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MARKETING

Luxury is playing global game: Mulberry CEO

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Mulberry promoted its autumn/winter collection in Seoul. Image credit: Mulberry

By SARAH JONES

HONG KONG A luxury brand's DNA is now more important than its country of origin, particularly as companies have increasingly global footprints and operations.

This international strategy is particularly playing out between Asia and the West, as heritage brands seek out consumers in markets such as China, and Asian companies invest in European houses. During a panel discussion at The New York Times International Luxury Conference on Nov. 12 moderated by the newspaper's European style correspondent Elizabeth Paton, speakers explained their own international approaches, which ranged from investment in other markets to basing a brand in a particular location for the positioning and global benefit.

"It's really important to keep the global approach with a local adaptation," said Thierry Andretta, CEO of Mulberry.

Asian expansion

Mulberry is making moves in Asia. For its September runway show, the label opted out of London Fashion Week, and instead hosted a consumer-facing event in Seoul, which included a runway show and pop-up shop (see story).

While an outreach to South Korean consumers, the four-day project was also about engaging a younger, digitally driven generation. Through this initiative, Mulberry was able to reach millions of consumers around the globe, partly due to a chosen timing that fell outside any of the global fashion weeks.

As Mulberry expands its retail footprint in Asia, it retains its British DNA in the store design, leaning on its home country's cultural positioning with a mix of heritage and modernity.

While brands such as Mulberry are expanding in Asia, Chinese investment firm Fosun has gotten further into the European luxury game with the acquisition of French brand Lanvin.

Rather than looking at cultural differences as a challenge, Fosun Fashion Group chairman and Lanvin chairman Joann Cheng said that Fosun looks at it more as a "learning curve," as both parties learn from each other.

Lanvin is owned by Fosun. Image credit: Lanvin

Fosun is not the only Chinese company to look West.

Qeelin founder and creative director Dennis Chan created his company to provide luxury with an Eastern perspective, seeing an opening in the market for Chinese-inspired high-end goods. However, rather than launching the jewelry line in his hometown of Hong Kong, the label is centered in France to allow it to be a more global brand.

With Chinese consumers still looking to Europe for their luxury, launching there also allowed Qeelin to appeal more to this market. Today, China is its top customer base.

As Qeelin reaches out to a global audience, it maintains its design language across markets. Mr. Chan noted that the brand does not produce special items for a particular market.

View this post on Instagram

Qeelin brand ambassador wearing the latest Wulu Denim Pendant and Wulu Interchangeable Bracelet with denim strap. Learn more: https://bit.ly/2P1405D . . . . . #qeelin #qeelinjewellery #qeelinwulu @nz0502

A post shared by Qeelin (@qeelinjewellery) on Nov 5, 2018 at 2:00am PST

Instagram post from Qeelin

Another way in which brands are becoming more global is internally, as hires for creative and operational roles are coming from international backgrounds.

International investment
Looking ahead, the panelists are planning retail investments.

For Qeelin, the in-store experience remains paramount, as jewelry is a category where consumers want to be able to touch and feel products before buying.

Comparatively, Mulberry is taking a more omnichannel approach, with Mr. Andretta saying that luxury digital experiences have not reached their full potential yet. Recently, the company launched localized Web sites in South Korea and China (see story).

From left, Joann Cheng, Denis Chan and Thierry Andretta with moderator Elizabeth Paton. Image credit: C.K. Man for The New York Times

Lanvin is also looking to digital channels, including social media, to reach younger consumers.

Beyond China, the panelists look at Southeast Asia as a key region. The 3.5 million high-net-worth individuals located in the Asia Pacific region makes the market increasingly important for the luxury sector, as the affluent group's appetite for high-end continues to grow.

Countries of the Association of Southeast Asian Nations are becoming an increasingly important part of consumerism in the luxury market. Countries that make up the association such as Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand, and Vietnam are expected to become the fourth

largest economy by 2020 (see story).

"Asia is an important market for the luxury segment," Ms. Cheng said. "We want to build up more connections between the Asian audience and Western brands."