AESTHETIC MEETS ANTITRUST: LUXURY BRANDS AND FAST FASHION IN THE GLOBAL MARKET THROUGH THE LENS OF COMPETITION LAW

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ABSTRACT

The purpose of this paper is to examine the intersection of aesthetics, luxury brands and anti-trust in the fashion industry, with a specific focus on the dominance of the luxury brands and their suppression of fast fashion competitors. By analyzing the situation within the framework of the competition law, the study investigates the branding, intellectual property rights, and the exclusivity strategies which enables the luxury brands to exercise disproportionate market power. The main aim is to critically examine whether the Indian competition act 2002, is adequate enough to address these challenges and to draw comparative insights from the approaches adopted in the European Union and the United States. The present literature has highlighted the role of the intellectual property, fashion capital and the consumer perception in sustaining the market dominance of the luxury fashion brands[1]. The studies show how the luxury brands use strategic approach and use aesthetics and exclusivity to limit the diffusion of fashion trends, thereby creating barriers for fast fashion competitors. Whereas, scholars' works have paid limited attention to the specific intersection of competition law and the fashion markets, especially in the Indian context. This gap underscores the relevance of this present study. The methodology used in this study is primality doctrinal legal research, which looks at the statutory provisions, case laws and the scholarly commentary. A comparative approach is also incorporated to analyses the regulatory framework of the European union and the united states of America[2] both their countries which have developed more enhanced mechanisms to monitor the Indian fashion market dominance. The findings show that the luxury brands' reliance on aesthetic, brand image and intellectual property protection not only sustains their market dominance but also marginalized fashion brands, which are restricting the consumer choice and innovation.

1 Pierre Bourdieu, Distinction: A Social Critique of the Judgment of Taste (Harvard Univ. Press 1984).

2 Richard Whish & David Bailey, Competition Law 10th ed. (2021)

The Indian competition mechanism, while equipped to regulate traditional monopoly practice, lacks fashion dominance in a rapid globalizing market.

Keywords: competition law, luxury brands, fashion, aesthetics, intellectual property, market dominance, anti-competitive behavior

INTRODUCTION

The main purpose of this paper is to critically examine how the aesthetics and the antitrust intersect in the global fashion industry , with the particular focus on the market dominance of the luxury brands and their impact on the fashion industry. The title "Aesthetic meets antitrust: Luxury brands and fast fashion in the global market through the lens of competition law" highlights the two variables (i) aesthetics and branding, including the intellectual property (i.e. design rights, trademarks, and copyrights) and (ii) the frameworks of competition law which regulates or fail to regulate the market dominance. These variables are the one which forms the core of the study which intersects the concept of law, economies and the cultural capital which is fashion. As many scholars in the past have suggested, the symbolic value of luxury goods[3] is closely tied to the preservation of exclusivity and reputation, which directly influences competitive dynamics in the fashion market. The global fashion industry, estimated at over USD2.5 trillion[4], has been shaped by two opposing markets: the luxury fashion industry which is built on exclusivity and in the fast fashion, designed around accessibility and rapid production cycles. These high end luxury brands often rely on aesthetics, branding image, and also gain IP protection to protect their dominance, while fast fashion companies democratize[5] the trend at affordable costs. Thus this has raised concerns about unfair competition, monopolistic practices and the ability of existing legal framework[6]. Particularly in the context of Indian competition act 2002[7] to effectively regulate such practices. The problem arises from the point that the Indian competition law, while designed to curb monopolistic and anti-competitive conduct, has not explicitly addressed the luxury brands[8] and their aesthetics, branding and the IP rights to marginalize emerging competitors such as fast fashion. Comparative jurisdictions such as the European Union and United States have taken significant steps to address brand dominance in related industries, but India's framework continues to show the gaps which affect fair competition in the fashion industry. Considering this backdrop, this

[3] Bourdieu, Distinction, supra note 2.
[4] McKinsey & Company, The State of Fashion Report (2023).
[5] Kim Willems et al., From Armani to Zara, 65 J. Bus. Res. (2012).
[6] Bin Shen et al., Brand Loyalties in Designer Luxury and Fast Fashion, 81 J. Bus. Res. (2017).
[7] Competition Act, No. 12 of 2003, INDIA CODE.
[8] Herbert Hovenkamp, The Antitrust Enterprise (2005).

particular paper sets four important objectives: (i) to analyze the role of aesthetics, branding and IP in formulating competitive dynamics in fashion industry (ii) to find out the gaps in the competition act of Indian 2002, in regulation of the luxury brands and its market dominance (iii) a comparison aspect with the European union and the united states[9] approaches in addressing luxury brand dominance over the fast fashion (iv) to critically evaluate how Indian fashion industry can address these challenges while enabling fair opportunities for the growing fast fashions. Along with this the research questions inquire into how luxury brands use legal and market mechanisms to suppress fast fashion, what gaps are existing in Indian law, and how comparative insights can guide Indians competition regime[10]. The relevance of this paper lies in its attempt to connect a doctrinal gap in Indian competition law by aesthetics and brand exclusivity as potential barriers to market entry, an area which has been underexplored in the legal perspective. This paper seeks to contribute to a broader database on whether competition law should evolve to respond to cultural and aesthetic dimensions of the market,[11] rather than being confined to old traditional price- based analysis.

1.How do aesthetics, brand image and intellectual property rights contribute to the market dominance of luxury fashion brands and in what ways are these tools used to suppress competition from fast fashion brands?

The global fashion industry has always been shaped by the two segments which are contrasting one being the luxury fashion industry which is rooted in exclusivity and the rich heritage and on the other hand is fast fashion which is centered on accessibility and affordability. The luxury brands which commands an extraordinary influence in the market not simply because of the material quality of their products but also because of how they are depicting the aesthetics, the branding image and the use of the intellectual property rights which acts as a tool of control. These elements put together form the scaffolding of their market dominance, and which creates the barriers that the fast fashion brands struggle to overcome.

