

MULTICHANNEL

Technology to bring luxury to age of entanglement: Wired Consulting director

April 21, 2016



Shangri-La guest using its virtual reality headset

By JEN KING

SEOUL, South Korea Virtual reality, artificial intelligence and other emerging technologies can help brands future proof the luxury industry.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246** ▶

The digital dynamic is not a projection for the future, but right now, and just as the Internet fundamentally changed business practices in the 1990s, all industries, luxury included, are on the cusp of technological transformation. During the "Future Luxury" talk, the eponymous session of Conde Nast International's second Luxury Conference April 20, Wired Consulting's Sophie Hackford explained how technology is accelerating at a fast rate to meld the physical with the digital.

"What I really want to drive home, is that we should be navigating by the stars, and not by the light of each passing ship," said Sophie Hackford, director of [Wired Consulting](#).

"Of course, it feels like there are a lot of passing ships today, a lot of short term, distracting sort of shiny objects that prevent you from keeping an eye on the long term goals," she said.

"This short termism is compounded by the fact that we're in this sort of accelerating environmental. Technological change will never be as slow as it is today, which is an alarming thought."

Wired Consulting is a division of Conde Nast-owned [Wired](#) magazine.

Advances in technology

Ms. Hackford set the stage for her discussion by quoting Facebook's company mantra of "We are 1 percent finished," meaning that the impact of the social network's work is yet to be completely realized. Just as Facebook is still developing ways of increasing social interactions, technological advances have only brushed the surface of possibilities.

Although luxury brands have been notoriously slow adaptors, the industry can benefit from integrating technology into products, campaigns and in-store relations.

This realization will also assist in brands associated with an established heritage to better reach a generation of consumers who have never known a world without smartphones.

These "virtual natives" are vital for the future and will become even more so as they mature over the next five to 10

years. Brands will need to create a vivid 360-degree environment to make an impact and maintain modernity and relevancy going forward.

While ambitious, weaving technologies such as virtual and augmented reality into consumers' every day life is needed. The integration of technologically advanced content has the potential to transform how consumers understand entertainment from looking up the weather to viewing a sporting event.



Dominaor Yachts virtual reality experience

"This technology will become ubiquitous incredibly quickly, whether you're involved or not," Ms. Hackford said. "The Internet of the 90s happened, irrespective of those brands that were ignoring it back in the day."

Since human beings are social creatures, technology needs to be social. There is a misconception that virtual reality, for example, is singular and lonely, but the technology has the opportunity to be socially interactive.

Brands can leverage the technology to create virtual stores and exhibitions or host virtual reality calls with sales associates. The latter of which can be positioned as a shared experience rather than an adaptation of Facetime.

This "metaverse" concept is a mash-up of virtual reality, augmented reality, artificial intelligence and the Internet. Essentially, the metaverse creates a second reality of Web places, not Web pages.

Via virtual reality, consumers in the near future could interact with friends, designer and sales associates for a compelling experience that explores products through the senses. The "infinite" store would not be constrained by the limitations of the physical, and the reality of rising rents across the world's high streets.

For example, French fashion house Christian Dior is exploring the parallels between technology and couture with the introduction of in-store virtual reality headsets.

In June 2015, the LVMH-owned house worked with DigitasLBI Labs France using a 3D printer to develop its Dior Eyes experience. By placing Dior Eyes in a number of its boutiques, Dior maintains its relevance as the retail landscape acclimates to the changes in consumer behavior and mobile readiness ([see story](#)).



