

# THE LUXURY BUSINESS GAZETTE

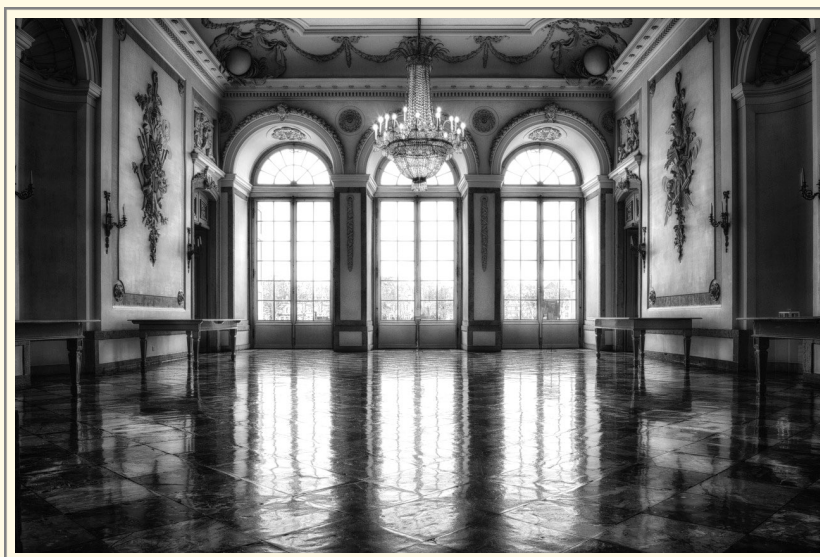
Monthly business news, analysis & views from the global luxury industry

## Global Luxury Giants Hiring CEOs of Smaller Luxury Firms

➤ Large global luxury giants are able to attract CEOs from relatively smaller luxury brands, up to 1 billion euros, for various reasons. The number of appointments is growing. It's a win-win for both sides since the luxury mega-brands also have a lot to learn from relatively smaller but iconic brands when it comes to holistic luxury brand management and strategic positioning.

## Seclusion And Personalisation Drive Demand In Lux Travel

➤ Could 2024 be the most luxurious year for UHNW travel yet? What are the key drivers of demand in UHNW travel? According to the 2024 Virtuoso Luxe Report, the search for privacy or seclusion and personalisation is driving demand for private aviation, yacht charters and exclusive-use villas around the world. Experts expect the travel demand and spend per trip to increase in 2024.



## HEIRS WEALTHIER THAN SELF-MADE ONES

According to a study by UBS, it's for the first time in the last decade that billionaires accumulated more wealth through inheritance than through entrepreneurship. Benjamin Cavalli, who oversees strategic clients in the global wealth management unit at UBS explained that "this is a theme we expect to see more of over the next 20 years as more than 1,000 billionaires pass an estimated \$5.2 trillion to their children." The post-pandemic world order changed the side which led the billionaire growth as this time it was Europe that led it. The inheritance figures are still likely underreported, given the wealthy dynasties' hesitation to publicly proclaiming their wealth. The ongoing great wealth transfer presents both new opportunities and risks for family offices and wealth managers around the world.

## The Outlook For the Global Art & Collectibles Market in 2024

➤ How is the outlook for the global art and collectibles market in 2024? In an interview with [Bloomberg Sotheby's](#) CEO Charles Stewart discusses the business outlook for the luxury auction house, possibly weaker demand in Asia, and improving the client experience in galleries.

## 2024 Plans of Luxury Travel & Hotel Brands Revealed at ILTM

➤ The 22nd edition of [ILTM Cannes](#), took place 4-7 December and it was the largest edition of the event to date as the luxury travel and hospitality industry is still booming. During the event both small and global luxury brands from the industry revealed their plans for 2024. The new and creative tendencies, practices and expansions are on the rise.

## Luxury Home Prices to Grow More Than Expected in 2024

➤ Global luxury home prices to grow more than expected both this year and in 2024. The [report](#) from Knight Frank revealed that prices are set to rise 2.4% in 2023, up from a prediction of 1.7%, while 2024 could see 2.5% growth. Buyer appetite has strengthened in some markets as “buyers appear confident that the worst is now behind us” said Kate Everett-Allen from Knight Frank.

## CUSTOMER SERVICE EXCELLENCE

As Breandan [Ritaine](#) from EHL wrote in his article: “Don't follow standard market measures. Dive into the specific reality of the luxury world and, once there, perform a much more precise segmentation” to determine the profile of the luxury customer right.

Luxury industry insiders have always been aware that

they need to go beyond demographics and use advanced psychographic segmentation, profiling, targeting and positioning for hyper-personalisation.

Achieving and maintaining customer service excellence is only possible by applying advanced psychographics. Today psychographics is the industry insiders' secret instrument to obtain not only competitive advantage and lasting profitability but also to realize true luxury.

## LVMH'S TALENT SHORTAGE

The luxury industry has been warned many times repetitively over the last two decades about the global talent agenda and the upcoming talent shortage. The industry insiders have even mapped the way to be pro-active in solving the issues related to talented and skilled workforce. It's not just about investing in people but about investing in headhunting HR radar and psychographic profiling

systems too. Today, despite all the new possibilities offered by social media networks like LinkedIn, transparent profiles of talented professionals, personal websites and other open source intelligence, the HR ‘professionals’ of brands and conglomerates have not been delivering even half of the work they are responsible for, which is why, for example, LVMH is facing a talent shortage today. LVMH is forecasting that it will have a deficit of 22,000 workers by the end of 2025, a record shortfall, [BoF](#) reports.

