (2020) Brand name and ethnicity of endorser in luxury goods: does a glocalization strategy work in China?. *International Journal of Advertising*. 39 (6), 824–842. Available from: doi: 10.1080/02650487.2018.1548197
- Ko, E. & Lee, S. (2011) Cultural heritage fashion branding in Asia. In: Woodside, A. G. (ed.) *Tourism Sensemaking: Strategies to Give Meaning to Experience: Volume 5*. Bingley, England, Emerald Publishing Limited, pp. 89-109. Available from: doi: 10.1108/S1871-3173(2011)0000005008
- Kumar, V., Sunder, S. & Sharma, A. (2015) Leveraging distribution to maximize firm performance in emerging markets. *Journal of Retailing*. 91 (4), 627-643. Available from: doi: 10.1016/j.jretai.2014.08.005
- Lannes, B. & Zhang, C. (2020) *China's Unstoppable 2020 Luxury Market*. Bain & Company. Available from: <https://www.bain.cn/pdfs/202012160134321779.pdf>
- Lee, J. E., Hur, S. & Watkins, B. (2018) Visual communication of luxury fashion brands on social media: effects of visual complexity and brand familiarity. *Journal of Brand Management*, 25 (5), 449–462. Available from: doi: 10.1057/s41262-018-0092-6
- Lee, J. E. & Shin, E. (2020) The effects of apparel names and visual complexity of apparel design on consumers' apparel product attitudes: A mental imagery perspective. *Journal of Business Research*. 120, 407–417. Available from: doi: 10.1016/j.jbusres.2019.08.023
- Lim, K. H. & Yoon, J. S. (2008) A study on culture content using cultural archetype. *Journal of Korea Design Forum*. 19, 169–177.
- Liu, J., Krotova, T., Yezhova, O. & Pashkevich, K. (2018) Traditional elements of Chinese culture in logo design. *International Circular of Graphic Education and Research*. 11, 66-75.
- Loureiro, S. M. C., Jiménez-Barreto, J. & Romero, J. (2020) Enhancing brand coolness through perceived luxury values: Insight from luxury fashion brands. *Journal of Retailing and Consumer Services*. 57. Available from: doi: 10.1016/j.jretconser.2020.102211
- Lu, P. X. (2010) *Luxury consumer behavior in mainland China: What exists behind the facade of New Wealth?*. The World Financial Review. Available from: <https://worldfinancialreview.com/luxury-consumer-behavior-in-mainland-china-what-exists-behind-the-facade-of-new-wealth/#>
- Lypert, E. M. (2020) *Rebranding of Luxury – A Case Study of How To Communicate*. MSc thesis. The Swedish School of Textiles.
- Melewar, T. C. & Jenkins, E. (2002) Defining the Corporate Identity Construct. *Corporate Reputation Review*. 5 (1), 76–90. Available from: doi: 10.1057/palgrave.crr.1540166
- Pan, Y. & Schmitt, B. H. (1996) Language and brand attitudes: Impact of script and sound matching in Chinese and English. *Journal of Consumer Psychology*. 5 (3), 263 – 277. Available from: doi: 10.1207/s15327663jcp0503_03
- Paolicelli, E. & Clark, H. (2008) *The fabric of cultures-fashion, identity, and globalization*. London, Routledge.
- Pieters, R., Wedel, M. & Batra, R. (2010) The stopping power of advertising: Measures and effects of visual complexity. *Journal of Marketing*. 74 (5), 48–60. Available from: doi: 10.1509/jmkg.74.5.48
- Prentice, R. (1993) *Tourism and Heritage Attractions*. London, Routledge.
- Reber, R., Winkelman, P. & Schwarz, N. (1998) Effects of perceptual fluency on affective judgments. *Psychological Science*. 9 (1), 45-48. Available from: doi: 10.1111/1467-9280.00008
- Reber, R., Schwarz, N. & Winkelman, P. (2004) Processing fluency and aesthetic pleasure: is beauty in the perceiver's processing experience?. *Personality and Social Psychology Review*. 8 (4), 364-382. Available from: doi: 10.1207/s15327957pspr0804_3
- Schroeder, J. E. (2017) Corporate Branding in Perspective: A Typology. *European Journal of Marketing*. 51 (9-10), 1522-1529. Available from: doi: 10.1108/EJM-07-2017-0450
- Schroeder, J. E., Borgerson, J. L. & Wu, Z. (2014) A Brand Culture Approach to Brand Literacy: Consumer Co-Creation and Emerging Chinese Luxury Brands. *SSRN Electronic Journal*. Available from: doi: 10.2139/ssrn.2511638
- Shi, J. & Jiang, Z. (2022) Chinese cultural element in brand logo and purchase intention. *Marketing Intelligence and Planning*. 41 (2), 171-185. Available from: doi: 10.1108/MIP-04-2022-0175
- Shu, H. (2003) Chinese writing system and learning to read. *International Journal of Psychology*

- chology*. 38 (5), 274–285. Available from: doi: 10.1080/00207590344000060
- Song, H. & Kim, J. H. (2022) Developing a brand heritage model for time-honored brands: extending signalling theory. *Current Issues in Tourism*. 25 (10), 1570–1587. Available from: doi: 10.1080/13683500.2021.1926441
- Southworth, S. S. (2019) U.S. Consumers' Perception of Asian Brands' Cultural Authenticity and Its Impact on Perceived Quality, Trust, and Patronage Intention. *Journal of International Consumer Marketing*. 31 (4), 287–301. Available from: doi: 10.1080/08961530.2018.1544528
- Stewart-Allen, L. A. (2002) Heritage branding helps in global markets. *Marketing News*. 36 (16).
