

MARKETING

Top 5 luxury trends to watch in 2018

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WeChat Pay is now becoming more accessible, with even DFS locations at San Francisco's international airport. Image credit: DFS Group

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With 2018 poised to be an innovative year, technology is the driving force of forward momentum in the luxury marketing, production and retail spaces.

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Shopping will continue to become futuristic with luxury brands embracing Internet of Things (IoT) and mobile payments to create convenient and high-end purchasing experiences. The year ahead will also see luxury brands continue to change the ways in which they interact with consumers.

Here are the top 5 trends for 2018:

Augmented reality

Brands are leveraging augmented reality (AR) to create immersive experiences for consumers that makes shopping at home almost as real as browsing in store. But, brands and retailers are not just replicating the in-store experience with AR, marketers are creating unique experiences that engage consumers and help arm them with a series of tools to make finding products more convenient.

While beauty has dominated with AR initiatives, luxury brands in other sectors are following suit. With tech companies and brands continuing to bring these experiences closer to consumers, such as Apple's new AR tool kit for brands, augmented reality is poised to be a major force in 2018.

British fashion brand Burberry worked with Apple's newly unveiled augmented reality tool kit to create an application designed to cater to tech-savvy fashion lovers.

At Apple's recent event unveiling the new line of iPhones, the company spent a significant amount of time talking about the new models' emphasis on augmented reality as well as the ARKit to help developers create AR apps. Burberry is the first major luxury brand to make use of this new feature with a new application ([see more](#)).

German automaker Porsche's U.S. importer used augmented reality to aid remote assistance for its service technicians.

Porsche Cars North America's "Tech Live Look" employs smart glasses with a built-in camera and LED light, allowing workers to take and share images and video from their perspective. While AR has been incorporated into

consumer-facing experiences, the technology is also finding a place behind-the-scenes ([see more](#)).

Department store chain Saks Fifth Avenue helped usher in a futuristic payment solution using augmented reality.

Mastercard has worked with Osterhout Design Group and Qualcomm Technologies to develop an AR payment program debuting with Saks. The solution will allow for shoppers to gain greater insight on products and recommendation but will also authorize payments through eyeball scanning ([see more](#)).

Artificial intelligence

Artificial Intelligence (AI) is becoming a force in almost all aspects of brands and retailer's businesses as well as consumers' lives. Consumer-facing products such as Amazon Echo and Google Home bring these solutions and brands into consumers' homes, but chatbots are also forging a better connect with potential and established buyers.

Sorting through and determining future strategies are also significant uses from brands for AI solutions.

In an era of fast-fashion, latching onto trends quickly is key to successful apparel designs, but could AI designers make fast fashion even faster?

Amazon is reportedly working on machine learning technology that can analyze what makes an outfit stylish and theoretically create entirely new designs along those lines. With this potential in mind, artificial intelligence could be a key factor in the future of fashion design ([see more](#)).

Cosmetics and personal care group Shiseido Americas invested in its sector's future use of artificial intelligence through a technology firm acquisition.

Shiseido Americas, a subsidiary of the Tokyo-based Shiseido Company, has acquired Giaran, who develops artificial intelligence platforms to heighten consumer experience and personalize beauty purchasing. The terms of Shiseido's Giaran purchase were not disclosed, but reflects the beauty sector's embrace of digital technologies as selling tools ([see more](#)).

Technology firm IBM demonstrated the "cognitive creativity" of its artificial intelligence software Watson in a manner typically reserved solely for humankind.

IBM hosted and sponsoring a special exhibition at the Cadillac House gallery, operated by the automaker, in New York's SoHo neighborhood. Open on April 25 through May 7, the gallery exhibition was created with the help of Watson who assisted featured artists on a series of portraits ([see more](#)).

Electric vehicles

Luxury automakers are racing forward with electric initiatives, hoping to create more electric-powered vehicles as well as make them more accessible and convenient to own.

Consumer adoption is not quite as excited as automakers seem in regards to electric vehicles (EVs), but auto brands are continuing to innovate in the electric sector and will likely develop significant innovations in the coming year.

Automaker Jaguar's announcement that all future models will have an electric option reveals the importance of sustainable energy in the auto industry.

Jaguar Land Rover has announced that every one of its models starting in 2020 will be available to be electric-powered, following similar news from BMW and Volvo. As Volvo is a mass production brand, BMW a luxury and Jaguar a sport, the auto industry is no doubt headed for a future heavily integrated with sustainability ([see more](#)).

While these brands, Tesla and other major EV providers look to innovate in electric car space, they now have more competition from an unlikely source.

Dyson, the vacuum manufacturer, is working on plans for a future electric-powered luxury vehicle that could rival Tesla and BMW. Revealed in an email from the company's founder, a team of 400 people has been assembled to develop a battery-powered electric vehicle ([see more](#)).

U.S. electric automaker Tesla is looking to shift the pickup truck narrative with what its founder calls a "game-changing" feature.

Tesla founder Elon Musk is promising that following the production of its all-electric crossover, Model Y, the automaker will get to work on an electric pickup truck. The luxury pickup truck industry is sparse, but including an electric motor and a mystery "game-changing" feature will put the Tesla pickup on a platform of its own ([see more](#)).

In-store technology

Bricks-and-mortar may give off a general impression of lagging behind in terms of innovation and technology, but luxury retailers are transforming the in-store shopping experience through technology.

Besides initiatives with AR, retailers and department stores are looking for innovative solutions that help shoppers in every aspect of their experience.

Jeweler John Hardy created a seamless shopping experience for consumers by leveraging the innovative toolkit found in today's retail landscape.

John Hardy has entered a partnership with ecommerce mobile application Hero, which allows online shoppers to connect with sales associates who are physically at the store with a combination of messaging, augmented reality and video. John Hardy is rolling out integration with the app to a number of its stores around the United States ([see more](#)).

Online retailer Farfetch is furthering efforts to humanize the retail experience by closing the loop between digital and in-store selling with its Store of the Future launch.

Unveiled April 12 at Farfetch's invite-only FarfetchOS conference in London, Store of the Future (SoF) is in BETA, and links together the online and offline worlds through data touchpoints that enhance and personalize the retail experience for consumers while presenting sales associates with chances to become in-store influencers. As luxury retail is reconfigured to respond to modern consumers' shifting behavior and expectations, technology has gone from a hindrance to an empowerment tool ([see more](#)).

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