

# THE LUXURY BUSINESS GAZETTE

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

## What Are the Factors Behind Japan's Luxury Market Boom?

➤ The Japanese market has always been important for luxury brands. According to [BoF](#), 'luxury brands have reported double-digit sales growth in Japan, driven in part by international tourists cashing in on highly favourable exchange rates and luxury spending by Japanese locals is also strong, particularly among Gen X consumers who are typically wealthier than younger cohorts.'

## Luxury Watches Clientele Are Travelling More Often

➤ Similar to luxury clothing brands that are opening more pop-up stores in travel and vacation destinations worldwide both in small and big cities, the luxury [watch brands](#) too are now expanding the number of retail spots at airports, on cruise ships and in other tourist-magnet destinations to match the resurgence in luxury tourism around the world.



## LUXURY AND THE MILITARY INDUSTRIAL COMPLEX

As William Gibson put it: “the future is already here – it's just not evenly distributed.” The military industrial complex is ahead of Silicon Valley. Just like the military-industrial complex that is able to turn science-fiction to science fact, the luxury industry, too, is able to turn the ideal into real. Just like the the military-industrial complex, the luxury industry too is, in many ways, more advanced than most of the other industries out there in the world. In the words of Prof. Ludwig von Mises: “Innovation is the whim of an elite before it becomes a need of the public. The luxury of today is the necessity of tomorrow”. As the recent article by [RobbReport](#) explains, there's a rich history of innovation exchange between the military-industrial complex and the luxury jets industry that has helped both.

## Will There Be 100-Year-Old Whisky Bottles On the Menu?

➤ Today, more than ever, there are 50-year-old rare bottles offered by luxury whisky brands in the market. Are we approaching the time when there will also be 100-year-old whisky bottles for the luxury clientele? There are still questions over the ageing process but the race to 100 is on.

## An Alternative Way of Living: Private Residential Superyacht

➤ A travelling luxury home, an alternative way of living, a residential superyacht for HNWI. As Spear's reports, "comprising about 132 residences and 22 guest suites, the 320-metre superyacht Ulyssia is set to make waves as the most exclusive private residential ship community in the world when it launches by the end of the decade."

## LVMH Chairman Bernard Arnault Invests In Richemont

➤ A socio-historical pattern that persists is that many of the elites collaborate whereas the masses continue competing and dividing themselves politically. It came as a shock to many when the mainstream business media reported on LVMH owner Bernard Arnault's recent move to acquire an equity stake in the competing global Swiss luxury conglomerate Richemont.

## LUXURY PRODUCT PLACEMENTS

Boat International recently curated some of the best examples of superyacht placements in film and TV. Product/brand placement is almost a \$30 billion global business and many of the placements are from the luxury industry. One of the shortcomings of marketing professionals in many corporations today is that they don't think big enough

when it comes to brand integration or placement. In fact some insiders of the luxury industry conclude that it will be one of the main, if not the main, means for brand comms in the future. The upcoming challenge in the branded content industry will be based on mastering the art and science of brand casting to be able to integrate the brand to the narrative in a subtle way that doesn't interfere with the mise-en-scène, the character (as the influencer) and the plot.

## IN-STORE LUXURY ADVISORS

The recent study by Ernst & Young called Future Consumer Index found that: "More than two-thirds of customers want expert advice when purchasing high-value items, while one-third want the personal in-store service online shopping can't match. Another 3 in 5 consumers want to see and touch items before buying them." The in-store multi-sensory experience that luxury

brands orchestrate and stage cannot be replaced with e-tail. Customers value the sales ambassador's advice and guidance, particularly for luxury goods, while they feel frustrated by AI chatbots' inability to resolve customer service inquiries. Most of the luxury brands have highly trained in-store staff who deliver the necessary experience, provide one-on-one consultation, private shopping sessions and storytelling about how the objects are made or about the history of the brand.