1. The power of the aesthetics in fashion dominance-

The aesthetics in fashion extends beyond the design; it embodies the cultural, social and the symbolic value which is attached to luxury goods. These luxury brands such as the channel,

[9] Coty Germany GmbH v. Parfümerie Akzente GmbH, Case C-230/16 (2017).
[10] Jonathan M. Barnett, Intellectual Property as a Law of Organization, 84 S. Cal. L. Rev. (2011).
[11] Yel Pedro et al., High-End Fashion as a Social Phenomenon, 79 J. Retailing & Consumer Serv. (2024).

louis Vuitton, and Gucci whose crafts a visual identity which is instantly recognizable[12] and also aspirational. The use of the distinctive cuts, patterns and the motifs communicates exclusivity and the refinement. These luxury markets not only differentiate the aesthetic luxury products from the mass dominant market alternatives but also which influences the consumer perception of value[13]. In the market which is driven by the cultural capital, aesthetics becomes a form of currency[14]. The consumers purchase luxury items which are not merely for utility but for the symbol of prestige associated with them. This creates a cycle where aesthetics which is driven by exclusivity fuels the higher demand among the status conscious consumers and thereby strengthening the brands market position. On the other hand, the fast fashion brands, replicating such aesthetics is fraught with risk in both legal and reputational barriers such as the luxury house who are guarding their aesthetic identities zealously. In this way, aesthetics becomes a non-price barrier to entry. While fast fashion thrives on replicating luxury aesthetics, the reputational risks of being labeled as the cheap copies often delegitimize such attempts in the eyes of affluent consumers. Luxury brands thus use aesthetics not just as creative expression but as a shield for dominance.

2. Brand image as a barrier to entry –

Brand image plays an equal role in cementing the dominance of luxury fashion. These branches have cultivated an aura of heritage, craftsmanship and scarcity. Unlike the fast fashion labels that thrive on quantity and volume of their products the luxury brands intentionally create scarcity of the goods and supply and elevate the prices, thereby enhancing desirability. Marketing strategies, including celebrity endorsement, fast fashion desirability. The market strategies, including celebrity endorsement, fashion shows and cultural association, amplify this exclusivity. Such branding strategies create a physiological moat around the luxury goods and where the consumer perceives them as timeless investments rather than consumable clothing. This intangible brand equity translates into economic strength, enabling luxury companies to command higher profit margins and dominant market share in the premium segment. The fast fashion brands, though successful in the trends, cannot replicate the depth of the cultural capital or the aspirational value tied to the luxury brand image. The result is a form of market segmentation where the luxury brands sit at top of the hierarchy, dictating trends that the fast fashion merely follows. Brand image is another critical dimension. Luxury brands

[12] Christian Louboutin S.A. v. Yves Saint Laurent Am. Holdings, Inc., 696 F.3d 206 (2d Cir. 2012).
[13] Sharma et al., Drivers of Luxury Brand Sales, 111 J. Bus. Res. (2020).
[14] Bourdieu, Distinction, supra note 2.

deliberately restrict output, elevate the price and cultivate the scarcity to preserve desirability. Strategic marketing through celebrity endorsement, runway shows, and the exclusive collaboration amplifies this aura of cultural significance. The result is that the consumer often perceives luxury goods as investments with enduring symbolic value. Fast fashion despite offering trends cannot replicate this market. The cultural and aspirational value tied to the luxury branding ensures that the companies dictate trends while the fast fashion merely follows commenting on their dominance.

3. Intellectual property rights as a shield against competition-

The most direct legal structure mechanism through which the luxury brands maintain dominance in the IP law. The trademarks, designs rights and copyrights provide a powerful[15] tool for the prevention of imitation and preserve exclusivity the trademark protecting logos, monograms and brand names (e.g. louis Vuitton LV or channels double C) while designs protection extend to distinctive patterns and product shapes. The copy rights may protect original artistic works embedded in fashion. By applying the IP rights extensively, the luxury brands not only protect their creativity output but also stifle competition. The litigation against the fast fashion brands for alleged copying is a recurring phenomenon, with the law suits which is serving as the deterrents even in the broader cases[16]. This cold effect of legal actions discourages fast fashion houses from closely mirroring luxury aesthetics, thereby preserving the monopoly of the luxury houses over specific visual identities. Also the luxury brands often use IP strategically to expand control beyond clothing. For example, extending trademarks to the accessories, fragrances in some cases even the digital goods to ensure brand dominance across multiple consumer categories. This creates a multi fold barrier, which is limiting the space for the fast fashion brands competitors to innovate without infringing on luxury IP[17].

4. The suppression of the fast fashion competition-

The combination effect of the aesthetics, brand image, and the IP rights results in a structured suppression of fast fashion competition. Fast fashion thrives on a fast replication of the runway trends at affordable prices. However, legal threats and reputational risk, constrain how far these companies can mimic luxury brands. In addition to this the deep emotional and the aspirational

[15] TRIPS Agreement, Arts. 15–26.
[16] Louis Vuitton Malletier S.A. v. eBay Inc. (2008).
[17] Jonathan Barnett, supra note 11.

connections fostered by the luxury houses to ensure that even when fast fashion offers look like products, they are perceived as a substitute rather than equals. The luxury market also influences consumer behavior by reinforcing notions of authenticity and originality. By framing the fast fashion as "cheap copies" legitimize fast fashion offerings in the eye of affluent consumers. Also collaboration between luxury and fast fashion brands (such as H&M collaborations with Balmain or Versace) which allows luxury houses to control exclusivity which battles down, further marginalizing independent fast fashion labels.

