

IN-STORE

Accumulation of experiences will change lives: Four Seasons exec

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Serenity Pool at Four Seasons Resort Maui at Wailea

By NANCY BUCKLEY

MIAMI – Engaging a consumer requires luxury brands to create unforgettable experiences in an authentic and empowering manner, according to executives from Four Seasons and Bang & Olufsen at The New York Times International Luxury Conference Dec. 3.

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Creating luxury for a guest or consumer requires the brand to be authentic, but not fake, to create an emotional response, but not to intrude on the consumer's privacy. Balancing these lines can be difficult, but with the right information and interest, the consumer can have a life changing experience that will deepen their alliance to the brand.

“Authenticity is one of those soft, subjective qualities you sort of know it when you see it,” said J. Allen Smith, president and CEO of [Four Seasons Hotels and Resorts](#). “There is a genuineness to it that can't be prescribed.

“One of the qualities that we look for in people who work for us is emotional intelligence. You can't prescribe everything, you can't do everything by a script,” he said. “Our consumer, our guest is incredibly discriminating, they can discern a fake, whether it is a luxury good or the way someone enables them. Cultivating that sense becomes really

important.

“For all the focus that is put out in a hardware, these magnificent buildings you keep walking by, at the end of the day what really matters is the culture and people who animate these places. It is a form of performance art.”

Magic in you

Guests and consumers remember magical experiences, those occasions that allow them to interact with something and create an emotional connection.

“Our customers wanted magic, I’m not talking about a magician, I am talking about the products have to build magic, everyday magic... something like mechanical magic,” said Johannes Torpe, creative director, **Bang & Olufsen**, Copenhagen. “Every time we try to do something that does not have magic, we have almost, more or less, failed.”

This magic can exist in a showroom that gets consumers to come out and witness it, or in the service provided to the clients. Magic sparks emotion in consumers.



The New York Times International Luxury Conference

Brands sometimes run into problems with igniting that experience for every consumer, especially as the brand expands to countries like China.

“It is a huge challenge for us because so much of the impression people draw from our brand is in the physical space they occupy,” Mr. Smith said.

“When we first entered China we did it in the manner that we did it in other markets: understated luxury,” he said. “Only to discover that for many of the consumers we were dealing with wanted a far more iconic version of luxury.

“We have been evolving our presence there to match that. A typical development cycle for one of our hotels, that’s if every thing goes according to plan, is maybe five years so you are placing a bet how the consumer will respond to it five years from now.”

The consumer is the one who creates the demands, so listening to them, knowing them

and anticipating them is important for brands to gain consumer alliances and stay competitive in the luxury marketplace.

In hospitality, these demands can often be met through the service provided. The space of a hotel can be similar to many other hotel brands, but the service and people at the location can change the guest's stay and create that magical, emotional experience.

Stay tuned

Big data cannot always keep up with the evolving consumer, so it is crucial that brands delve into their own clients' wants and needs and create the experience that they want. Waiting for big data results can be too late for the brand to engage the consumer.

Luxury brands are delving into more bespoke options and marketing, according to Wealth-X's president at Luxury Retail Summit: Holiday Focus 2014 Sept. 9.

Mr. Friedman spoke about the necessity among brands to understand their consumer, who they are, what they do and who their friends and family are in order to gain a full understanding of these individuals in order to effectively market. Luxury brands can learn from Wealth-X's research on the ultra-high-net-worth individuals to create specific marketing strategy for the ultra-affluent ([see story](#)).

Some brands are using live data to stay in-touch with consumers.

For instance, Italian lingerie maker La Perla has teamed with a software platform to create a platform that will be implemented for all La Perla boutiques and fashion stores where its products are sold.

La Perla worked with MicroStrategy Mobile to analyze sales and other company data points through key performance indicators. This new technology will allow La Perla to be aware of information in all its stores and make necessary alterations to tactics without too much delay ([see story](#)).

Staying up-to-date with the evolving customer is important, but this can be done on a personal level, without any drastic physical renovations.

"If you highlight one of the absolute critical issues for the company like ours, how do you differentiate yourself in a very crowded market," Mr. Smith said. "Luxury in the hospitality business is becoming very homogenized, all it takes to build a luxury hotel is someone with a lot of money.

"You can go into hotels and say wow this feels like this restaurant," he said. "There is a homogenization that is taking place, which is a real challenge for companies like ours. It is where I go back to the customization, the personalized service, the people matter.

"If you are trying to win that product war, it is very hard to do, and so it comes to the people dimension of this, that comes to the sense of how do you create the sense that when you arrive you are being treated uniquely."

Final Take

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