

MScLGS Program

Program Description

The Master of Science in Luxury Goods and Services (MScLGS) at the International University of Monaco (IUM) is a 10-month, 60-credit degree completed in three 12-week terms.

The MScLGS seeks to produce innovative and imaginative managers who can fill senior positions in strategic planning, identity and brand management, product policy, new product development, and product portfolio management in the luxury setting.

Emphasizing ways in which strategic thinking and creativity can be resourcefully deployed, the program combines quantitative rigor (essential to generating relevant data) with intellectual acuity (vital to understanding the field). It centers on (1) the environments – economic, cultural, psychological, and technological – with which the luxury industry interacts and in which it operates, (2) its critical commercial and business variables, (3) consumer and purchasing power in the industry, and (4) the sensory and pragmatic resonances generated by the concept of luxury as it is embodied in high-end goods and services.

The MScLGS is structured to ensure that students understand the vital role these interlocking factors play in successfully managing the luxury enterprise. Course sequencing facilitates theoretical and practical competence, and develops students' creative abilities in brand *cachet*, product assessment, and market potential. This solidifies their capacity to successfully integrate the **luxury enterprise** across the *range of its often-unique business activities*.

Based on this *industry-specific perspective*, the MScLGS utilizes pedagogical techniques such as case studies, project-based learning – including professional immersion, guest lectures, and firm visits to enhance the classroom experience. By extending learning boundaries, students develop the nuanced cognitive and managerial capacities that sustain the blending of perception and concrete applicability characteristic of the high end segment. This cognitive base enhances their thinking, analytical, and problem-solving skills.

The MScLGS has three major instructional components: the extended core, the luxury concentration, and the practitioner cross-link.

The program includes optional language instruction in French (see Program Course Schedule). Further, throughout the MScLGS students work with the Center for Career Development and Corporate Relations to fulfill IUM's commitment to realizing their career potential.

Program Objectives

MScLGS program objectives are to:

- Provide students with the concepts, tools and frameworks necessary to recognize, analyze and manage the business variables and issues specific to the luxury industry
- Enable students to understand the vital role economic, cultural, sociological, psychological, and technological environments play in the luxury industry.
- Enable students to identify and discuss the current challenges faced by the companies competing within the luxury sector.
- Establish a cognitive and behavioral base for students to perceive and respond to the sensory and pragmatic resonances generated by luxury goods and services.
- Enhance students' thinking, analytical, and problem-solving skills.

Overview of the MScLGS Program

Extended Core Courses (27 credits)

- LXRY 650: Introduction to Luxury Goods and Services (6 credits)*
- LXRY 643: The Luxury Legal Environment (3 credits)*
- LXRY 655: Human Factors in the Luxury Industry (3 credits)*
- LXRY 657: Operations and Supply Chain Management in the Luxury Industry (3 credits)*
- LXRY 658: Financial Accounting in the Luxury Industry (3 credits)*
- LXRY 668: Financial Management in the Luxury Industry (3 credits)*
- LXRY 663: Luxury, Technology, and the Internet (3 credits)*
- LXRY 665: The Luxury Industries: Competitive Analysis & Contextual Dynamics (3 credits)*

Luxury Concentration Courses (24 credits)

- LXRY 642: Luxury Marketing Management – Consumer Behavior (3 credits)*
- LXRY 654: Capitalizing the Luxury Venture (3 credits)*
- LXRY 656: Managing Luxury Brands (3 credits)*
- LXRY 659: Luxury and Global Integrated Marketing Communication (3 credits)*
- LXRY 660: Luxury Pricing, Distribution, and Retailing (3 credits)*
- LXRY 661: Luxury Product Design, Development, and Management (3 credits)*
- LXRY 662: Luxury Sales and Customer Relationship Management (3 credits)*
- LXRY 664: Luxury Sector Seminar (3 credits)*

Practitioner Cross-Link Courses (12 credits)

- DIRS 601: Directed Industry Analysis (6 credits)*
- TRNG 601: Luxury Enterprise Immersion (3 credits)*

Additional Features

- Cycle of Conferences
- Company Visits
- Personal Development Activities
- Career and Placement Activities and Training (*TRNG 651*)
- French Language and Culture course (*FREN 601, FREN 602, FREN 603*)