5. Implications for competition law-

From the perspective of the competition law, this dynamic raises important concerns. Traditional antitrust framework will focus primarily on prices based dominance and the market share and common welfare. However, the dominance of luxury brands is sustained not only through economic means but also through cultural and aesthetic barriers[18]. The Indian competition act 2002, for instance, has provisions to address abuse of dominance but does not explicitly account for the aesthetics or the brand driven monopolies. By contracting the European Union has been more proactive in recognizing how the IP rights and branding strategies can intersect with completion law, particularly in cases involving selective distribution systems and unfair trade practices.[19]

To conclude branding image, and the intellectual property rights together form a triad that sustains the dominance of luxury fashion brands in the global market. White these tools contribute to brand image prestige and innovation; they also create structural barriers that restrict the growth of the fast fashion competitors. The suppression occurs not through traditional monopolist practices, but through the careful exclusivity, consumer psychology and legal protection. In competition law, particularly in India,[20] which challenges rethinking dominance beyond price and output, expanding its scope to address the cultural and aesthetic mechanisms that shape the modern market[21].

2. What are the key gaps and limitations within the Indian competition act 2002 in addressing the anti-competitive practices of dominant luxury brands in the fashion industry?

[18] Whish & Bailey, supra note 4.
[19] Coty Germany, supra note 10.
[20] Competition Act, S. 4 explanation.
[21] Hovenkamp, supra note 5.

The competition act 2002, was enacted to prevent practices that have an appreciable adverse effect on competition, to protect consumer interest and to ensure freedom of trade. While this act has been significant in effective in addressing traditional forms of market abuse such as cartelization, predatory pricing and the denial of market access. The acts framework shows a significant gap when applied to industries where aesthetics, branding and intellectual property. Which is driven by dominance of luxury fashion, where these fashion in India use these non-price tools to consolidate market power, which remain under regulated under the existing competition law regime. To narrow the definition of dominance under section 4[22] of the competition act defines dominant position as a position[23] of strength enjoyed by an enterprise enabling it to operate independently of competitive forces or to affect its competitors or the consumers. The act however, largely associates dominance of the price, output, or market share indicators. In luxury fashion, dominance stems from intangible factors such as brand prestige, aesthetic value and exclusivity which influences the consumer choice far more than price. To give an example, even though the luxury fashion market in India may not reflect high concentration ratios, brands like Louis Vuitton or Gucci enjoy near absolute dominance in the aspirational segment due to symbolic value. This forms a dominance of culture which is not captured within the acts economic centric definition in turn which leaves a blind spot behind.

1. Limited recognition of non-price barriers to entry-

The act has a recognition of abuse of dominance where the firms impose unfair conditions, restrict market access or also leverage one market to enter the other. But still it does not explicitly acknowledge non price barriers which includes aesthetics, branding strategies or consumer perception, which are central to luxury dominance. In practice the luxury brands restrict fast fashion competitors by controlling access to supply chain retails spaces and also in the online platforms through selective distribution systems.[24] These practices are scrutinized in the European Union under the article 102[25] of the treaty on functioning of the European Union but in India they often escape attention since they do not directly involve predatory pricing or output restriction.

[22] Competition Act, S. 4
[23] Bourdieu, supra note 2.
[24] Competition Act, S. 3(4).
[25] TFEU art. 102.

2. The interface between intellectual property and competition law-

The luxury brands who rely heavily on the trade mark and the design rights to maintain exclusivity. While the intellectual property law protects creativity, it can create monopolistic control when excessively enforced.[26] The act lacks clarity provisions on the interface between IP and competition law. For example, if luxury brands were to aggressively litigate against fast fashion companies for the alleged imitation of designs, this has the strategy to effectively foreclose the competition. The competition commission of India (CCI) has limited jurisprudence on how to balance IP enforcement with competition. In the case of Amir Khan v. Union of India, the Delhi High Court recognised the need to harmonise IP and competition, but the CCI has yet to establish doctrinal clarity, leaving the space for the potential abuse in the fashion sector.

3. Weak consumer welfare analysis-

The act's preamble emphasizes consumer welfare, but the CCI's jurisprudence has often been limited to look into the price effects. The luxury fashion has however raised questions of non-price consumer harm. Which in turn reduces the choice, creates resection to access to affordable substitutes and to manipulation of the consumer perception through exclusivity. Fast fashion may offer affordable alternatives, but the aggressive legal and market strategies by the luxury brands diminish their legitimacy, indirectly harming consumers who cannot access the high end products. The CCI has not yet adopted a broader test for the consumer harm[27] which includes cultural and aesthetics dimension, these harms remain under addressed. Unlike the EU, which has issued sectoral guidelines for the vertical restraint and the distribution agreements. India lacks market specific regulations addressing competition concerns in the fashion industry. The selective distribution where the luxury brands allow only authorized retailers to sell their goods which is also widely used to maintain prestige. In the EU this practice has been scrutinized in the case of Coty Germany Gmbh v. Parfumerie Akzente Gmgh, where the court balanced brand image protection against competition. In India, the absence of the guidance means such practices remain unexamined. Although the CCI has dealt with the several abuses of the dominant cases (eg Dlf ltd. v valaire owners association) most involve real estate, digital platforms of the telecom not cultural industries like fashion.[28] The lack of

[26] Competition Act, § 3(5).
[27] Belaire Owner's Ass'n v. DLF Ltd., Case No. 19/2010.
[28] CCI Market Studies Framework (2019).

the precedent- specific jurisprudence on the luxury markets creates like fashion. The lack of precedents specific jurisprudence on the luxury markets creates uncertainty. Even if fast fashion companies alleged exclusionary conduct the CCI current analytical framework may not adequately capture aesthetics driven dominance. The Indian Competition Act 2002, has a structural limitation in addressing the dominance of the luxury brands. Its economic centric definition of dominance overlooks the luxury fashion brands but fails to interface between intellectual property and competition law, and it has narrow conception of the consumer harm. To add on to this the absence of the sector specific guidelines and limited enforcement experiences in the fashion leave a significant gap in regulatory oversight.[29] As luxury brands continue to consolidate power in India's expanding fashion market, these gaps highlight the urgent need for the CCI and lawmakers to reconsider how dominance is understood and addressed in industries where prestige, exclusivity and aesthetics matter as much as the price of the product.

