

THE LUXURY BUSINESS GAZETTE

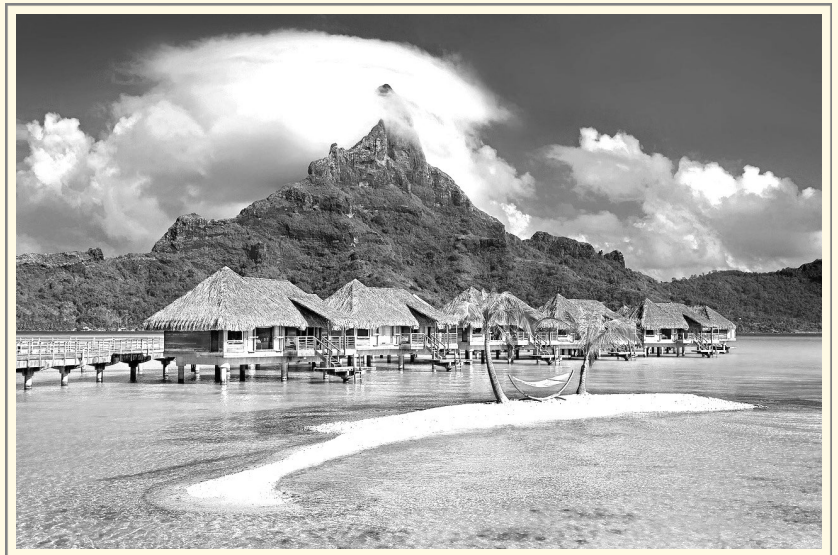
Monthly business news, analysis & views from the global luxury industry

Milan's Court Is On Luxury Brands' Supply Chain Issues

➤ As Pamela Danziger reported on [Forbes](#), an Italian court has recently placed LVMH's Christian Dior brand under judicial administration for a year after an investigation on the brand's supply chain. Milan's court made a similar judgement in regards to Giorgio Armani too in April. More and more luxury brands are being put on notice due to lack of ethics in their supply chains.

Report: BrandFinance's 2024 Luxury Top 50 Ranking Is Out

➤ [BrandFinance's](#) 2024 ranking reports on the both the strongest and most valuable luxury brands has been released recently. Porsche retains position as world's most valuable luxury and premium brand ahead of Ferrari and Lamborghini; Louis Vuitton and Chanel round out top 3. Rolex becomes 2024's strongest luxury brand. Overall top luxury brands show resilient growth this year.



NEW ONLINE PLATFORM FOR LUXURY EXPERIENCES

The luxury industry has had a gap as there was a need in the luxury market for an independent platform that is able to gather rare luxury experiences together in one place. RobbReport has had the information and access to these rare luxury experiences from various suppliers and sources and it has been publishing about them on its outlets. Recently, [RobbReport](#) decided to turn it into an online shopping platform that brings together the finest makers and companies in the luxury sector to create, and curate, a constantly changing selection of rare and exotic luxury experiences for its readers, HNWI and UHNWI, luxury professionals, PR agencies, luxury brands' PR departments and so forth. Most of what can be found on this platform called '[The Vault](#)' cannot be found anywhere else.

How the Affluent Ship Their Luxury Cars When They Travel

➤ The ultra wealthy who travel often and who have a passion for luxury cars transfer their vehicle to wherever they travel. It can sometimes even be a whole fleet of cars. The price sensitive rich use the commercial cargo whereas the ultra-affluent tend to charter jets for their cars. ([CNN](#))

What Are the Ways of Branding Luxury Food Successfully?

➤ While luxury brands in the beverage category (i.e. whisky, champagne, cognac etc.) have been highly successful, luxury food brands haven't realized their full potential yet. What foods have the potential to be luxurious? What are some of the best ways of branding luxury foods successfully? What is the future for luxury food? ([FoodNavigator](#))

Report: 2024 Edition of the Kantar BrandZ Ranking Is Out

➤ The 2024 edition of the Kantar BrandZ ranking of the world's 100 most powerful brands has recently been released. According to Kantar, the luxury sector, still dominated by European labels, is proving to be resilient again this year, its aggregate brand value rising 4% over 2022. The combined value of the 10 most powerful luxury brands is \$357 billion. ([FashionNetwork](#))

THE VERY IMPORTANT CLIENTELE

According to Altagamma and BCG, the VICs who represent less than 1% of all luxury customers worldwide have seen their weight soar in terms of spending, rising from 12% to 88 billion euros in 2013 to 21% in 2023, or 213 billion. Moreover, "VIC spending is five times less volatile than that of aspirational customers, as it is not

linked to the GDP curve or economic cycles."

As the [report](#) by Altagamma and BCG found, many of the luxury brands do try to focus on the VICs but they still know very little about them. Many luxury brands lack psychographic data about their target customer. For psychographics they need to conduct unconventional market research to study such criteria as value systems, lifestyles, attitudes, inner age, motivations, desires, dreams and so on.

ASPIRING LUXURY CONSUMERS

The aspirational luxury consumers don't spend as big as the VICs but they are important for luxury brands as well. One of the common mistakes of luxury brands is that they either target the aspirational customer too much or they completely overlook them. According to a [Bain&Co. report](#), luxury brands should not overlook this segment. Bain partner Claudia D'Arpizio says the luxury brands need to get

the 'high-low' approach right: "This requires an increase in high-end offerings alongside simultaneously presenting improved entry-level products that deliver value to the customer." This does not mean fully democratizing the brand because it could damage the prestige of the brand. Aspirational customers spend less but they are bigger in population. They can spread the awareness, help create desire for the brand, influence others and so forth.

