

THE LUXURY BUSINESS GAZETTE

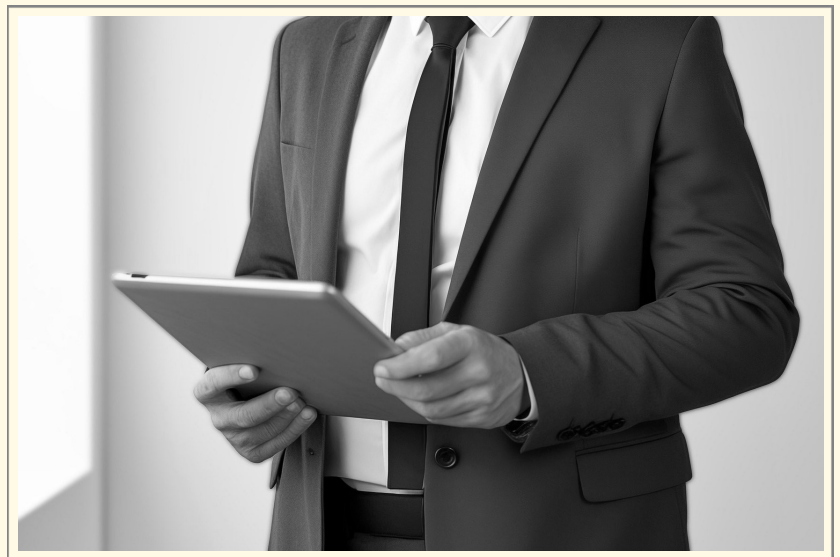
Monthly business news, analysis & views from the global luxury industry

Extraterrestrial Luxury Found In the Treasure of Villena

➤ According to researchers' new report, the Treasure of Villena consisted of luxury objects that, most likely, have extraterrestrial origins. The ancient jewellers combined noble metals from earth as gold and silver with meteoritic metals that came from outer space millions of years ago. It's not only the scarcity of material but also the fact that it comes from high above is what gives it high value.

Pope Francis Believes Fine Wine is One of God's Gifts

➤ As reported by Wine Spectator, in a private audience with leading Italian winemakers and old dynasties as the Frescobaldis, the head of the Catholic Church praised wine's role in farming and culture. He openly said wine is "a gift from God" and urged vintners to care for their employees and the land. The meeting was a lead-up to Italy's largest wine fair, Vinitaly to be held in April.



QUIET LUXURY TAKING OVER INVESTOR PORTFOLIOS

As CNBC reports, luxury stocks have long been regarded by some as an effective hedge against inflation. 'Quiet luxury' is subtly taking over investor portfolios and showing sizable returns. According to a study from the USC Marshall School of Business luxury brands charge more for "quieter" items with subtle logo placement and discreet appeal. For example, Louis Vuitton or Gucci tend to charge more for handbags with more subtle signaling or ones without a logo. Similarly, Mercedes-Benz places larger emblems on its lower priced or more affordable vehicles. As Rumble Romagnoli, CEO of Relevance, explains "whether you love quiet or loud luxury, it speaks volumes as to your social aspirations and is a key profiling trick that luxury brand marketers use to tap into their target audience."

Luxury Brands More Focused Than Ever On Top Clientele

➤ A market study from Bain&Co. found that just 2% of customers make up 40% of luxury sales. It's why luxury brands are more focused than ever on their top clientele and targeting the very upper high-end segments requires customization and hyper-personalized offerings.

Affluent Millennials Say It's Key to Look and Live Wealthy

➤ While more than half of affluent millennials say they've been "greatly affected" by the cost-of-living crisis, 59% feel it is important to "look or appear" financially successful to others, according to a recent Wells Fargo study. This mentality is then reflected on their luxury spendings and ways of living the luxury lifestyle.

More Customization Than Ever In the Luxury Auto Industry

➤ The super-rich are buying more ultra-customized luxury cars than ever. Extreme levels of personal customization have become the standard in the luxury auto industry. Brands like Bentley, Roll-Royce, Ferrari, Lamborghini are capitalizing on hyper-personalization and they are aware how this requires ever-increasing creativity and imaginativeness in practice.

LVMH INVESTS IN 22 MONTAIGNE

The rise of motion pictures about histories of brands is an important tendency. Providing deep substantial content over fleeting content, brands are able to connect with the audience made up of existing and potential customers in a more real value-adding and non-commercial manner. The secret code is being a proto-source from which

meaningful stories come to light in an inside out manner. In order to establish this territory in the minds of consumers, brands are required to research and develop creative content inside out.

The global luxury conglomerate LVMH is investing in its new brand entertainment project creating 22 Montaigne, a new division to explore content possibilities for its 70 brands and bring them closer to Hollywood.

LUX BRANDS AS MEANING MAKERS

True luxury brands and especially the heritage brands have always stayed loyal to who they really are; and more importantly, why they are here. The luxury industry not only creates the high quality objects and meaningful experiences, but these luxury brands are also excellent at preserving their core brand equity, or in other words, their internal 'Know-Why.' Luxury brands adopt a

holistic mindset, always aware of the fact that Purpose must be integrated across all business functions.

Meaning-making is beyond just CSR. These days, as Neil Steyn wrote: "Everyone talks about change. But in a counter-intuitive way, luxury brand marketers must be concerned with what is unchanging – there are still universal meanings, motivations and compulsions that drive the luxury consumer."