2. How have EU and USA interpreted and regulated luxury brand dominance under the competition law and how do these approaches different from the Indian legal framework?

The regulations of the luxury brand dominance under the competition law varies significantly across the jurisdictions. The European Union (EU) and the United States (US) have developed extensive jurisprudence addressing the tension between the IP, branding and competition. Their approach contrasts sharply with India's competition act, 2002 which has yet to adapt to industries where non- price factors such as aesthetics, heritage, and brand image drive dominance.

1. The European Union approach:

The EU has been proactive in addressing the issues such as the selective distribution, vertical restraints and IP enforcement by the luxury brands. Under article 102[30] of the treaty on the functioning of the European Union (TFEU) , abuse of dominance which includes practices that restrict access or exploit consumers. In one of the landmark cases in Coty Germany GmbH v. Parfümerie Akzente Gmbh[31], where the judiciary of the European Union (CJEU) has upheld the selective distribution[32] system of luxury goods, has recognized the restrictions aimed at

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[29] Whish & Bailey, supra note 4.
[30] TFEU art. 102.
[31] Coty Germany GmbH v. Parfümerie Akzente Gmbh
[32] Coty Germany, supra note 10.

protecting brand image could be lawful if proportionate. The decision states that the EU's nuanced stance: luxury brands may restrict distribution to maintain exclusivity but can't impose conditions that eliminate effective competition. Also in the case of Louis Vuitton Malletier v. eBay[33], the French courts and subsequently the CJEU examined whether the ebay's allowance of the counterfeit goods infringed Louis Vuitton's IP rights. Where this case underscores the EU's commitment to balancing the IP protection with the consumer's welfare by requiring intermediaries to endure fair trade practices.

The European Union Commission's vertical block exemption regulations (VBER) and the related guidelines provided detailed rules on the distribution agreements, resale price maintenance, and restrictions on internet sales. These instruments create a structural framework for examining how the luxury brands exercises control while preventing exclusionary or also exploitative conduct[34]. The EU model recognizes the cultural and aesthetic dimension of luxury branding while still embedding them within the competition analysis. Therefore, the EU framework demonstrates a hybrid model, as it accepts prestige and exclusivity as legitimate interest while simultaneously preventing their abuse through foreclosure or exclusionary conduct. This treatment ensures that cultural justification does not overshadow the main aim of protecting consumer choice and competitive market structure.

2.The United States approach: -

In contrast, the U.S antitrust framework, which is governed by the Sherman antitrust act 1890, and the clayton act 1914. Which has consistently prioritized consumer welfare and efficiency, U.S courts remain reluctant to incorporate cultural or aesthetic consideration into competition law analysis, focusing instead on measurable economic effect. The landmark case Leegin creative leather prods, Inc. v. PSKS[35], Inc. shifted the jurisprudence on resale price maintenance by subjecting it to the rule of reason rather than treating it as a per se illegal. This decision but the judiciary effectively allowed luxury brands to argue that RPM agreements[36] present brand value and ensure adequate retail services. which explicitly acknowledges luxury "image" as a legal justification, the decisions indirectly enable the adoption of pricing strategies which reinforce exclusivity. Moreover, U.S jurisprudence on monopolization, such as Eastman

[33] Louis Vuitton Malletier v. eBay
[34] Sherman Antitrust Act, 15 U.S.C. S. 1–7.
[35] Inc. v. PSKS
[36] Leegin Creative Leather Prods. v. PSKS, Inc., 551 U.S. 877 (2007).

Kodak co, image technical services, Inc. which explains that the antitrust liability arises only where the dominance leads to tangible foreclosure of competitors or lock in effect for consumers. The emphasis remains squarely on quantifiable consumer harm, not the symbolic or reputational dominance of the luxury brands. The U.S. also adopts a strong intellectual property stance. The department of justice (DOJ) and Federal trade commission (FTC) guidelines underscore that IP rights and competition law are generally complimentary to each other, with the enforcement triggered only where the IP[37] use extends into overt exclusionary practices. This effectively shields luxury brands from the scrutiny when they enforce trademark or design rights against the fast fashion unless accompanied by collusion or predatory conduct. Hence the U.S approach can be described as economics driven and minimalist luxury brands which may maintain dominance provided they do not inflict measurable economic harm[38] in the form of higher prices, reduced output or diminished consumer welfare. Cultural exclusivity unlike in EU is not legally cognizable justification.

3. The Indian legal framework

The Indian competition act 2002, which seeks to prevent the anti-competitive agreements mentioned in section 3, the abuse of the dominant position mentioned in section 4 and to regulate combinations mentioned in section 5 and 6. With the comprehensive structure, the act has not been tested against the specific challenges posed by the luxury brand dominance in the fashion sector. The Indian jurisprudence on the dominance has focused primarily on the traditional sector such as the telecom, cement or the digital platforms with the competition commission of India (CCI) [39]emphasizing price, output and the consumer harm in the suffocated economic term. Unlike the EU, Indian law which does not explicitly account for the aesthetic values, brand image, or the IP driven exclusivity as factory shaping the market competition. As a result of this practice such as the selective distribution, resale prices market or which are usually driven by the foreclosure by the luxury brands which remain largely outside the doctrinal scrutiny. Also the Indian act has major setbacks[40] in the specific guidelines that might address the fashion industry and its unique characteristics, where the symbolic capital often outweighs functional price considerations. This enforcement gap becomes particularly stark when compared to EU jurisprudence, where the preservation of the luxury

[37] DOJ–FTC Antitrust Guidelines for IP (2017).
[38] Eastman Kodak Co. v. Image Tech. Servs., Inc., 504 U.S. 451 (1992).
[39] CCI Annual Report (2022).
[40] Competition Act, s. 4.

brand image has been judicially acknowledged, but also the carefully balanced against consumer accesses.

