

Investigating the Success Path of Contemporary Chinese Luxury Brands Based on Brand Authenticity Theory: A Case Study of Duanmu Brand

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Abstract: This study adopts a qualitative single-case study approach, selects the Duanmu Liangjin brand as the research subject, leverages brand authenticity theory, explores how Chinese national brands with Eastern cultural genes can translate traditional cultural elements into modernity. It finds that through aspects such as craftsmanship, materials, Eastern aesthetic design, and brand communication, without imitating Western narratives, duanmu realizes its successful path of modernity. The research identifies an effective pathway for successfully building a globally shared, modern Chinese luxury brand. The research findings have both theoretical and practical implication for similar Chinese luxury brands.

Keywords: Chinese domestic luxury brand, brand authenticity, Eastern culture, path to success

1. INTRODUCTION

The luxury consumer market in China is showing an unprecedented growth trend. According to data from Bain Company, Chinese consumers currently contribute 33% of global luxury goods sales, and it is expected that this proportion will reach an astonishing 46% by 2025. More noteworthy is that the average age of luxury consumers in China is about 10 years younger than that of foreign consumers. By 2025, young consumers (born in the 1980s, 1990s, and 1990s) will contribute 55% of the market share. However, in sharp contrast to the strong purchasing power of Chinese consumers, there is a serious lack of local luxury brands in China. Among the top 1000 luxury brands globally selected by the World Luxury Association, only two local Chinese brands from Hong Kong were included. The structural contradiction between consumption power and local supply makes it of great theoretical and practical significance to explore the successful path of Chinese local luxury brands.

Currently, the construction of local luxury brands in China is facing multiple challenges, including insufficient historical accumulation, lack of cultural identity, shortage of design talents, and differences in craftsmanship standards. Although China has a rich history of time-honored brands, it has always lacked internationally globalized luxury brands with strong brand assets, rich historical accumulation, and suitable for modern contexts. In recent years, with the rise of the cultural confidence wave of 'Chinese culture is trendy', a large number of contemporary Chinese local designers have actively launched a large number of contemporary Chinese Eastern luxury goods through product creation, brand building, technological innovation, etc. Local brands are opening up a differentiated success path.

So how to build Chinese luxury brands based on traditional Chinese Eastern culture? What path is needed to achieve its brand assets? Specifically, how will Chinese luxury brands under local Chinese culture simultaneously tell the narrative story of Eastern culture while also incorporating international aesthetics to serve global customers? How to apply ancient Chinese Eastern craftsmanship and manufacturing techniques that are suitable for modern industrialization? How to maintain relevance with modern and contemporary young people while sharing the same frequency with ancient Chinese Eastern traditional culture?

This article will focus on the rising local luxury brand Duanmu Liangjin (Duanmu for short in later text) in China, exploring the path and methods for China to create its own local modern art luxury brand, in order to provide useful reference for luxury brand practitioners and entrepreneurs in China.

2. LITERATURE REVIEW

2.1. Luxury Brands

There is currently no precise definition in academia for what luxury goods are. In the traditional field of economics, the definition of luxury goods is related to pricing theories based on high prices of products and services (Huang et al., 2017). This traditional definition draws on the principles of price elasticity and demand (Fibroch, Gavius and Lowengart, 2005), and defines luxury goods by dividing goods in the market into three categories: inferior goods, essential goods, and luxury goods. Current theoretical research tends to define luxury goods using a framework composed of multiple dimensions. Tian (2011) pointed out that luxury goods refer to items that have a relatively small proportion of practical value, have greater intangible value, are widely admired, have almost perfect craftsmanship, and can give people a sense of pleasure and luxury. Zhang and Meng (2014) believe that in contemporary society, luxury goods refer to high-quality, high priced brand products that have profound cultural connotations, high reputation, and are widely known. These products not only bring spiritual pleasure to consumers, but also carry additional value beyond their basic functions. Kapferer (1997) defined luxury goods as wonderful things, a fusion of art and product, far beyond its own value, and a symbol of high taste. Cao et al. (2023) pointed out that in the academic field, luxury goods are widely defined as goods that possess the following characteristics: firstly, they demonstrate excellent quality, and their price far exceeds the basic functional value. Secondly, luxury goods are often associated with profound traditional or cultural significance, possessing unique histories and stories. In addition, the limited production quantity of these products ensures their uniqueness and scarcity. Meanwhile, luxury goods offer highly personalized services to meet the specific needs of consumers. More importantly, luxury goods are not only material pleasures, but also symbols of social status and personal taste, reflecting consumers' pursuit and sense of superiority towards a high-quality life. Based on the above, this article believes that luxury goods usually refer to products that exceed people's living needs, possess uniqueness, scarcity, and value, and have intangible value far greater than tangible value. They are scarce in materials, exquisite in art, outstanding in design, and the legendary stories of brands are fascinating.

