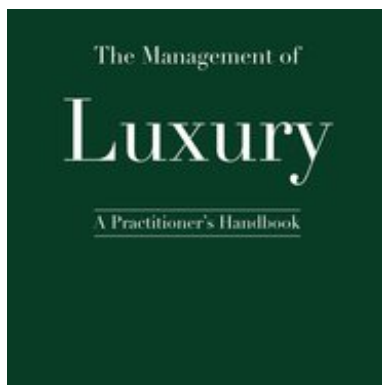


COLUMNS

## Book excerpt: The Management of Luxury

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Book excerpt: The Management of Luxury



Curating the creative genius in luxury firms

By [Charles Aaron Lawry](#) and [Sabrina Helm](#)

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When a luxury brand bears a founder's name, its success is tied to his or her creative genius. The creative genius is the sense of spirit or even magic that underlies the creations and inventions of an iconic leader within a luxury firm. As a result, succession planning creates particular challenges for most luxury executives. Founders may presume that a successor will misinterpret the creative genius, leading to brand dilution or brand failure; or they may struggle with interpreting and sharing the source of their creative genius.

Additionally, iconic leaders can be narcissistic and egotistical, refusing to share the elements of their creative genius and the secrets of their success. As Steinhauer put it,

‘their ambition is to create something so distinctive, so much the trademark of a single mind that it is almost blasphemy to talk about designating a successor.’ Succession management literature has termed this sense of leaders as being unique and irreplaceable as their ‘heroic mission.’

Succession researchers caution that when heroic leaders believe in the lasting supremacy of their own power and abilities, they may eventually destroy themselves and their company, thereby exposing their firms to great risks. The difficult post-succession years of Gucci, Chanel, Escada and Versace, for example, illustrate that without proper succession planning, a luxury firm can undermine the trust and morale of its employees, customers and shareholders. In the following excerpt, we investigate how luxury firms curate the intelligence and creations of iconic leaders while safeguarding their ‘creative genius.’

### Succession management

German sociologist Max Weber was among the first to identify the importance of succession management and saw it as one of the greatest challenges of leadership, particularly in the case of founders possessing charismatic authority. Similarly to the case of creative genius, succession management requires the institutionalization of such charisma, so that the firm may survive its founder by making available to others his or her experience, skills and intuitive understanding of the market. This knowledge is the most fundamental asset within a firm because all other resources depend upon it. Competitive advantages can be created on the basis of the knowledge possessed by a firm and the ability to develop it. This constitutes an additional step in succession planning that can be referred to as ‘curation.’

### The art of curation

Curation is the collection, conservation and display of meaningful objects. Curation should be a transformative process that materializes in a tangible form the essence of the creative genius. The goal of curation is not to memorialize an iconic leader or his or her personal story. Rather, the goal is to gather, sort, transform, record and share valuable knowledge resources that otherwise would be lost so as to preserve brand authenticity, as customer needs periodically change and warrant brand revitalization.



*Charles Aaron Lawry*

Hermès, for example, has maintained a private museum in Paris since 1923. By

documenting its equestrian heritage and shared history with the carriage trade, Hermès preserves brand authenticity and captures tactile aspects of its 19th-century iconic leader, Thierry Hermès and his creative genius.

When bearing in mind the need to be transformative, the curation of intangible cultural heritage such as the creative genius mostly consists of the documentation and presentation of artifacts. In the following subsections we describe how a corporate library system can support the documentation of artifacts. In turn, we suggest that a corporate museum may foster the presentation of artifacts for future contemplation and edification.

### Corporate library systems

Luxury firms that are able to rise from the ashes after a difficult succession often have globally recognizable brand names, a visionary design team and iconic products, which the successor can “easily pick up and run with” (p. 1). A corporate library, therefore, should be seen as a resource for giving an eventual successor not only a ‘taste’ of the creative genius but also the firm’s brand identity.

Firms that profit from the symbolic value of their products such as luxury fashion designers should strive to document three important kinds of brand attributes within the corporate library: corporate and brand history as well as core competencies; product and stylistic identity; and visual identity. For example, Akris maintains a historical textile archive in St Gallen, Switzerland that holds almost 100 years of the firm’s iconic textiles and fabric samples, inspiring new designs. As a result, Akris produces leading-edge fashion designs, while referencing its brand’s history and cultural heritage.

### Corporate museums and exhibitions

Corporate museums offer direct benefits to a luxury firm, both generally and as it relates to succession planning. An immediate benefit of a corporate museum is that it recreates the feelings of dreaminess that are rooted in a luxury brand’s identity. For instance, Valentino hosted an exhibition of his life’s work at the Ara Pacis Museum. By attending the opening night, Valentino was able to describe the creative genius of his brand directly to the press and customers who attended the event. Especially when an exhibit is focused on the creative genius, it encourages employees and customers to fantasize and rekindle their love for the brand.

In fact, researchers have predicted that the museum will become the next big frontier for building customer relationships in addition to runway shows and flagship retail stores. For succession planning, a corporate museum affords a firm the opportunity to pre-test the accuracy and usefulness of the corporate library. By offering a panoptic view of the artifacts to customers and other stakeholders, firms can see whether their collections leave a positive impression of the creative genius that underlies the firm and its iconic leader.

### Conclusion

We suggest that curation of the creative genius could effectively incorporate knowledge transfer and succession planning into the management of luxury. Corporate libraries and

museums can act as living nexuses for documenting and presenting the creative genius in preparation for an iconic leader's inevitable departure and future decision making. Curation provides several benefits to luxury firms such as invigorating the elusive contents of the creative genius, increasing brand love and ambassadorship amongst employees and customers, and increasing transparency between the creative and business mindsets within the firm.

In this context, it is important to note that curation is not meant to preserve the past but guide successful transformation of the brand in the future. Curation is not much different than what luxury brands achieve every day with their customers, by creating an illusion of rarity and exclusivity through innovative brand positioning. Paradoxically, when it comes to succession planning, the creative genius is the illusion while curation should be the brand positioning strategy.

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