- Tavassoli, N. T. & Han, J. K. (2002) Auditory and visual brand identifiers in Chinese and English. *Journal of International Marketing*. 10 (2), 13–28. Available from: doi: 10.1509/jimk.10.2.13.19531
- Teng, L., Xie, C., Liu, T., Wang, F. & Foti, L. (2021) The effects of uppercase vs. lowercase letters on consumers' perceptions and brand attitudes. *Journal of Business Research*. 136, 164–175. Available from: doi: 10.1016/j.jbusres.2021.07.013
- Thakor, M. V. & Lavack, A. M. (2003) Effect of perceived brand origin associations on consumer perceptions of quality. *Journal of Product & Brand Management*. 12 (6), 394–407. Available from: doi: 10.1108/10610420310498821
- Turunen, L. L. M. (2017) *Interpretations of Luxury: Exploring the Consumer Perspective*. London, Palgrave Macmillan Cham. Available from: doi: 10.1007/978-3-319-60870-9
- Urde, M. (2007) Corporate brands with a heritage. *Brand Management*. 15 (1), 4–19. Available from: doi: 10.1057/palgrave.bm.2550106
- Van Grinsven, B. & Das, E. (2016) Logo design in marketing communications: Brand logo complexity moderates exposure effects on brand recognition and brand attitude. *Journal of Marketing Communications*. 22 (3), 256–270. Available from: doi: 10.1080/13527266.2013.866593
- Wang, Y., Wang, T., Mu, W. & Sun, Y. (2022) What is the glamor of black-and-white? The effect of color design on evaluations of luxury brand ads. *Journal of Consumer Behaviour*. 21 (5), 973–986. Available from: doi: 10.1002/cb.2030
- Wiley, R. W. & Rapp, B. (2019) From complexity to distinctiveness: The effect of expertise on letter perception. *Psychonomic Bulletin and Review*. 26 (3), 974–984. Available from: doi: 10.3758/s13423-018-1550-6
- Wu, Z. (2022) Crafting Inconspicuous Luxury Brands Through Brand Authenticity in China. *Frontiers in Psychology*. 13. Available from: doi: 10.3389/fpsyg.2022.826890
- Xu, X., Chen, R. & Liu, M. W. (2017) The effects of uppercase and lowercase wordmarks on brand perceptions. *Marketing Letters*. 28 (3), 449–460. Available from: doi: 10.1007/s11002-016-9415-0
- Yin, R. (1981) The Case Study Crisis: Some Answers. *Administrative Science Quarterly*. 26 (1), 58–65. Available from: doi: 10.2307/2392599
- Ying, W., Sun, S. & Song, Y. (2011) Chinese luxury consumers: Motivation, attitude and behavior. *Journal of Promotion Management*. 17 (3), 345–359. Available from: doi: 10.1080/10496491.2011.596122
- Yu, Y., Zhou, X., Wang, L. & Wang, Q. (2022) Uppercase Premium Effect: The Role of Brand Letter Case in Brand Premiumness. *Journal of Retailing*. 98 (12), 335–355. Available from: doi: 10.1016/j.jretai.2021.03.002
- Zheng, W., Shanat, M. & Kanyan, L. R. (2022) The Effect of Serif and San Serif Typeface of Luxury Fashion Logotype on Chinese Consumers' Brand Perception. *Journal of Business Administration Research*. 11 (2), 9–18. Available from: doi: 10.5430/jbar.v11n2p9
- Zhiyan, W., Borgerson, J. & Schroeder, J. (2013) *From Chinese Brand Culture to Global Brands*. London, Palgrave Macmillan, pp. 151–166. Available from: doi: 10.1057/9781137276353_6