2.2. Brand Authenticity

Brand Authenticity refers to consumers' perception of the degree of "authenticity" of a brand, which includes both objective attributes of the brand (such as history, origin, craftsmanship, etc.), as well as subjectively constructed social meanings (such as brand stories, value transmission) and individual emotional connections (such as self-identity). The concept of perceived brand authenticity originated in the field of philosophy and later extended to management, becoming a core issue in marketing in recent years.

Brand authenticity is regarded as consumers' brand perception and has become an important purchasing criterion that goes beyond product quality, cost, and other factors. Brand authenticity has become a predictor of brand assets, status, and reputation (Napoli 2014). It is a constructivist concept that exists in the minds of consumers, reflecting their perception of brand behavior and providing them with a benefit of self-identity. Therefore, establishing brand authenticity is conducive to generating consumer brand relationships and evaluating brand commitments more reasonably (Napoli 2014).

The exploration of brand authenticity theory has received widespread attention from international scholars. It includes various dimensions of content, and different scholars have put forward different opinions and perspectives. Balmer (2015) believes that only companies that meet the following characteristics can inherit a brand. Firstly, they need to have a relatively long existence time. Only when consumers recognize the brand and persist in it can the brand be inherited; Secondly, the product needs to have high quality; In addition, the product needs to be recognized by at least three generations and consumers have a high level of loyalty to the product; Finally, it is also necessary to have the characteristics of multiple roles. A brand not only needs to include cultural traditions, but also its local characteristics.

Fine (2003) conducted research on brand authenticity based on the dimension of production technology, and believed that only by producing based on industrial standards can brands clarify their long-term goals. This study proposes that consumers can feel the inheritance of a brand based on two aspects, the first of which is craftsmanship standards; The second aspect is the manufacturing process. Kapferer and

Bastien (2009) pointed out that many luxury brands retain and promote unique traditional craftsmanship. Luxury brands will collaborate with craftsmen who possess these extraordinary skills, integrating traditional craftsmanship into their products to preserve cultural heritage. This traditional craftsmanship not only improves product quality, but also becomes a cultural symbol of luxury goods, satisfying consumers' pursuit of rare skills and cultural identity.

Napoli (2014) conducted relevant discussions based on five dimensions, the first of which is Heritage; The second dimension is symbolic or cultural symbols; The third dimension is sincerity or sincerity; The fourth dimension is Manufacturing Process; The fifth dimension is quality commitment or brand quality. Morhart et al. (2015) suggested through in-depth interviews that the authenticity dimension should be divided into the following four aspects: persistence, credibility, integrity and symbolic.

Based on previous literature research on brand authenticity, it is not difficult to find that scholars have attempted to use multiple dimensions to measure and evaluate brand authenticity. Many of the literature points out that craftsmanship, technology, and manufacturing methods are indispensable in explaining brand authenticity, and cultural heritage, cultural traditions, symbolism, and inheritance are also important components of its content. Based on this, this article proposes that craftsmanship, materials, culture, and story are important dimensions of brand authenticity. This article will also explore how the case company Duanmu successfully translated from traditional Eastern cultural genes to modern times around these dimensions, so as to inherit and continue Chinese traditional culture while adapting to the context of modern consumers, becoming a globally recognized luxury brand.

3. CASE STUDY

3.1. Introduction of Duanmu

DUANMU is a locally created luxury brand in China, using 'wood' as its core material and integrating traditional craftsmanship with modern design. It is committed to transforming Chinese aesthetics into a global expression. Duanmu Liangjin means: 'upright wood, fine brocade'. 'Wood' and 'brocade' are classic elements of a piece of packaging, and are also two kinds of materials that traditional Chinese people are best at using. Therefore, when naming the brand, founder Qi Tian emphasized the purity of materials and technology, and focused on the 'upright' and 'excellent' of classical China, taking it as 'Duanmu Liangjin'. Its brand value proposition is 'A View, A China', trying to convey oriental aesthetic culture and values.

