

# THE LUXURY BUSINESS GAZETTE

Monthly business news, analysis & views from the global luxury industry

## Acquisition & Consolidation Pattern in the Luxury Industry?

➤ After Balmain, Valentino and Breitling, Bally too was purchased by an investment firm. In addition to the family/privately owned and to the conglomerate owned models, is the emerging private equity owned model a new model for re-boost and growth for some luxury brands? Is the purchase of Bally by Regent, an investment firm, a signal of the acquisition and consolidation trend in luxury?

## Formula 1 is Diversifying Luxury Sponsors and Partners

➤ Netflix's 'Drive to Survive' has driven Formula 1's growing popularity especially in the US. F1 Academy will also get its own show on the platform. As a consequence of diversifying audiences, today there's a new variety of luxury brands that are joining the Formula 1 sponsorship game like the independent watchmaker like H. Moser & Cie and brands like Charlotte Tilbury.



## BUSINESS SCHOOLS SHAPING THE FUTURE OF LUXURY

The luxury industry is famous for its talent factories with mentorship, apprenticeship and mobility programs. In their research INSEAD's Shipilov and Godart found that luxury brands and conglomerates pro-actively attract and spot potential talent ahead of others as "they prime the entry-level pipeline by sponsoring educational programs and offering apprenticeships to promising students." Rolex, for example, covers the tuition fees of watchmaking school students. Luxury hotels collaborate with Glion Institute on luxury hospitality. As Matt Symonds wrote: "Luxury brands are partnering with business schools to advise and develop together the skills the industry will need from potential employees in the future." So business schools today are helping shape the future of the global luxury industry.

## Monterey Car Week Auction Results and New Car Debuts

➤ For the first time, a “preservation class” car won top honors at Pebble Beach Concours, - a 1934 Bugatti Type 59 Sports factory race car. New luxury car debuts were under the spotlight too. The final tally from auctions came in at \$391.6 million including post-auction sales. ([YahooFinance](#))

## Ultra-Luxury Real Estate In US On Pace to Set a New Record

➤ As the wealth of billionaires around the globe has been growing higher, it has generated momentum for luxury real estate purchases in billionaire-populated countries. In the US, for example, there have been six deals at \$100 million or above this year through the end of July, just three short of a record set in 2021. ([Bloomberg](#))

## Advice and Insights From the Luxury Hospitality Experts

➤ From next generation travel trends and best practices of some of the world’s luxury hotels to crafting above and beyond customer experiences... Some of the influential and experienced hospitality industry experts and leaders that run luxury hotels will come together to give advice and share insights in the interviews for the [50BestTalks](#) event in London in September.

## HIERARCHY OF LUXURY BRANDS

When it comes to strategic positioning luxury brands have a strict hierarchy. The expensive brands that use fashion marketing, hype and trends, mass marketing tactics too much, become incapable of positioning themselves as luxury brands or luxury fashion brands. One of the examples is Burberry. The brand’s seven-year push to attract

wealthier shoppers has failed and left it with a threadbare share price. Burberry found out the hard way that the luxury realm has a strict hierarchy on brand positioning. This could have been prevented by applying the ‘anti-laws of marketing’ that experts like Jean-Noël Kapferer or Michel Chevalier have been advising openly for many years. Instead of making a whole series of ordinary mercantile decisions, Burberry could have built a strong British luxury brand via strategic decisions. ([WSJ](#))

## WILDLIFE LUXURY TOURISM

In the post-pandemic world order, the cost of a stay in a high-end touristic safari lodges has been on the rise, commonly reaching four figures per night. From conservation to community, these luxury businesses can make a difference both for the local economy and the local ecology.

Since there is growing demand for various exotic experiences among luxury

travelers and tourism clientele, it has become a business model with strong potential for future. These high quality and tailor made safari packages offer spa treatment, world-class gastronomy and infinity pools. They are mostly located either in Eastern or Southern parts of the continent. [Justin Francis](#), founder and CEO of Responsible Travel, which offers more than 400 safaris across a range of African destinations, says that today “overtourism is a reality in wildlife tourism too.”

