

MARKETING

## Luxury rings in Chinese New Year with gifting ideas, festive activities

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*Madison Avenue BID Lunar New Year Celebration 2016 - photo by Andrew Wemer*

By SARAH JONES

Ahead of Lunar New Year on Jan. 28, luxury retailers are looking to woo Chinese travelers with culturally-inspired campaigns and specially designed collections.

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In honor of the Year of the Rooster, interpretations of the cockerel abound, decorating everything from handbags to jackets. Chinese consumers today may be spending more at home than abroad, but this year's celebration is expected to break records for the number of China residents traveling outside of the country, giving retailers an audience of international customers during the holiday.

"Chinese New Year still holds significant importance for retailers and luxury brands," said Brian Buchwald, CEO of **Bomoda**, a consumer intelligence company focused on the Chinese outbound consumer. "Chinese consumers, as the greatest global travelers and spenders, spend money in three ways for the holidays.

"First, as they travel internationally or within China they are apt to take advantage of discounts, promotions and specialty products timed for the holiday," he said. "Second, as family members return home they will often bring gifts with them for their family.

"And lastly, many people are flush with cash due to the gifting of red envelopes especially virtual envelopes on WeChat and Alibaba. Like any young set of people coming into money, discretionary purchases are an enticing attraction."

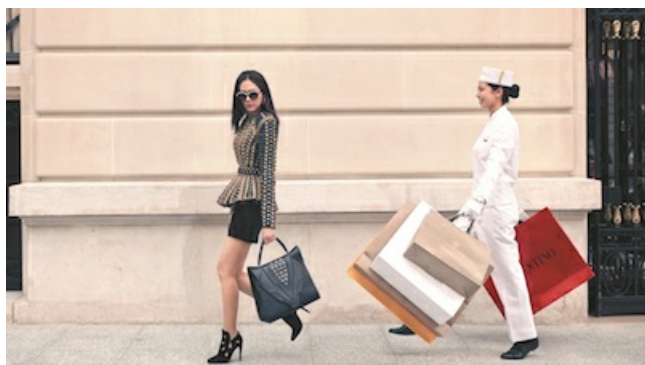
### Ruling the roost

According to booking site Ctrip, more outbound tourism is expected than ever before.

ForwardKeys also noted that travel would be up 9.8 percent from 2016's 6 million. While the top three destinations Japan, Thailand and Taiwan are all in Asia, markets such as Spain, the United Kingdom and the United Arab Emirates are seeing the largest gains in traffic from Chinese revelers.

Europe in particular has seen a 68 percent rise in its share of Chinese New Year travel, with the continent expected to

see about 11 percent of all inbound tourists from China during the festival. ForwardKeys attributes this to greater distance from terrorist attacks.



*Image courtesy of Peninsula*

This year, travelers are expected to stay an average of eight days at their destination, aided by seven days of national vacation. Between late January and early February, Ctrip expects them to spend around \$14.5 billion.

Playing into this boost in shopping tourism, a number of luxury brands have developed special products that reference the rooster.

The rooster emblazons a red and gold makeup compact by Este Lauder.

Gucci's Chinese New Year edit includes a rooster bag charm and a silk scarf featuring a brightly colored rooster pattern. Ferragamo likewise paid homage to the bird in special silk print scarves and ties.



*Ferragamo tie for Chinese New Year*

Moynat creative director Ramesh Nair imagined two rock 'n' roll roosters named Elvis and Sid, fashioning the characters into bag charms. The house will also have artisans on-hand to paint the bird onto leather goods.



### *Moynat's bag charms*

Also offering personalization is Smythson, which will stamp a customer's own zodiac sign onto a purchase.

