

THE LUXURY BUSINESS GAZETTE

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

European Business Aviation Conference Exhibition is Back

➤ The European Business Aviation Conference and Exhibition is back and it was recently held in Geneva, Switzerland for the first time since 2019. As Doug Gollan from [Forbes](#) wrote, the private aviation business is booming. CEOs of aviation firms emphasize how in the last couple of years private aviation went, for more people, from being a luxury to being an essential part of their lifestyle.

Brand Can Be the Only Point of Stability for Wealth Managers

➤ Asset managers and wealth managers can use the power of brand in times of uncertainty. [Jean-François Hirschel](#) and [Markus Kramer](#) are convinced the brand could be the only point of stability to rely on in an environment made up of many uncertainties. Perhaps now more than ever, investors will be looking for elements of stability – and the brand can be the key solution.



LONDON'S LUXURY HOTEL BOOM

Currently, London is in the middle of a luxury hotel boom, which is unexpected from the conventional economists' perspectives but quiet expected from the standpoint of luxury industry insiders. London outpaced Paris, Berlin, Rome, and Barcelona for hotel business in 2021. There are luxury hotel groups and brands that are investing in the city for the first time. Some of the brands that didn't yet exist here are i.e. Peninsula, Raffles, and Waldorf Astoria. Michael Bonsor, Rosewood's managing director, told [Bloomberg](#) that bookings from the U.S. have increased in volume every week since February, while the loosening of restrictions across much of Asia has helped deliver a clientele willing to reserve extended stays in top suites.

Most Expensive Art Collection to Ever Sell at an Auction

➤ The Macklowe Collection became most expensive art collection to ever sell at an auction. The sale that recently took place at Sotheby's exceeded the pre-sale expectations and dethroned the Rockefeller estate of 2018 as the priciest private art trove sold in auction history.

How Luxury Brands Court the VICs (Very Important Clients)

➤ The luxury industry is at the start of its post-pandemic boom and many brands have put VIP experiences into overdrive, courting wealthy clientele in the US with sumptuous dinners and exotic trips. The process of attracting very important clients, or VICs, is taken to another level, with more HNWI hungry for various luxury lifestyles. (BoF)

Will London Remain 'the Dirty Money Capital of the World'?

➤ It's been called the Londograd, the London Laundromat... With all its scheme-friendly semi-autonomous City of Londons, the banking cartels' realized dream, and with all its international elite magnet investment opportunities, high-profile services and choice-rich luxury lifestyle pursuits it has become "the dirty money capital of the world" (FinancialTimes) but will it remain so?

NO END TO LUXURY'S BOOM

As the rich get richer Valentino chairman sees no end to luxury industry's post-pandemic boom. The population and wealth of the UHNWI, the number of new HNWI and the net worth of existing HNWI grew significantly around the world during the two pandemic years. In this sense, the pandemic-hit

economic environment was not very different from many of the previous crises in history.

The question is not 'how to be richer than others but how to spend better.' One of the first indicators of the second roaring twenties is coming from the luxury segments of society. As Valentino's chairman put it: "After the pandemic, rich people are more aware they are going to die and want to spend money on luxury and more exclusive things"

MERCEDES' FOCUS ON LUXURY

It is known that too many line extensions are risky for luxury brands. Luxury brands like Mercedes-Benz have been diluting their value with cluttered product mixes. Such brands, that are making their place in the market and in the minds of consumers unclear, have been coming across pitfalls and witnessing the gradual damages to overall brand perception.

As Financial Times reports, "Mercedes-Benz will axe three cheaper models and spend the vast majority of its cash on developing top-of-the-range cars in a bid to convince investors that it ranks alongside luxury goods groups such as France's LVMH."

According to chief executive Ola Källenius, the focus on more expensive products would help Mercedes-Benz achieve higher profit margins.

