

MULTICHANNEL

Capture consumers' hearts along with their minds

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Forevermark diamonds

By SARAH JONES

LONDON With a Google search just a click away, transparency and reputation are more important than ever, according to the co-founder of Positive Luxury at Luxury Interactive Europe 2015 on Oct. 28.

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Particularly among the millennial generation, there is a shift toward buying brands that reflect their values, making how a brand produces its merchandise as weighty as the product itself. Even for traditional brands, there is an opportunity to reinvent themselves to instill a sense of trust in the modern day consumer.

"Marketers are faced with this incredible dilemma of multi, multi channels and omnichannels and intermediaries and tone of voice and messages, but actually the marketing book needs to be ripped, because we are at the generation where the 20-year-old and the 50-year-old have the same taste," said Diana Verde Nieto, co-founder of [Positive Luxury](#), London. "The access point perhaps is income, but it's also beliefs."

Creating a conversation

By 2020, millennials will have a spending power of \$79 million. While baby boomers select which brands to buy from by listening to their friends' opinions, millennials are more focused on the image and practices of a brand they will support.

The world is also becoming more connected, with consumers now checking their phone 61 times per day and sharing six to seven pieces of content to social media daily. The store is also changing, as consumers often visit a store to browse, but make their final purchase in digital channels.

All of this is coming together to form a new definition of luxury. This retains the craftsmanship and quality, but includes an added element of two-day conversation.

Some examples of those adapting to the new luxury are Tesla Motors, which speaks to ecological values of consumers and looks to transform mobility, and Victoria Beckham, which has opened up its brand to its social media audience through Skype.



Tesla charging station at Peninsula Hotel

Even longer established luxury brands are changing their business strategy to reflect the evolving consumer demand.

Louis Vuitton is moving away from its heavily logoed items toward a more understated luxury, while Porsche allowed its Facebook community to collaboratively design a vehicle, which was then put into production.

The media landscape has become more crowded, forcing brands to find an individual story to break through the clutter.

One of the ways a brand can differentiate itself is by doing good. For example, De Beers Group's Forevermark includes a notation in each diamond enabling the consumer to see the entire journey of the gem, making the supply chain transparent.

Veuve Clicquot has made a choice to build a relationship with consumers by opening up and telling its story, letting its fans be part of the brand through co-creation.



Veuve Clicquot Tumblr

For instance, the brand recently profiled a number of its employees in a video series that celebrates the talents behind a flute of bubbly.

Housed on the brand's Web site, the "We Are Clicquot" series consists of five episodes capturing different vineyard roles to take a new spin on the notion of a craftsmanship video. While craftsmanship videos are immensely popular among luxury houses, showcasing employees in a candid fashion personalizes a brand and its offerings through the creative insights shared by the featured individuals ([see story](#)).

"I think vulnerability is a key word, because you can be vulnerable without being weak," Ms. Verde Nieto said. "And I think this absolutely incredible difficult balance is something that brands have struggled with in the past, but are looking to innovate in this arena."

Cause focused

Now, more than ever before, luxury consumers are environmentally conscious and aware and have begun outwardly searching for brands with ethical and sustainable business practices.

Industry and brand transparency is valued, but in many cases the consumer, especially one not familiar with the inner workings and practices of a particular brand, may be unaware about whether or not products meet a wanted standard of sustainability. London-based Positive Luxury and its interactive Trust Mark uses technology to keep

consumers informed of luxury brands' commitments to quality, design, craftsmanship, service and sustainability (see story).



Diana Verde Nieto

Having a positive purpose goes beyond managing supply chain. Leadership needs to be the driving force, enforcing responsibility across all aspects of the business.

Positive Luxury's trust buttons go beyond brand building, actually increasing conversions for those brands that achieve the classification.

"Although you might think that people do not care, and they're cynical about it they do care," Ms. Verde Nieto said.

Beyond sales, a focus on doing good can affect a brand's future.

"In the 21st century, there is nowhere to hide. The world is completely connected," Ms. Verde Nieto said. "The reputation of brands is absolutely everything, and that could be destroyed within a click, quite literally.

"To attract the best talent, you have to have the best company, and best doesn't mean pay more, but actually behaving well," she said.

"Most importantly is the brand asset, how do you protect that brand, how the reputation of the brand can actually last the next 100 years, and leadership is at the heart of that."

Final Take

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