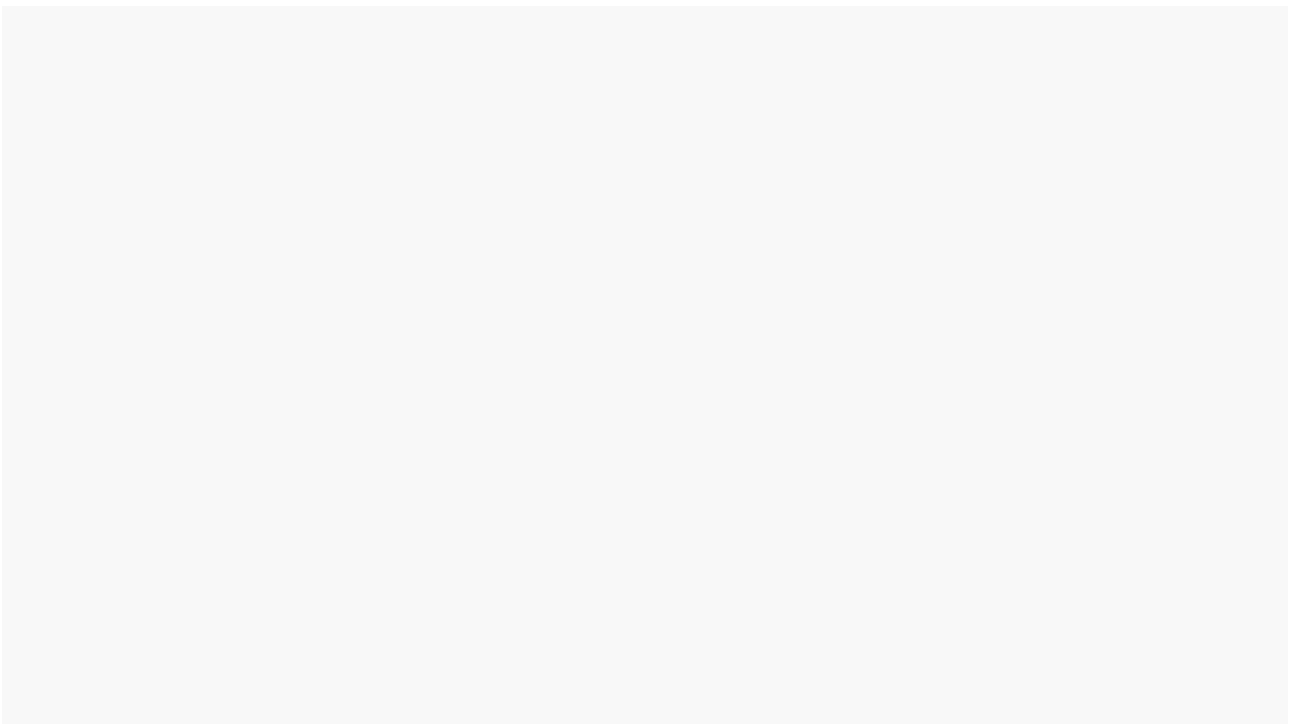
In addition to marketing rooster bag charms and leather goods stamped with the bird, Michael Kors referenced the aviary theme of this year's festival, shooting its gift guide against a backdrop of red or gold feathers.

Taking reference from Asian culture, Moncler designed two special-edition reversible jackets in red. The men's style features an embroidered rooster on the back, while the women's has an all-over brocade print.



### *Moynat jacket for Chinese New Year*

Fendi's Chinese New Year capsule eschews the rooster in favor of playing up the symbolic color red with metallic accents.



The year of the rooster is almost here! Celebrate Chinese New Year in super luxe style with our special capsule collection, now on Fendi.com

Also incorporating Chinese culture in a more subtle way is David Yurman, which created a line featuring octagonal garnets to represent the lucky number eight.

Other brands marketed mainstay designs to the Chinese consumer, such as Harry Winston's jewelry presented against a red backdrop of Chinese characters.

Loro Piana also chose to market its regular collection, enlisting an artist to share a message of celebration to its Facebook followers.

#### *Loro Piana's Chinese New Year greeting*

"The inclusion every year of the zodiac symbol is a nice concept with typically uneven execution," Mr. Buchwald said. "Last year, Kate Spade's monkey line was quite well received as it fit with the cute and whimsical nature of the brand. Este Lauder is being lauded for the rooster this year but was criticized for their "terrifying" monkey execution last year.

"To layer in the zodiac symbol is great," he said. "But it must stay true to brand and not diminish the purpose and utility of the product.

"A big step for brands is in customized service. Initializing items or putting special notes on the gift for a friend or loved one is highly favored by local consumers especially the wealthy.

"However, it once again needs to be knowledgeable of the recipient. For instance, for a young Chinese woman born in the Year of the Rooster to receive a rooster bracelet with her initials inscribed might be very well received. Her counterpart born in the Year of the Monkey might not appreciate a rooster in the same fashion."

#### Retail revelry

In addition to curating and designing themed merchandise, brands have rolled out experiences designed to engage a Chinese audience both in-store and online.

Lane Crawford, which has 10 stores across mainland China and Hong Kong, tapped graphic designer and visual artist Alan Chan to create an exclusive piece for the holiday. The result is a golden egg with feet, a reference to the riddle "What came first, the chicken or the egg?"

Taking inspiration from Mr. Chan's egg sculpture, the retailer created an online game that resembles whack-a-mole, testing players' reaction time as eggs hatch.

On its Web site, Lane Crawford is celebrating the holiday with a campaign that modernizes familial traditions. Here, the retailer takes consumers into chef Mina Parks' dinner with friends, giving ideas for hosting and resolutions.

A number of stores, including Swarovski, are hosting their versions of the traditional red envelope exchange.

On London's Regent Street, two trees will bear red envelopes with gifts from the avenue's stores hidden inside. Meanwhile, New York's Madison Avenue will host a Lion Dance troupe and promotions in some of its stores, including red envelopes with prizes ([see story](#)).

"Sometimes it is about not trying too hard," Mr. Buchwald said. "Simple red accents or piping or even red decorations in a store can play better than overt rooster predominance.

"Or, take advantage of the red envelope tradition," he said. "Offer discounts via the red envelope in store or even better via WeChat. But again, keep it simple. Too many steps or hoops to jump through may turn the consumer off."