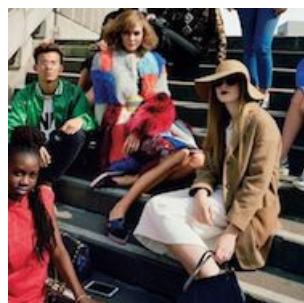


MULTICHANNEL

Events crucial at defining brand community: Neuehouse founding partner

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Karlie Kloss with attendees at 2014 Vogue Festival

By SARAH JONES

NEW YORK Luxury brands can work relentlessly to develop a quality product, but without creating a controlled experience and consistent message around their merchandise and identity, there may be a disconnect between reality and public perception.

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During the "Going Beyond the Product: Creating Physical Experiences for Luxury Consumers" session at Luxury FirstLook: Strategy 2016 Jan. 20, panelists agreed that finding one consistent brand personality and ideology and communicating that across all touch points, whether online or in-store, is the key for effective brand positioning. From there, letting consumers engage with a brand through product, entertainment or creative experiences can further help to build a community.

"The brand has to drive the interaction, whatever it is, and then I think you have to be aware of what consumers' expectations are," said Matt Powell, co-president of **KBS**. "So digital has made it so that whether it is a luxury brand or not, people have certain expectations in terms of understanding everything from what's going on in the supply chain to price comparison, things that normally luxury could avoid."

"And you have to think about how do you take advantage of what consumer expectations are altered by the Web when you're creating any experience online, offline, in-store, out of store," he said.

Luxury FirstLook: Strategy 2016 was organized by Luxury Daily.

Leaving a message

When trying to communicate a brand message to many different generations, brands should not let age be the primary focus, since consumers do not like being defined by this demographic. Mr. Powell said instead brands should speak to characteristics that consumers prefer to be identified by.

James O'Reilly, founding partner at **Neuehouse**, agreed, explaining that the private work collective tries to find common threads among its multigenerational audience rather than point out differences. Additionally, Neuehouse offers programming at different levels, allowing consumers at varying points in their lives to use its spaces and join its private community.

When designing retail spaces, brands should work to create elements of surprise. For instance, Neuehouse's bathroom doors feature images of a pump and a mustache, fashioned out of magnets, showing more ingenuity than

a painting.

In-store digitization efforts should center on creating an experience that the consumer cannot have at home on her tablet or phone. For instance, Puma took the concept of the in-store iPad and made it more memorable by creating a wall of iPads eight across.

"Physical and digital should be seen as complimentary as opposed to standalone items," Mr. O'Reilly said. "I typically reference how much better educated people, more informed people are prior to an in-store purchase.

"I think those should feed off each other, and what I've seen more is people in-store are referencing digital moments, which consumers have prior to purchase," he said.

Another way to surprise is in sensory and hospitality touch points. For instance, Dover Street Market was one of the first to include an in-store eatery, and its stores use a museum-style layout.



Prada at Dover Street Market

Creating a consistent experience at point of sale can become more difficult when a brand does not handle its own retail outlets.

This is true of automotive brands, which typically have a network of dealerships, but no flagship stores. Geoff Cook, founding partner of **Base** New York, said that he finds this lack of brand-owned store presence "bizarre."

One option to make up for this would be hosting experiential events where consumers would be able to test drive and see the cars in person.

Similarly, Mr. Powell is working with BMW to bring its fragmented online presence together, uniting dealer, regional and corporate sites into one. The automaker's corporate team also set up a showroom in a mall, giving itself an opportunity to reach consumers directly.



BMW Gallery at South Coast Plaza

Mr. Cook believes that brands should be more focused on creating news than on designing ads. Neuehouse employs this strategy, identifying itself as a publisher and introducing itself to potential members through editorial placements in media such as Vulture and Vanity Fair.

Face time

Having a consistent brand identity extends to personnel across facets of the business.

Mr. Cook said that the human connection is important in all channels. Ecommerce should therefore be more than just a transaction and a faceless shopping cart, particularly at luxury price points.

This starts at hiring. Neuehouse looks for an "emotional IQ" in potential new hires, searching for employees who fit into its community. Mr. O'Reilly said that it is difficult to tell who is a member and who works at Neuehouse.

When training new team members, brands should communicate not only what is done, but why it is done. For instance, a genius at the Apple store in Shanghai told Mr. Powell that when he resolves an issue, he is not just repairing a device, but he is fixing a fractured relationship between the consumer and Apple.

While luxury brands typically know the best practices in client building, most are not practicing these strategies for their own customers, according to the CEO of the Luxury Institute at Luxury Interactive 2015 Oct. 14.

The traditional training program for sales associates is out of date, as the focus should be on education that can be applied in a creative way rather than a rote set of rules and checklists that take the human element out of interactions. Additionally, these important members of a brand's team should be rewarded more for their actions than their results, putting the emphasis on client retention and engagement, which will lead to sales over time ([see story](#)).

"I think for me, the most powerful thing is clarity and purpose for a brand," Mr. Powell said. "So lots of people know how they do, lots of people know what they do. The best brands know why they do what they do."

"And that kind of clarity affects a lot of the behavior of the people on that team that end up being some of the most important touchpoints that exist, because they really define the experience," he said.

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