MScLGS Program Outline

TERM	COURSES <i>All courses are worth 3 quarter credits, unless otherwise indicated.</i>
F A L L	LXRY 650 - Introduction to Luxury Goods and Services (<i>6 credits</i>) LXRY 658 - Financial Accounting in the Luxury Industry LXRY 655 - Human Factors in the Luxury Industry LXRY 664 - Luxury Sector Seminar (Part 1) (<i>1 credit</i>) LXRY 662 - Luxury Sales and Customer Relationship Management LXRY 663 - Luxury, Technology, and the Internet TRNG 651 - Luxury Career Seminar (no credit) FREN 601 - French Language and Culture I (Optional, no credit) TRNG 601 - Luxury Enterprise Immersion (Internship)
W I N T E R	LXRY 657 - Operations and Supply Chain Management in the Luxury Industry LXRY 659 - Luxury and Global Integrated Marketing Communication LXRY 660 - Luxury Pricing, Distribution, and Retailing LXRY 661 - Luxury Product Design, Development, and Management LXRY 668 - Financial Management in the Luxury Industry LXRY 665 - The Luxury Industries: Competitive Analysis & Contextual Dynamics LXRY 664 - Luxury Sector Seminar (Part 2) (<i>1 credit</i>) TRNG 651 - Luxury Career Seminar (<i>no credit</i>) FREN 602 - French Language and Culture II (<i>Optional, no credit</i>)
S P R I N G	LXRY 642 - Luxury Marketing Management- Consumer Behavior LXRY 643 - The Luxury Legal Environment LXRY 654 - Capitalizing the Luxury Venture LXRY 656 - Managing Luxury Brands LXRY 664 - Luxury Sector Seminar (Part 3) (<i>1 credit</i>) DIRS 601 - Directed Industry Analysis (<i>6 credits</i>) TRNG 651 - Luxury Career Seminar (<i>no credit</i>) FREN 603 - French Language and Culture III (<i>Optional, no credit</i>)

Course Descriptions

Note: All courses carry three (3) credits unless otherwise stated.

DIRS 601: Directed Industry Analysis (6 credits)

As the culminating experience of the MScLGS, this course requires students to develop a project-based field study in collaboration with a faculty expert to investigate industry, market, and topical issues or opportunities related to the luxury industry.

The course is designed to facilitate the application of theory, skills, and knowledge acquired over the course of the MScLGS program and to ensure that any problems investigated have current and ongoing relevance. Ideally, students will work to solve an identified problem in one particular firm, examine trends across the industry, or help the luxury organization to pursue an opportunity through the implementation of a product launch plan.

The final deliverable for the course is the project white paper.

Students will learn how to identify and investigate specific issues of importance in the luxury industry, integrate material from different sources, and describe the planning environment for decisions made in the luxury industry. In completing their work, they will demonstrate competency in market analysis and measurement, productivity and profitability analysis, strategy development, and feedback and evaluation.

LXRY 642: Luxury Marketing Management – Consumer Behavior

Students investigate the dynamics of human behavior and how it relates to decision making in the luxury sector, through an in-depth view of the many factors that influence the consumer's decision making process. These include, at the individual level, motivations, personality traits and the self-concept, values and lifestyles, and psychological processes and at the social and cultural level, group membership, social classes and (sub)-cultures. In addition, the dark side of consumer behavior and how it might impact luxury brands will be highlighted.

The course material is related to the development of consistent marketing strategy in the luxury sector through lectures, cases, business and academic articles and field study.

LXRY 650: Introduction to Luxury Goods and Services (6 credits)

This course provides an overview of the entire luxury goods industry. Using the case study and project based learning approach, the course examines ways in which strategic thinking, creativity, and business skills and knowledge are integrated in the successful luxury goods firm. Topics include general management of the luxury good or service firm, luxury brand management, product policy and portfolio development in the luxury industry, and distribution factors affecting the luxury product.

This course is divided into three parts.

The first part seeks to define the concept of luxury by explaining the origins, history, and evolution of luxury and provides an overview of areas that will be studied in depth in other course, such as marketing, strategy, law, finance, human resources, and organization.

The second part analyzes various global sectors of the luxury industry in terms of market analysis, major players, and trends. This analysis focuses on sectors such as haute-couture and fashion; jewellery, perfumes, and cosmetics; wines and spirits; hotels, gastronomy, and travel; automobiles; and yachting.

The third part of the course focuses on the principal issues confronting the luxury industry, and examines major groups and firms through the case study method.

Students will develop a basic understanding of the intricate network of business skills and qualitative decision-making abilities underpinning the management of luxury goods and services, as well as methods and techniques for organizing and managing the unique factors impacting the luxury industry.

LXRY 643: The Luxury Legal Environment

This course presents the principal legal mechanisms used when working with luxury goods and services, and focuses on specific issues of law and the luxury industry.

The course begins by examining luxury business structures and liability of management, sales and transport contracts, unfair competition, licensing and selling of intellectual property – and intellectual property rights, and payment mechanisms and financing in a general way. Using examples, it then moves on to a focused treatment of topics such as specific intellectual and industrial property law, brand protection, international licensing, trademark law, negotiations and contracts, and franchising.

Students will master the relevant legal topics of international luxury transactions, and learn how to analyze the problems and methods of international law as it applies to the luxury industry clarify the interrelationship of international public and private law, and develop successful legally-based strategies for brand valuation and protection.