The EU in the aspect of dominance considers both economic and cultural factors and also acknowledges that the brand image protection may justify restrictions. In the area of IP and the competition interface EU actively held the balance between the IP rights with the competition, scrutinizing overreach.[41] And the EU has also developed the jurisprudence aspect in the enforcement of strict laws to keep up with the growing trend and the fashion laws. When we look at the U.S perspective the dominant market in the states focuses almost exclusively on price and the output, the cultural justification is marginal, yet they have a strong defense to IP rights, with the antitrust intervention limited to clear consumer harm. And the strong antitrust tradition but it is applied narrowly to the fashion laws. When we compare these two perspectives into the Indian laws the dominance is narrowly defined through market shares and pricing, overlooking non price barriers, where there is no clear framework for resolving IP and the competition conflict in fashion. The CCI has limited experience in the cultural or creative industries and also in the enforcement remains underdeveloped.

To conclude the EU and U.S offers contrasting models for regulating luxury brands dominance. The EU has an excellent balance with the consumer welfare and incorporating cultural considerations into competition law while on the other hand the U.S has given priority to the economic efficiency and the priced based analysis. [42]Indian by contrast lags behind both, with its framework inadequately addressing the unique dynamics of luxury fashion. Without the broader recognition of non-pricing dominance and also the interface of the IP with competition law. India has risks leaving luxury dominance largely which is being unchecked thereby marginalizing fast fashion and reducing consumer choices.

2.Based on the analysis, how can India critically address the market dominance of luxury fashion brands using existing legal tools and how can these changes be enforced for a fair competition in fast fashion?

In India the fashion market, characterized by a growing consumer base and the rising disposable income which has become a lucrative battleground between the luxury brands and the fast fashion retailers. While luxury brands rely on the aesthetics, exclusivity and the IP

[41] Whish & Bailey, supra note 4.
[42] Hovenkamp, supra note 5

enforcement to have their dominance in the market, these practices raise serious concerns under competition law when they restrict the market access for emerging fast fashion brands. In India the competition act 2002 provides a statutory framework to regulate market dominance, but its less utilization in the fashion sector has left significant regulatory gaps. A critical analysis of the act shows that the existing provisions, if expansively interpreted and enforced, can curb the anit-competitive conduct by luxury fashion brands. When we look at the abuse of a dominant position. This dominance is defined not merely in terms of the market shares but also the ability to operate independently of the competitive forces or to affect competitors and consumers. This broad definition is well suited to capture the practices of the luxury brands, which rely on the brand image, exclusivity and the control of distribution channels rather than the traditional price competition. In the case of Belaire Owner's Ass'n v. DLF Ltd. the CCI held that the dominance exists where a firm can dictate terms in the market, even if the consumers are willingly accepting them. The luxury brands imposition of the selective distribution agreement, resale price maintenance or IP driven exclusivity which could be scrutinized as imposition of unfair competition under section 4(2)(a)(i). This approach would align with the EU's case where the reasoning was allowed only to the extent that it preserved brand image without forcing the competition.

The luxury brands often achieve vertical restraints such as selective distribution, exclusivity dealership agreement and the resale price maintenance to control on how and where their products are being sold. Section 3(4)[43] of the act prohibits vertical agreements which causes an appreciable adverse effect on competition.[44] The CCI has previously touched upon the similarity restraints in other sectors, which includes the automobile spare parts where the manufacturer's restrictions on distribution were found to foreclose independent repairs. A similar analogy could apply in the fashion industry, where luxury brands restrict online sales or impose the minimum retail price to maintain exclusivity. The IP and Competition interface adds upon a major tool for luxury dominance lies in the assertion of the IP rights, which particularly trademarks and designs rights are against the fast fashion section 3(5) of the competition act provides limited exemption for IP enforcement as it is necessary to protect the rights conferred.[45] It is very clear that the IP rights cannot be used as a shield for anti-competitive conduct, by applying this principle luxury brands should not be given to use IP

[43] Competition Act, S. 4.
[44] Competition Act, S. 3(4).
[45] Competition Act, S. 3(5).

strategically to foreclose fast fashion access to the market trends, especially where the designs reflect seasonal or functional elements rather than the brand recognition. The EU's approach provides a model for India. It recognizes luxury brand image as legitimate but subjecting restrictions to proportionality test, EU laws prevent foreclosures while respective luxury branding[46]. The U.S.A by contrast, restricts enforcement to clear economic harm, leaving cultural dominance which are unregulated, in India this can be adopted as a middle path, which is acknowledging aesthetics as a part of the market structure but ensuring that such practices do not force out affordable competitors.