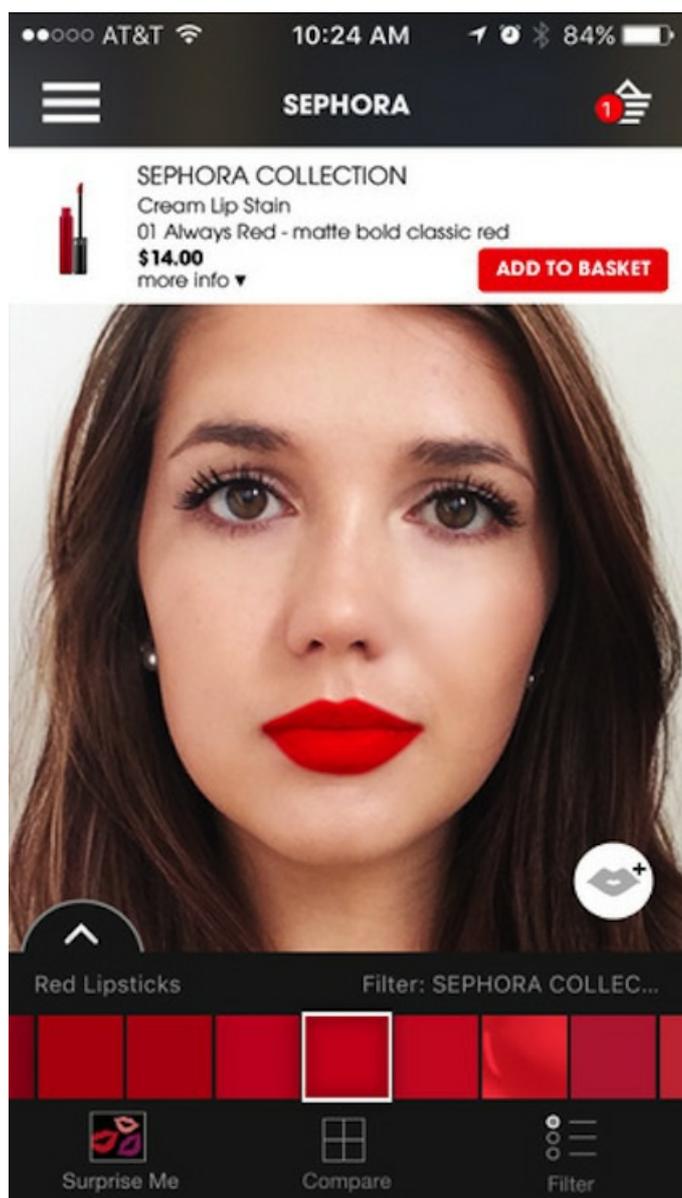
Collecting data

Data mining is being charged by technology and making the real world searchable, thus radicalizing transparency. Technologies such as facial recognition software, handheld DNA testers and small, low orbit satellites are changing the data available for marketers.

Once considered out of reach, facial recognition software is now more accessible. Marketers can use the software to gauge interest in advertisements based on facial expressions, and gain insights into the demographics exposed to said ads. Likewise, the in-store implications will help brands to better serve consumers, and keep data on frequent visitors.

LVMH-owned Sephora, for example, brought live 3D facial recognition to the existing Virtual Artist feature on its application and Web site, a move expected to boost conversion rates through more accurate facial tracking and rendering.

The augmented reality feature currently allows users to upload a still selfie to virtually try on various products that can be purchased from Sephora, but the new update will allow users to view themselves moving in real time with the digital makeup, with more effective technology ([see story](#)).



Sephora's augmented reality

Increased transparency will also be seen through the use of handheld DNA testers. Brands, and eventually consumers, can use the device to test the authenticity of products ranging from the strain of grapes used in a fine wine to the type of exotic leather used for a high-end handbag.

Closed caption television, generated by small, low orbit satellites will give brands a high-definition view of the world. The surveillance generated will provide brands with real-time productivity models of a shopping mall's parking lot, for example, giving a more realistic indicator of consumer confidence.

"Technology, importantly, is not something that should be seen as something that is separate to luxury," Ms. Hackford said. "It's progress and it has an impact on every single part of each one of your businesses.

"We are entering what some call the age of entanglement," she said. "We are becoming entangled with machines and with computing in ways that we've never seen before.

"This makes it very complex to do business, but I hope incredibly exciting as well."

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.