From the design of the brand VI, Duanmu is an ancient surname passed down from the Zhou dynasty, which can convey a sense of time. The four Chinese characters of Duanmu Liangjin in the brand name come from the Cuan Longyan Stele, which was born in the Southern Dynasty and is one of the representative works of calligraphy transitioning from clerical script to regular script. The brand logo of Duanmu in the brand image is a small sparrow, which comes from the decorative mirror of the Tang Dynasty. It does not use cranes, phoenixes, and noble birds, but instead uses sparrows to reflect the authenticity, confidence, and openness of Tang people, and can also convey the confidence and optimism of Duanmu brand.

Founder and chief designer Qi Tian, born in 1983, holds a Bachelor's degree in Architecture from Tsinghua University and a Master's degree in Architecture from the University of Pennsylvania. He has been fond of painting and hands-on work since childhood, and is obsessed with military models. He believes that architecture combines art and production perfectly. In college, he enjoyed traditional culture and was keen on collecting ancient coins. He believed that architecture was subject to the constraints of the client, capital, and many other things. Qi Tian liked the knowledge that could be scrutinized and pondered in his hands every day, gradually shifting from studying large spaces of architecture to studying small spaces of boxes. The founding of Duanmu was also due to his passion for collecting ancient coins, but he was dissatisfied with the cheap packaging boxes. In 2011, he began to handcraft wooden boxes for storing ancient coins, serving private ancient coin collectors. In 2016, his wife Li Yuanjun used a wooden box as a handbag to attend a conference, but unexpectedly received high praise. Therefore, Qi Tian discovered that this type of wooden box could be used as a women's bag design, and it was different from Western luxury goods that use leather raw materials. The wooden elements better reflect Eastern culture. So in 2017, Qi Tian began to focus on female handbag products made of consumer grade wooden materials.

3.2. Marketing Mix

Duanmu has a relatively rich product line, with its main core products being wooden handbags such as 'Lingbo Bag' and 'Magpie Bridge Bag', supplemented by accessories such as scarves and mirrors. The pricing of the bag product line ranges from 20000 to 60000 yuan. If it is a rare leather bag style product, the pricing may exceed 100000 yuan, directly benchmarking international luxury brands such as Hermes and Louis Vuitton.

In terms of sales channels, the brand's offline stores are located in high-end shopping malls such as Beijing Guomao Mall, Shanghai Henglong Plaza, and Nanjing Deji Plaza. The brand's stores are often adjacent to LV and Gucci, conveying the positioning of luxury goods. His works were selected as an alternative national gift of the 'the Belt and Road' and presented at Christie's auction, known as 'Hermes in the Chinese bag industry'.

This article will explain from four dimensions: craftsmanship, materials, Eastern culture, and brand story, how Duanmu transformed from a Tang Dynasty Eastern Chinese story to a modern narrative through innovation and development, and achieved the transformation of the brand towards modernity.

4. CASE ANALYSIS

4.1. Technological Revival

Duanmu is a technological reconstruction of traditional craftsmanship. The core technology of Duanmu brand is fine wood inlay technology. This technology originated from the Tang Dynasty in China, so the brand's use of fine wood inlay technology is a restoration of the lost craftsmanship of the Tang Dynasty, such as the fine wood inlay technology used in the wooden works of Tang Dynasty pipa. Duanmu took 3 years to restore the Tang Dynasty's 'wood inlay' technique, and the error can be controlled to a precision of 0.1 millimeters. The workmanship is extremely exquisite, for example, the 'Lingbo Bag' requires manual inlay of more than 300 pieces of dyed wood chips, taking 200 hours and 194 processes to reproduce the three-dimensional light and shadow effect of the Tang Dynasty's 'coffered pattern'.

Brand innovation utilizes optical cutting technology to increase the precision of fine wood inlay to 0.03 millimeters, surpassing traditional manual limits. At the same time, Duanmu introduced the five axis CNC carving originally used for electronic products into woodworking, achieving shape freedom. The Magpie Bridge bag adopts the wood+metal hard collision and biting process, which can achieve seamless coverage at 270 degrees, overcoming the problem of wood deformation.

The brand also utilizes its self-developed CNC technology to empower traditional craftsmanship. Duanmu introduces a self programming CNC machine to carve the wooden tire base, combined with pure manual inlay, to achieve seamless interlocking between wood and metal, such as the Magpie Bridge Package hardware with a 270 degree curved surface for precise fitting, breaking through the limits of traditional woodworking.

4.2. Material Inheritance and Innovation

Duanmu actively innovates and integrates in the material system. The core manufacturing material of Duanmu is wood, which uses a wide variety of wood types, including teak, European maple, North American walnut, East African ebony, African yellow pear, etc.