Even though there are legal provisions which are existing, enforcement remains a challenge. To strengthen implementation few measures which can be followed and are feasible within existing statutory framework one to have a sector specific guidelines where in the CCI could issue clarification on how section 3 and 4 can be applied to the fashion industry, akin to its sectoral intervention in the digital markets. The market studies on implementation under section 18 the CCI is mandatory to promote competition. Conducting fashion specific market studies would provide evidence based insights into the luxury dominance.[47] The penalties and the structural remedies in section 27 which empowers the CCI to impose fines and modify agreements.[48] These remedies can deter luxury brands from entering into restrictive agreements. And the main important aspect is judicial support where the appellate role of the national company law appellate tribunal (NCLAT) which ensures that the interpretive consistency develops over time as seen in the landmark rulings like DLF.[49] in conclusion the Indian competition act 2002, already provides a comprehensive framework which regulates dominance and the anti-competitive agreements. The challenge lies not in the statutory insufficiency but in interpretative and enforcement gaps. By applying section 3 and 4 to luxury brands practices especially in the selective distribution which resale price maintenance and over board IP enforcements. If enforced with strict vigilance ideas existing tools can curb luxury brand dominance, safeguards the fast fashion competitive entry and ensure that the consumer choice in the fashion industry secretary monopoly driven scarcity but the genuine market dynamics.

[46] Coty Germany, supra note 10.
[47]Competition Act, § 18.
[48] Competition Act, S. 27.
[49] DLF Ltd. v. CCI (2014).

CONCLUSION

The major intersection of aesthetics and the antitrust in the global fashion industry which raises pressing questions about the boundaries of the competition law. This paper has exploded how the luxury fashion brands use the aesthetics, branding and the IPR not merely as tool of definition, but as mechanism to entrench market dominance and suppress fast fashion competition, the most symbolic power is that the consumer does not go on the quality of the product it's the branding of the good which plays an important role. And its association with the exclusivity prestige and the cultural capital which has created competitive dynamics that extends beyond price, production or efficiency. Yet the competition law in most jurisprudence which re including India, continues to operate within the framework that has majorly prioritized the economic harms which are often leaving non prices barriers of the entry which is being unaddressed.

The analysis of the EU and the USA which has highlighted two distinct characteristics. The EU has adopted a more nuanced position, which recognizes the legitimacy of the luxury brand images and preservation but subjecting such practicing to strict proportionality tests under the article 101 and 102 of the TFEU.

In the USA approach which is rooted in the consumer choice or restrict passive sales. In the contract the US approach is rooted in the consumer welfare standard which remains focused on measurable economic effects such as price, output and efficiency. In the Indian framework under the competition act 2002, is refurbished in the theory but the underdeveloped practices. This act contains a broader provision against abuse of dominance under section 4 and the anti-competitive agreements under section 3, both of which could be deployed against luxury brands practices such as a selective distribution resale and price maintenance and overboard enforcement of IP rights. Yet as demonstrated through the Indian case law. The fashion industry, where dominance is often expressed through aesthetics and symbolic value rather than a traditional price mechanism which has remained outside the scope of enforcement. This paper has aimed to identify a significant gap in the Indian competition law enforcement. The absence of the interpretive recognition of the aesthetic and the luxury brand image which can be incorporated sophistication. The US structure which illustrates the risk of reducing the competition law to narrow down the economic analysis, which may inadequately capture the realities of the cultural fashion industry. The findings of this study underlines that the luxury brands in India by relying on branding and the IP risk marginalizing fast fashion competitors and limiting the consumer choices. This application not only threatens the competitive landscape but also restricts the democratization of fashion. Addressing these concerns does not require legislative overhaul. Instead it requires the strategic use of existing legal tools, which is particularly in section 3 and 4 of the competition act. The CCI could issue sector specific clarifications, conduct market studies and report the analysis where the reviewing brands image justifications.

In conclusion, the relevance of this paper lies in highlighting how the non-price factors such the market fashion dominance shows by the luxury brands and the aesthetics in the fashion industry as an aspect which is unexplored in the Indian competition act. Ultimately the fair competition in the fashion industry demands that the law adapts to the realities of the cultural markets, which is ensuring that exclusivity does not become a shield for the monopolization and that innovation and consumer access which remains at the heart of the Indians competitive order.

LITERATURE REVIEW

1. From Armani to Zara: Impression formation based on fashion store patronage[50]

The main focus of this paper is on the symbolic and physiological impact of retail store personality in the consumer impression formality. This looks into and also examines the convergence of luxury brands and fast fashion has extinguished the traditional brand identity lines, and if the consumer traits to people based on what they are shopping for and where they shop. Now this study has two ways of looking at this one is a survey which investigated if the people still hold generalized impressions of the shopping people at certain stores and the other is the experimental test where the cues are visible like shopping bad influence where people perceive others personalities.

The very basic aim of this study is to see and investigate whether the customers use store personality traits to infer personality traits of store patrons. Most specifically, it looks into when a consumer shop at a particular fashion store be it fast fashion or luxury brand it will act as a

[50] Kim Willems et al., From Armani to Zara: Impression Formation Based on Fashion Store Patronage, 65 J. Bus. Res.10 (2012).

social cue influencing how others perceive the shopper.

This paper infers upon retail store patronage can symbolically reflect one person's identity which is similar to owning high end luxury brands. People's perspective is not on what they shop but also on what the other person is wearing. This shows that the store and its branding holds a significant value in the society and it will impact the social judgments as well. Due to this fast fashion which is affordable cannot stand in the competitive market and will be eliminated by the luxury brands due to consumer's choice and market competition.

2. My little luxury: A consumer- centered, experiential view[51]

This article focuses on the mentality and the understanding consumers defined luxuries by a way of narrative inquiry. This paper adopts an exploratory and a quantitative approach to uncover how customers experience and interpret luxury rather than treating luxury as an objective or fixed market category. It doesn't align with conventional notation of material affluence but emphasizes the emotional, symbolic and personal way of luxury consumption.

The aim of the study is to conceptualize the notation of luxury purly from a consumer-centric perspective, when they are moving away from the old traditional definitions based on price, rarity or exclusivity. This investigates how consumers perceive and experience

luxury in their lives. Significance of this paper is transient and private in nature. Consumers experience luxury as high value goods and ownership of luxury good where in fast fashion has challenges and the traditional paradigm and they contribute more to the understanding of the market dominance of luxury goods and why fashion fast and not compete.

