

MARKETING

Populism has knocked down luxury's preexisting barriers

November 14, 2017



Zo Kravitz for Saint Laurent, spring/summer 2018. Image credit: Saint Laurent, photo by David Sims

By JEN KING

BRUSSELS As a result of consumers' shifting values, luxury has begun breaking down the constraints of intimidation that once stood between it and a client, affluent or otherwise.

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With much being discussed about generational differences, cultural shopping behavior and the gap between the haves and have-nots, luxury has had to adapt to the ways in which consumer behavior have evolved. From the use of social media to logos as a status symbol, brands' values are constantly on display making it all the more important to convey a consistent brand message, rather than focusing on a particular segment of consumers.

"The world is becoming an ever more volatile and unpredictable place," said Elizabeth Paton, European styles correspondent for [The New York Times](#). "Every day it feels like the gulfs are widening between different ages, races, genders, religions, those who live in the cities and in the countryside, the haves and have-nots.

"Alongside that in wake up of the 2009 financial crisis, crackdown on corruption in China and the election of President Trump, a lot of global elites have been reevaluating how they present themselves to the rest of the world," she said.

Breaking down the barrier

During the "Age of Populism: Threats and Theories" session Nov. 13 at The New York Times' International Luxury Conference, a panel lead by Ms. Paton discussed how luxury has responded to the ways consumer behavior and expectation has changed.

Francesca Belletini, president and CEO of [Saint Laurent](#), emphasized that she joined the brand in 2014 as the Parisian fashion house entered a period of transition. About the same time as Ms. Belletini joined Saint Laurent, luxury also had a "total reset."

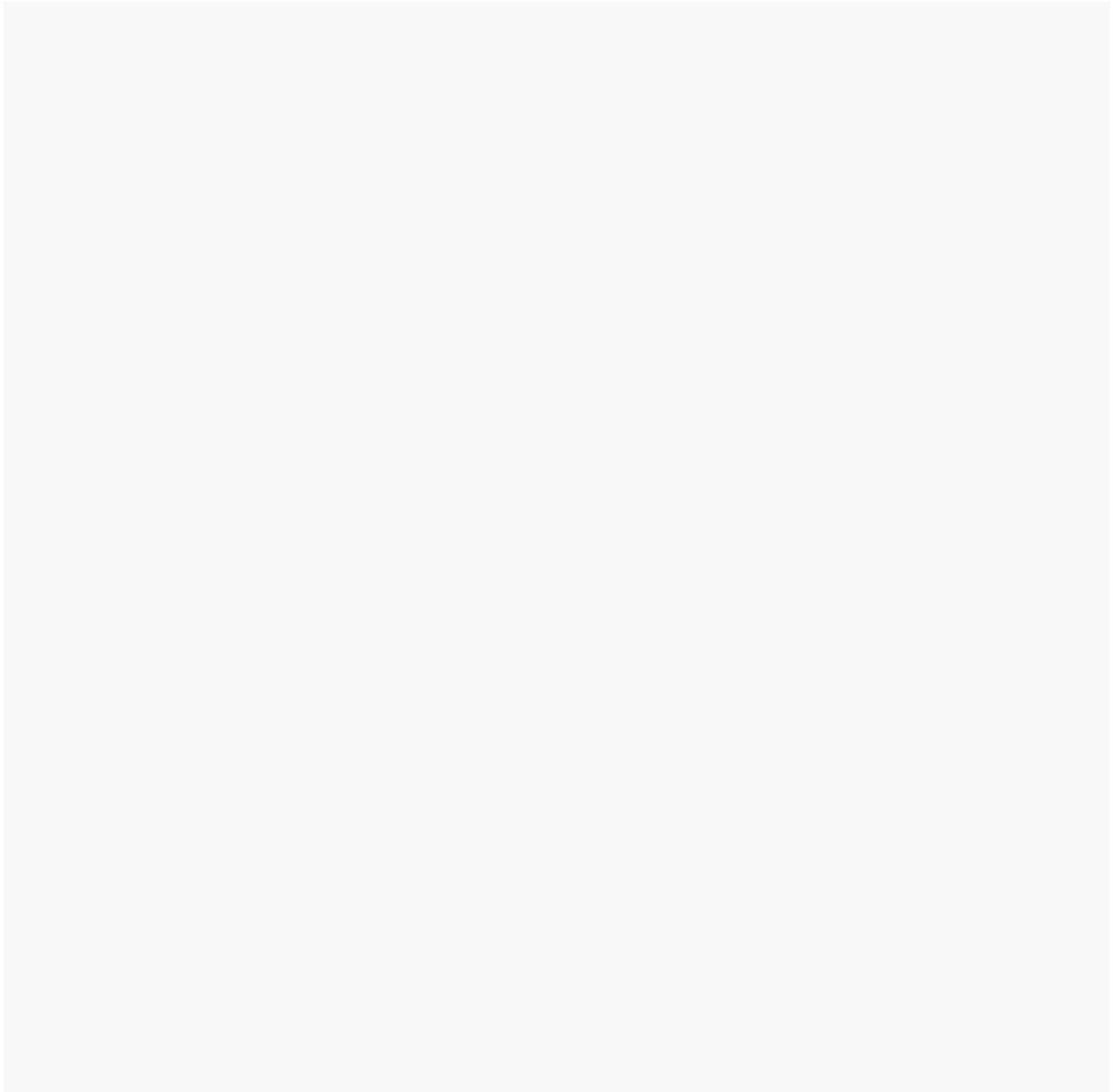
Saint Laurent had gravitated away from its pre-a-porter beginnings, moving too much toward haute couture, which conflicted with the "dress the streets" ideology established by its namesake founder.