On the basis of wood, Duanmu also incorporates crocodile skin. The supplier of crocodile skin is the same as that of Hermes, and ostrich skin and precious metal materials are also used to enhance the practicality and fashion sense of the bag products. For example, the 158000 yuan crocodile leather bag uses turquoise blue color to restore the mineral pigment effect used in Dunhuang murals.

It uses wood veneer dyeing technology, achieving a major technological breakthrough, realizing a 0.3mm ultra-thin dyed wood veneer (half a sheet of A4 paper thickness), allowing wood to freely color match like a fabric.

In addition, leather and satin will also be used as materials. The lining is made of Song style Ba Da Huan brocade with fixed weaving and dyeing, and the pattern is taken from the 'Silk Lotus Pond Milk Duck Picture' in the Palace Museum collection. The density of warp threads per centimeter reaches 120, exceeding the Hermes silk standard.

The metal pieces are inspired by the Tang Dynasty's 'golden basket and precious mother of pearl' craftsmanship, using 18K gold inlaid with lapis lazuli to imitate Dunhuang mural mineral pigments.

4.3. Oriental Aesthetic Culture

Duanmu actively realizes the translation of design from ancient to modern times. The time window for selecting materials for its product design is the Tang Dynasty historical period in China, and the blueprint is taken from Han Tang culture. It believes that China during the Han Dynasty was still the China of the Han ethnic group, while China during the Tang Dynasty was already a multi-ethnic China. With the addition of diverse bloodlines, the local aesthetic system in China has undergone tremendous changes. The pull of foreign bloodlines made the period from Han to Tang a peak period for the outward radiation of Chinese culture. The Duanmu team believes that the Tang Dynasty and the period before the Tang Dynasty were the most prosperous period in Chinese classical literature. During the Tang Dynasty, many works of art were born, whether it was murals, silk fabrics, or some wooden objects that were spread overseas, such as the Tang Dynasty pipa, musical instruments, furniture, etc. in the Japanese main warehouse courtyard.

The product design theme focuses on the aesthetics of the Han and Tang dynasties, as the Tang dynasty's openness and confidence is more in line with the values of contemporary youth. The pattern of 'Chasing Deer in the Immortal Forest' combines the brick and animal shapes of Han Dynasty portraits with Dunhuang colors, conveying romanticism. The Luoshen Fu package uses multiple layers of suspended wood inlay to reproduce the artistic conception of the Luoshen Fu, without concrete depiction.

Although the design inspiration for the product and brand comes from the Tang Dynasty in China, Duanmu can extract modern aesthetic symbols from Han and Tang cultures, translate them into modern forms, and make the product contemporary and suitable for modern consumers. Brand patterns such as 'Dian Hua', 'Dunhuang Tuan Hua', and 'Flying Bird Entangled Branch' all originated from Tang Dynasty art, but through simplification, recombination, and color adaptation, they are more in line with modern aesthetics. For example, the Dunhuang group pattern retains the original coffered pattern and adjusts the layout to make it more dynamic.

The package type and function are also adapted to contemporary times. The design of its wooden bag is not purely retro, but combines modern usage scenarios, such as using a one-way flexible curtain opening and closing method to replace magnetic buckles/zippers and solve the pain points of the hard structure of wooden bags; For example, the lightweight whole wood chiseling technology reduces the weight of the wooden bag to within 500 grams, which not only retains the classical charm but also enhances the practicality of carrying it lightly in daily life. This once again demonstrates the relevance of product design to modern consumers and expresses the modern translation of ancient traditional Chinese culture.

4.4. Modern Presentation of Brand Story

The brand promotion of Duanmu has also achieved modern translation, enhancing its relevance to modern consumers and innovating traditional Eastern marketing communication.

The offline store design of Duanmu is distinctive, with the store serving as a cultural museum and adopting an immersive experience.

Firstly, the showcase design of the store showcases the culture of the products in modern language. Using art installations to narrate stories of Eastern culture and spread Tang Dynasty culture. For example, the Duanmu store in Taikoo Li, Qiantan, Shanghai, is based on the 'Construction Method' and features 1376 mortise and tenon wooden domes, complemented by Ming Dynasty ice cracked bluestone slabs, to recreate the atmosphere of a study in the Song Dynasty for consumers. At the Deji Square store in Nanjing, a large-scale art installation uses 70 auspicious sparrows to form a 'Magpie Bridge', and the ceiling light is projected onto the Milky Way with 28 stars to create a mythical space.