LXRY 654: Capitalizing the Luxury Venture

This course examines ways of financing the start-up of a new luxury venture. The course discusses bootstrapping, and the characteristics and merits of financing with equity and debt, venture capital, and angel funds.

Students will learn how to prepare a financial plan, including projecting sales and capital expenditures, as well as designing pro-forma income statements, balance sheets, and sources and applications of funds statements.

LXRY 655: Human Factors in the Luxury Industry

This course focuses on organizational behavior and systems, and human resource management for the luxury industry. It concentrates on the variables that affect behavior at the individual level and then goes on to a thorough examination of the foundations of group dynamics – all within the luxury organizational context.

Students will learn how leadership, power, politics, and conflicts can affect behavior and their implications for performance and satisfaction. They will also develop the ability to recognize the influence of these factors on organizational system-level variables and their impact on the critical determinants of organization human resource effectiveness: productivity, absenteeism, turnover, satisfaction, and citizenship.

LXRY 656: Managing Luxury Brands

This course provides an overview of the ways in which luxury brands are conceived, developed, launched, nurtured, and protected. It focuses on defining the luxury industry in relation to the concept of prestige while also imparting techniques and strategies for developing a luxury brand. A practical approach is emphasized throughout the course by reference to real world examples and proven tools used to build a luxury brand.

Topics include devaluation of luxury, the mass market, “super-luxury” or “uber-premium” brands, using brands to create new market segments, and account management.

Students will learn how to assess luxury product markets, manage international distribution as part of the branding process, and manage brand assets and equity by controlling a brand and communicating its advantages.

LXRY 657: Operations and Supply Chain Management in the Luxury Industry

This course focuses on what luxury operations managers do, how operations management involves a range of business functions, and the tools they use to create an efficient supply chain. It emphasizes ways in which the development of time standards underlies the ability to estimate costs and judge performance, and how quality issues underlie all work activities including teamwork, employee involvement, and continuous improvement.

Supply chain and distribution issues are assessed and discussed using topical examples from the luxury industry.

Students will develop the skills and concepts needed to ensure the ongoing contribution of a luxury firm’s supply chain and distribution networks to its competitive position. Topics include luxury process analysis, cross-functional and cross-firm integration, supply chain strategy, determining a system’s capacity, and relationships between channel members.

LXRY 658: Financial Accounting in the Luxury Industry

This course provides a general overview of how accounting and financial management contributes to the luxury organization.

Students will gain an understanding of the concepts and language of accounting, and the ways it can be used as an effective tool for monitoring and resource allocation. They will also master the terminology and jargon of financial statements and accounting reports as they pertain to the luxury industry and various luxury sectors; become familiar with ways in which modern accounting and control theory is used in evaluating economic conditions; and identify ways in which accounting is critical in making organizational and investment decisions.

LXRY 659: Luxury and Global Integrated Marketing Communication

This course introduces students to the ways in which global integrated marketing communications (GIMC) can be used in strategic planning for the luxury enterprise. It examines ways in which GIMC establishes a dialogue between providers of a luxury product or service and their respective publics or markets.

The course focuses on the promotional mix elements that make up the GIMC plan such as advertising, public relations, publicity, direct/database marketing, personal sales, sales promotion, special events, E-Marketing, and E-communication. Case studies are used to demonstrate the issues and challenges involved in effective GIMC planning and the unique roadblocks to execution that often appear spontaneously in the luxury industry.

Students will learn how to integrate the elements described above into a cohesive and goal-driven GIMC plan. They will also learn how to create, develop, and execute GIMC plans as part of a luxury firm's strategy or in terms of product-specific launches.

LXRY 660: Luxury Pricing, Distribution, and Retailing

This course focuses on the three critical elements impacting the quality and nature of the luxury purchasing experience: pricing, distribution, and retailing.

Emphasizing the importance of location and the use of information technology for business process and control, the course centers on the luxury experience as embodied in the point-of-sale visit. It examines unique luxury pricing strategies and methodologies, distribution decision-making, and retail design, especially as it relates to creating an aesthetic and sophisticated ambience.

Students will learn how to adapt the luxury retail outlet to conform to customers' expectations in terms of mood, atmosphere, physical impression, and sensation. They will appreciate the importance of the tactile elements of the luxury shopping experience in communicating the brand message, and realize that the retail store plays a prominent role in the overall luxury buying experience. Finally, they will understand the particular distribution problems confronting the luxury industry, from product idea to store delivery.

LXRY 661: Luxury Product Design, Development, and Management

This course introduces students to the tools, tactics, and strategies employed in the luxury product or service design and development process. It views luxury product management not only in terms of ensuring excellent product design and quality but also on ways in which these factors affect the luxury brand.

