

**EVIDENCE FROM CHINESE ACQUISITIONS OF MADE IN ITALY FIRMS IN THE LUXURY SECTOR -
THE ACQUISITION OF A TRADITIONAL LUXURY FIRM**

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ABSTRACT

Outward Foreign Direct Investments (OFDI) from emerging economies have begun to increase significantly and have been growing at a faster pace than FDI from the developed world. The research seeks to assess the impact of Chinese acquisitions and their implications for the Made in Italy luxury sector and its firms. This paper presents the preliminary results stemming from a single case study on a Chinese acquisition in order to provide some in-depth insights over the influences and the motives driving Chinese firms to invest in the luxury Made in Italy, the patterns and modes of the Chinese acquisitions as well as the competitive strategies and the distinctive challenges that both investors and acquired firms have to face. From the findings, it emerges that both the investor and the acquired firm need to overcome several key challenges if they want to mutually benefit from the acquisition.

Keywords: *China, acquisitions, luxury*