

THE LUXURY BUSINESS GAZETTE

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

Auction Houses Find Antidotes in the Luxury Business

➤ Sotheby's and Christie's look to luxury as a pandemic antidote. The world's two biggest auction houses are selling more watches, jewelry and handbags, but art's still where the real deal is. In fact the art market, being a sub-category of global luxury industry, is one of the last few spheres where the delicate intricacies of high luxury brand management are still present. (NYT)

What Will be the Next Bold Chess Move by Richemont?

➤ LVMH and Kering, long time arch rivals in 'soft' luxury, have strengthened their positions in hard luxury categories as watches and jewelry, challenging Richemont's dominance in market share. LVMH, which acquired Bulgari in 2011 and is set to acquire Tiffany, is not the kind of competitor that can underestimated.



THE GREAT RETURN

Finding the new within the old, seeing history as a source of inspiration and importing what was better in the past to the present were some of the parts in the formula used by the Florentine intelligentsia who planted the first seeds to orchestrate the European Renaissance. Luxury brands look back to get ahead. (BoF) Olding is the 'new' blanding in branding. After an era of streamlined logos and nearly constant drops of Instagrammable merchandise, European fashion houses are reasserting brand signatures from their pasts to signal lasting value in an uncertain market. It is time to return to the roots and revive the original purpose. As the CEO of Kering François Pinault put it: "Today, more than ever, people want to return to genuine values, such as timelessness, sincerity and exemplary standards."

Best Global Brands 2020 Report by Interbrand is Out

➤ The Best Global Brands 2020 is out. As [Rebecca Robins](#) wrote “At their best, luxury brands are a commitment to craft, skills and knowledge, they are a tribute to a sense of human achievement. They celebrate a culture of excellence that reminds us of what it is to be human.”

Franck Muller’s Reputational Crisis is On Its Way

➤ Luxury watchmaker Franck Muller's brand scandal was triggered by its CEO Vartan Sirmakes, who has been making [illegal investments](#) in gold mining on the territories occupied by Armenian terrorists and separatists. In addition to the ongoing judicial crisis, the brand's reputational crisis is on its way because of its CEO.

Announcing One Leader for Both Bugatti & Lamborghini

➤ In addition to his role as President of Bugatti Stephan Winkelmann has been appointed as the new President & CEO of Lamborghini. He said: “It will be a great challenge to manage these two companies, but one that I’m really looking forward to. I have had the privilege to manage both companies separately in recent years, and I can now do this for both together.”

WHY NO CHINESE BRANDS IN LUX?

30 years ago the top of the agenda question was «Are there US luxury brands?»

Today, the key and age-old question to address for the luxury industry: Why are there no sizable Chinese luxury brands yet? Prof.

Michel Gutsatz, a luxury branding expert, was asked the same question for years in the conferences he made in China. His answer is still the same: “soon enough. But there are conditions :
1/ redevelop Chinese craftsmanship 2/ accept to build on Chinese history 3/ master luxury brand management skills (NOT easy) 4/ have a long term vision (NOT 3 yrs ROI)” The country of origin is very important when it comes to saying a brand is truly a luxury brand.

LUXURY BRANDING IS INNOVATIVE

In his article Romagnoli raises the following questions: “Which luxury industry has the most innovative luxury brand marketing? How have luxury businesses achieved such success, and which luxury brand marketing strategies have worked to keep brands such as Gucci,

Aston Martin and Cartier at the top of their games? Have some marketing ideas worked better for one particular luxury segment than they have for another, or is there a general rule of thumb across the entire industry?”

When it comes to meaningful innovations and innovative branding it is unquestionable that there is much to learn for other industries from the luxury industry.