Since 2014, Saint Laurent has returned to its core values of bringing fashion and style to the people. Through its

fashions, marketing and state of mind, Saint Laurent's efforts read as authentic and are consistent with its roots, Ms. Belletini explained.

When asked by Ms. Paton if Saint Laurent's strategies are driven by the importance of the millennial market, Ms. Bellentini stressed that she does not like stereotypes, meaning that Saint Laurent serves all clients, based on their thinking and way of being.

"In mentality, all of our consumers are millennials," Ms. Bellentini said.



ZO KRAVITZ - NEW YORK - SPRING 18 #YSL12 by @anthonyvaccarello PHOTOGRAPHED by @davidsimsofficial #YSL #Saint Laurent #YvesSaint Laurent

A post shared by SAINT LAURENT (@ysl) on Nov 10, 2017 at 8:22am PST

But, luxury has always been constricted by its intimidating nature, something that even Ms. Belletini, in her prior financial services career, felt. One method used by Saint Laurent to limit consumers' feelings of intimidation, the brand redesigned its boutiques with glass partitions to create a more welcoming space.

Social media has also presented Saint Laurent with an opportunity for transparency and broad communication with

followers. Ms. Bellentini explained that Saint Laurent is aware that only a small fraction of its social community is a client, but regardless of that buyer percentage, the brand's communications must reflect and share its deeply held values.

In 2009, before social media truly took off for brand marketing, luxury was stricken by boredom and logo fatigue, but recently, logoism has re-entered the design lexicon due to connections to a brand's heritage ([see story](#)).

Although logos in the 1980s and '90s were overdone, the logo remains as a surefire way to build recognition, similar to a well-executed social presence.

"After you use the logo, you have to think twice to make sure the meaning behind it," Ms. Bellettini said. "It is twice as valuable to make [the logo represent] what you stand for.

"People don't buy logos, it's not that simple," she said. "There is a community that buys logos to communicate that they stand for the same values that you communicate as a brand.

"You need to be respectful of who you are, communicate who you are and engage with more [consumers] that share your values. A person who decides [on a product with] a logo, they respect what the company that uses that logo stands for."

Community values

The art world is also adapting to consumer behavior and the inclusiveness of today's environment.

Although the art sector has its share of uber buyers, there has been a bevy of new entrants thanks to gallerists and auctioneers' efforts to encourage novice collectors to buy artwork.

One auctioneer working to democratize the space is Paddle8, which saw a hole in the auction market for mid-ranged buyers and collectors.

Art collecting, similar to buying high-fashion, can be intimidating, and co-founder Alexander Gilkes explained that [Paddle8](#) wants to help people buy into the dream and aspirations of buying fine art.

"We all need to play a role," Mr. Gilkes said. "Each brand needs to be a specialist and to be focused.

"Luxury is very much about dreams, and is antithetical to the rational, but today, the way we sell, experience has to be paramount and key, and the type of experience has also changed," he said.

While digital auctioneers and art buying platforms have democratized art, affluent collectors, especially the world's billionaires, have also played a role in ensuring artworks can be enjoyed by all.

Concerned with lasting legacy ideas, billionaires have demonstrated this by using their private wealth to give back to the public.

Per UBS' annual Billionaires Report, billionaires, increasingly of the younger generations, are leveraging art, philanthropy and even sports clubs to give back to the community.

Beyond purchasing luxury products and employing a massive amount of people roughly the size of the United Kingdom's workforce, billionaires are increasing involvement with cultural pursuits in the art and sports sectors. According to its report, UBS found that investments in art are up through a combination of private museum openings and public art institutions receiving more funding.

For example, Japanese ecommerce entrepreneur Yusaku Maezawa, estimated by [Forbes](#) to have a net worth of \$4.3 billion, purchased Jean-Michel Basquiat's "Untitled" painting from 1982 at auction at Sotheby's for \$110.5 million, a record-breaking price for any work created post-1980.

Instead of hanging the artwork in his home, or squirreling it away in storage, Mr. Maezawa plans to include the Basquiat in his private museum. By doing so, the public will have the opportunity to experience the painting firsthand ([see story](#)).

"[Ultra-high-net-worth consumers] are not showing off, they are actually very humble and very practical in what they want to do," said Laura Pancera, global head of ultra-high-net-worth positioning at [UBS](#).

"I don't think they need to hide their wealth, but there is a concern of inequality, that's clear. [That's why] they need to contribute and be there for society," she said.

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