3. Is fast fashion finally out of season: rental clothing schemes as a sustainable and affordable alternative to fast fashion[52]

The study aims to explore the determinants influencing the adoption of the rental clothes schemes in the EU in the context of growing concerns for the environment and push for the sustainable alternative to fast fashion. This seeks to understand the factors such as generational

[51] Martina Bauer, Sylvia von Wallpach & Andrea Hemetsberger, My Little Luxury: A Consumer-Centered, Experiential View, 33 J. Res. Mgmt. 1 (2011).
[52] Poppy Imogen Herold & Daniel Prokop, Is Fast Fashion Finally Out of Season? Rental Clothing Schemes as a Sustainable and Affordable Alternative to Fast Fashion, 146 Geoforum (2023).

differences, geographical location and consumer value has its implications in accepting the usage of rental fast fashion models.

The paper mainly focuses on the rental clothing as a form of collaborative consumption that contributes to the economy by extending the garments and reducing waste in the life cycle. Using the study investigates consumer attributes, barriers and motivations related to the rental clothing, with attention to rural vs. urban consumers within the perspectives within the UK. It examines the tension between the rising popularity of sustainable consumerism and the still dominant fashion industry.

Significant of this paper is style preferences, sustainability concerns, geographical context as the rental clothing adoption. Affordability varies by product type, and widespread adoption is having limiting accessibility and consumer trust in rental services.

This insight contributes to the sustainable fashion literature by offering a grounded UK perspective on how to scale environmentally conscious consumption in a fashion-forward market.

4. Sufficiency and the dematerialization of fashion: How digital substitutes are creating new market opportunities[53]

The aim of the study is to examine the commercial feasibility of digital fashion in the context of technological advancement and shifting the mindset of consumer mindsets. It seeks to explore how digital fashion can provide a sustainable, market- viable alternative to physical fashion by connecting with emerging expectations of the consumers and considering the environmental concerns as well.

The focus of the paper is on the strategic potential of digital fashion in reducing the fashion industry's material prints while meeting new consumer demands in a rapidly evolving digital space. Particularly through the lens of consumer expectation. This paper develops a sufficiency model to frame the evolving mindset of consumers who are in favor of meaningful and minimal consumption over excess and waste.

[53] Sebastian Schauman, Sharon Greene & Oskar Korkman, Sufficiency and the Dematerialization of Fashion: How Digital Substitutes Are Creating New Market Opportunities, 66 Bus. Horizons 6 (2023).

The paper has a significant way that infers upon the digital fashion aligns with a sufficiency - oriented consumer mindset. Digital fashion is not only capable of satisfying the consumer desires for novelty and identity but also promotes circular consumption models. The study provides practical guidance for fashion companies to enter and scale within the digital fashion space. And how luxury brands have a monopoly over the market and also contribute to both fashion innovation and sustainability literature by showing the viable convergence of technology, consumer behaviour and market Responsibility.

5. Luxury fashion brands customer's perceptions of mobile marketing: Evidence of multiple communication and marketing channels [54]

The study aims at critical evaluation of the traditional segmentation, targeting, positioning (STP) theory and by using this theory they propose a more empirical supported framework- the market based asset theory- as a better explanation for differences in brand competition and their performance.

The focus of this paper is on why some of the brands like luxury or fast fashion sell significantly more or less than their competitors, despite offering similar products at similar prices. It questions the STP theory, which has dominated marketing thinking for many years, by comparing it against the empirical law of brand growth and competition.

Looking at a larger body of cross country and cross category data, the author advocate for a shift towards market based asset theory, which focus on the real words consumers behavior and the role of the branding size, presentation, societal status, presentation and mental availability as a core drivers of competition, The paper signifies that the traditional STP theory does not align with actual market dynamics, and which fails to explain why some brands are much larger and more successful than others in the market. According to which, the market based theory asset theory which has empirical evidence, offers a more accurate and predictive explanation.

It points out that this brand's success is primarily driven by mental and physical availability of the consumers whose availability to buy the luxury goods. This marked a fundamental shift in marketing science, urging scholars and practitioners to rethink long-held assumptions about

[54] Yllka Azemi, Wilson Ozuem, Ria Wild & Ana Habson, Luxury Fashion Brand Customers' Perceptions of Mobile Marketing: Evidence of Multiple Communication and Marketing Channels, 66 J. Retailing & Consumer Serv. (2022).

how brands grow and compete.

6. Strategies analysis of luxury fashion rental platform in sharing economy[55]

The aim is to study to analyze the impact of luxury fashion rental platforms on designer brands, and to determine the best business model for collaboration between luxury fashion and fast fashion platforms. The study specifically examines whether product sharing enhances or channelizes brand profitability and market reach.

The paper focuses on how business- to - consumer (B2C) product sharing affects luxury fashion brands in the aspect of the growing sharing economy. Using a stylized model in economy, it explores two modes of corporation: 1) the wholesale model where the products are bought outright by the rental platform and 2) the agency model, where the brand uses the platform to reach customers directly for a commission. The paper evaluates the models as mentioned above for analyzing the trade-off between market expansion and cannibalization and how the variables like revenue- sharing proportions and salvage value influence the profit of both parties.

The significance of this paper is that luxury brands can benefit from partnering with fast fashion rental platforms, as the market expansion effect generally outweighs the cannibalization effect. It also concludes that the agency model is more profitable when the revenue-sharing ration is high and salvage value of the product is low.

More to this the findings are across multiple market conditions, including varied consumer segments, consumption behaviour, inter-platform competition and multi-period rental settings. This paper offers practical strategic insights for luxury brands navigating the evolving dynamics of the fashion-sharing economy.