Topics include luxury product or service customization and personalization, defining and hiring for creativity, personifying consumer desires in product design and launch, the concept of prestige, developing the luxury "look and feel," matching the luxury product or service to geographic segments, and human resources issues in the luxury industry.

Students will learn to choose the appropriate research techniques, analyze results, and make strategic and tactical decisions in designing and launching the luxury product or service. They will also learn how to apply product design elements so that they will contribute to the eventual profitability of the luxury enterprise.

LXRY 662: Luxury Sales and Customer Relationship Management

This course introduces students to sales and customer relationship management (CRM) as they are implemented in the luxury industry. It focuses on service by defining the concept in the luxury context and discussing ways in which it is affected by consumer expectations in the industry.

The course approaches its subject matter from a relational viewpoint. That is, it emphasizes learning more about customers' needs and behaviors in order to develop stronger relationships with them, through technology and by integrating information about consumers, sales, marketing, responsiveness, and luxury market trends.

Topics include CRM and the sales force, and the use of CRM software to manage a sales force; lead and contact management tracking; forecasting sales leads and the importance of conversion rates; customer interaction and the Web; and call centers and help desk management.

Students will learn how to use CRM technology to gain insight into customers and understand the critical value customers possess. On completing the course, they will understand the importance of using CRM software to create, track, and manage partnerships, contracts, and agreements; and in distribution management.

LXRY 663: Luxury, Technology, and the Internet

This course is designed to introduce students to the new technologies that are influencing the luxury industry.

The course focuses on new technologies used in marketing, communication, research, and product development in the luxury industry. These include the Internet, the World Wide Web, and E-tailing. Additionally, the social and cultural effects of implementing new technologies on the concept of luxury and the luxury brand will be discussed. The course seeks to answer the question: How can the luxury enterprise sell its goods and services online?

Topics include Website and e-store design, achieving a pleasant online shopping experience, differentiation in E-tailing, meeting the expectations of the online luxury consumer, maintaining online customer loyalty.

Students will learn how to cultivate and manage an online image, and how technology can impact global luxury markets. They will develop an understanding of the Internet's power as a marketing and communication tool, and demonstrate an appreciation of ways in which consumer expectations are molded by the advent of interactive technologies.

LXRY 664: Luxury Sector Seminar, Parts 1, 2 and 3 (1 credit per part)

This seminar course focuses on the practical management of specific sectors within the luxury industry.

By focusing on leading luxury brands the course examines management techniques and strategies in a range of luxury sectors such as perfume and cosmetics, jewelry and watches (gemology), fashion, and wines and spirits (oenology). It also delves into the operational and management considerations involved in managing a department store, boutique, concession, or franchise.

Students will learn cutting edge, day-to-day management techniques that are highly relevant to the luxury industry. They will develop an understanding of the differences inherent in managing the various sectors of the industry, and the importance of factors such as cost analysis, design management, and merchandising in each of these sectors.

LXRY 665: The Luxury Goods Industries: Competitive Analysis and Contextual Dynamics

This course demonstrates the critical role marketing research plays in reducing uncertainty when making luxury marketing decisions. It focuses on the planning and execution of marketing research in the luxury industry, offers a critique of these processes, and examines the types of marketing research most often conducted at each stage in the luxury product development process.

Topics include understanding the research process; data collection methods; sampling, data analysis, and interpretation; accessing networked information; and applying information technology to decision-making.

Students will learn the concepts and methods of luxury market research, and ways to use market research as decision support for management. They will develop an understanding of the stages of the luxury market research process, appreciate the importance of systematic research design, and develop a working knowledge of selected key data analysis techniques by describing their use, application, strengths, and limitations.

LXRY 668: Financial Management in the Luxury Industry

This course builds on the foundations set in the Financial Accounting course (LXRY 558) and provides an overview of the financial aspects involved in making luxury business decisions such as forecasting, budgeting, optimizing, valuing, evaluating, and auditing results. Students apply these tools to problems emanating from specific case studies.

TRNG 601: Luxury Enterprise Immersion (3 credits)

This course relies on an intensive industry-related experience to acquaint students with the quotidian responsibilities and challenges that those working in the global luxury industry face.

By immersing them in this setting, the course motivates students to consider the strategic and operational roles of a variety of elements in the luxury industry. Through a highly focused lens, students will have firsthand experience of how to deal with such topics as brand equity dilution, brand alliances, ways in which product variations are offered exclusively to different channel members as branded variants, distribution of luxury goods, mass communication, cultural and behavioral issues in international luxury branding, and managing international communication.

Students work closely with the IUM Center for Career Development and Corporate relations to prepare for their placement.

Students will learn how to comport themselves in the luxury setting, how to apply what they have learned in the MScLGS program, and methods for coping with the pressures and stress inherent in the luxury retail setting.