Secondly, visualize the craftsmanship within the store. The dynamic display window of Shanghai Ganghui Henglong store showcases the woodworking process, including wood planing, sawing, bearing tapping, and other production processes. It transforms the craftsmanship spirit of 200 hours of manually inlaying 300 pieces of veneer into a brand story. The product brochure provides a detailed explanation of the 194 processes involved in the production and manufacturing of the product, such as CNC carving

of the wooden base and the 0.1mm precision craftsmanship of pure manual inlay. The store staff sell cultural guides, and they need to memorize 200 pages of product manuals, ranging from Burmese teak, the king of the world’s ten thousand woods, to Japanese Nishijin brocade weaving, providing museum style explanations.

Finally, the brand regularly invites VIP customers to participate in fine wood inlay workshops, personally experiencing the production process of fine wood inlay, transforming the craftsmanship experience into social currency, spreading traditional culture, and arousing emotional resonance of national culture.

Table 1. Translation Path of Duanmu Brand from Traditional Eastern Culture to Modernity

	Traditional Eastern Culture	Translation of Modernity		
Craftsmanship	Tang Dynasty fine wood inlay technology	Optical cutting technology	Self programming CNC machine tool for carving wooden tire base	Five axis CNC engraving
Material	Wood	Teak, European maple, North American walnut, East African ebony, African yellow pear	Crocodile skin, ostrich skin, precious metals, brocade materials	Using veneer dyeing technology
Oriental Aesthetic Design	Extracting Huawen and Bird Patterns from Han and Tang Culture	Simplification, recombination, and color matching of patterns are more in line with modern aesthetics	Unidirectional flexible curtain opening and closing method is more convenient to use	The weight of the wooden bag has been reduced to within 500 grams for easy carrying
Brand Communication	Mortise and tenon structure, wood planing and sawing, bearing tapping, twenty-eight star galaxy	The magnificent display of cultural stories in store windows	Visualization of in store processes	VIP customers can participate in the fine wood inlay workshop and convert their craftsmanship experience into social currency

Based on the above analysis, we propose Table 1. Duanmu has effectively translated traditional Eastern culture by grafting the authenticity of the brand’s craftsmanship, materials, Eastern aesthetic design, and brand communication methods, presenting more luxury goods that match modern consumers.

5. CONCLUSION

The modernity of Duanmu is not a subversion of tradition, nor a abandonment of tradition, but a reconstruction of Eastern aesthetics through technological innovation, internationalization of design language, modernization, and management models, solving the problem of the gap between traditional craftsmanship and contemporary consumption.

It transforms Chinese culture from a ‘museum style’ static display into a dynamic fashion expression through technological advancements, material diversification, contemporary design, international brand language, and high-end channels. Figure 1 presents this path. Brand authenticity has become a medium and pathway for the transformation of traditional cultural genes into modern language. After achieving modern translation, the brand not only inherits the essence of Tang Dynasty Eastern culture, but also becomes a luxury symbol that can be globally recognized and disseminated. Its success lies in adhering to the ‘craftsman spirit’ while embracing modern business logic, providing a model for the rise of contemporary local luxury brands in China.

By respecting, developing, and recreating traditional Chinese craftsmanship, Duanmu has been brought to the forefront of beauty and craftsmanship in the global brand camp. By providing consumers with a brand that is relevant and communicable, it has successfully created value for consumers and gained a

voice in the global luxury goods market. From this, it can be seen that the ultimate significance of modernity lies in proving that Chinese luxury brands do not need to imitate Western narratives. Rooted in cultural soil, they can also grow world-class expressions. This is also one of the effective paths for Chinese local brands to successfully create luxury brands that can be spread globally.

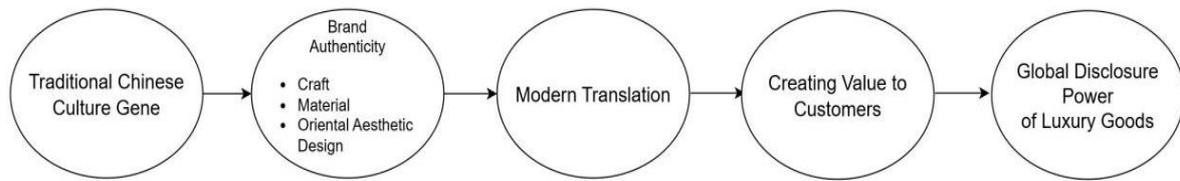


Figure 1. Duanmu's Modern Translation of Traditional Cultural Genes Based on Brand Authenticity

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