7. Identifying the drivers of luxury brand sales in emerging markets: An exploratory study[56]

This paper aims to identify and analyse the key market characteristics that influence luxury

[55] Yixuan Feng, Yinliang Tan, Yongrui Duan & Yu Bai, Strategies Analysis of Luxury Fashion Rental Platforms in the Sharing Economy, 142 Transp. Res. Part E: Logistics & Transp. Rev. (2020).
[56] Amalesh Sharma, Mauli Soni, Sourav Bikash Borah & Alok R. Saboo, Identifying the Drivers of Luxury Brand Sales in Emerging Markets: An Exploratory Study, 111 J. Bus. Res. (2020).

brand sales in emerging markets(EMs). It looks to see and understand why luxury brands succeed in EMs but not in others and how factors like marketing efforts and

financial freedom impacts the outcomes. The main focus of the paper is on the heterogeneous impact of emerging characteristics on luxury brand performance. This uses a multimedia approach as a qualitative exploration which is followed by a test. The study examines how the factors like market heterogeneity, social political governance and competition from unbranded or fast fashion products include the resources used by luxury brands to shape their sales.

It also investigates the marketing efforts taken by firms and their financial freedom in a market which moderates the act. Various data taken from luxury brands across EU and USA are used to empirically validate the findings. This paper significantly inferred that the luxury brand success in emerging market is highly context dependent which includes complex interactions between the firm, strategy and market dominance. This study finds the impact of each market dominance across the globe and where the market efforts and financial freedom places an important moderating role in enhancing these effects. This research contributes to the luxury marketing which provides data back insights into the establishment of luxury Brands and their strategy information in the emerging market which emphasizing this approach ineffective in the diverse and dynamic global landscape.

8. The market- based assets theory of brand competition[57]

This study aims to challenge the Segmentation, Targeting, Positioning (STP) theory of brand competition which also propose an alternative explanation of the market based asset theory which is aligned with empirical evidence on how brand grows establishes market dominance competes and decline.The main focus of the paper is on the evaluating the foundation of marketing theory which is done by contrasting the traditional STP framework with empirical laws on brand performance which includes the regulatory combinations which is observed across the country and industries. This looks into the main question of marketing that is “why do some brands sell more or less than others, even when they offer similar products or similar prices?” and what makes it a luxury brand of fast fashion. The paper argues that STP theory fails to explain large quality disparities between competing brands, anti-competitive agreements, lack of empirical support where in the market based asset view which is the fast

[57] Byron Sharp, John Dawes & Kirsten Victory, The Market-Based Assets Theory of Brand Competition, 76 J. Retailing & Consumer Serv. (2024).

fashion providing an accurate model of brand success.

This paper signifies the market based asset theory which is fast fashion which explains the real world brand performance that STP theory. It points out that brand growth and competitiveness is driven by factors which are measurable like mental and physical availability market access and brand penetration, rather than targeted segmentation on fast fashions. This marks a critical development in marketing science urging research to move beyond traditional models and ground in theories such as empirical regulates. This paper highlights further research in refining and explaining the market.

9. High end fashion as a social phenomenon: Exploring the perceptions of designers and consumers[58]

The aim of the study is to see and examine how perceptions of luxury brands are socially constructed of high end luxury brands, fast fashion and consumers and how to explore designers' sentiment and realities influence consumer's perceptions of luxury.

The aim of the study is grounded in social construction theory where the paper investigates the interplay between designers and consumers' perspective on luxury and fast fashion brands. This study is done in 2 parts: the author analyses the qualitative interviews with designers. This is study one and study two combines consumer data which is done surveys to explore how different perceptions between the two groups shape the brand value. It focuses on the impact of designer attitudes and satisfaction level of valuing luxury brands.

The paper signifies and infers upon the luxury brand value which is co-created through social interaction with designers and consumers. Designers often hold more ideas which idealizes views of the brand they work for and in turn in which it influences how consumers perceive the brand status of luxury. The study implies and shows how the consumer's perception of luxury diminishes when the designers are openly unsatisfied with their work and in turn reinforcing the idea that internal brand dynamics can shape the brand quality. The paper also burgers luxury brand managers to slime the designers with brand strategy to preserve and enhance the brands luxurious image compared to fashion in the eyes of the consumer.

[58]Yel Pedro, Enav Friedmann & Sandra Maria Correia Loureiro, High-End Fashion as a Social Phenomenon: Exploring the Perceptions of Designers and Consumers, 79 J. Retailing & Consumer Serv. (2024).

10. Brand loyalties in designer luxury and fast fashion co-branding alliance[59]

The aim of this study is to examine how brand loyalty affects the performance of co-branding alliances between fast fashion and luxury fashion brands by using a formal model. It identifies the optimal co-branding strategy by looking into different cooperation schemes commonly observed in industry.

The main focus of this paper is to see the strategy used and the financial dynamics of co-branding between designer luxury brands and fast fashion retailers like H&M, ZARA etc.

It sees how varying levels of brand loyalty influence the outcomes of the different alliance which includes profit sharing, fixed- royalty and merger of intercompany cobranding. Which looks into and addresses the real world observation that fast fashion brands frequently co-brand with well-known luxury brands to make a place in the market rather than being eliminated. The paper signifies a merger based cobranding scheme to produce highest performance and to place in the market for both fast fashion due to greater resource integration. It also talks about the fast fashion brands benefit more when theta re into co-branding with highly reputed luxury brands, and that the brand loyalty as a determinant of co-branding and to ensure its success. This paper finding offer an analytical evidence for how fast fashion brand consistently choose these luxury designers and managerial insights into how companies has to structure in cobranding and take the revenue performance in fast changing marketplace.

[59] Bin Shen, Tsan-Ming Choi & Pui-Sze Chow, Brand Loyalties in Designer Luxury and Fast Fashion Co-Branding Alliances, 81 J. Bus. Res. (2017).

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