

APPAREL AND ACCESSORIES

Brands must sell a lifestyle, values: Ralph Lauren CEO

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Ralph Lauren portrays a classic American lifestyle. Image courtesy of Ralph Lauren

By SARAH RAMIREZ

HONG KONG Heritage brands must do more than focus on the quality of their products, but instead keep in mind the customer foremost to create valuable experiences.

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During a keynote address at The New York Times International Luxury Conference on Nov. 13, the CEO and president of Ralph Lauren emphasized that the label is focused on selling a lifestyle and values. Luxury and heritage brands continue to see a shift towards prioritizing experiences and uniqueness instead of product quality.

"We're not selling stuff," said Patrice Louvet, president and CEO of **Ralph Lauren**. "We're selling a lifestyle."

Lifestyle sells

Among the values Mr. Louvet sees Ralph Lauren selling are style, authenticity and entrepreneurship.

The strength of the brand also means that it can translate well in different settings and countries, according to Mr. Louvet.

One way Ralph Lauren is expanding on its lifestyle offerings is by providing the furnishings for suites on a luxury line.



Ralph Lauren opts for nautical motifs in Polo CP-93. Image credit: Ralph Lauren

Oceania Cruises is looking to the label's home line to decorate its Owner's Suites. Two of the cruises ships, Marina and Riviera, which fit 1,250 guests each, will offer these premium suites with a Ralph Lauren theme.

Navy, white, creme and camel will be the colors of the suites, representing the Ralph Lauren brand. Outdoor cushions on verandas connected to the suites support this mindset with red, white and blue striped fabric.

The cruise line is hoping to create a feeling as if guests are staying at a high-end estate home or a luxury yacht ([see story](#)).



Patrice Louvet, president and CEO at Ralph Lauren. Image credit: C.K. Man for The New York Times

While Ralph Lauren represents a very American sense of style, Asia is becoming a more important market for the brand. The brand has expanded its physical retail presence in Asia over the last year, translating to a 3 percent increase in sales ([see story](#)).

Mr. Louvet remarked that the new Ralph Lauren stores in Asia have been greeted with great enthusiasm from customers, with some shoppers even lining up at the stores' grand openings in Japan and China. To thwart any serious repercussions from tariffs, the company has also begun diversifying its manufacturing strategies before raising prices.

"The customer that is actually the most demanding in the world today is actually in China," Mr. Louvet said.

Ralph Lauren growth

Following the departure of former chief executive Stefan Larsson, Mr. Louvet joined Ralph Lauren in the summer of 2017.

Mr. Louvet has more than 25 years of experience at Procter and Gamble, as well as other brands such as Bacardi and Gillette, and brought to Ralph Lauren the experience that the brand needed as it struggled to compete with other fashion houses and lifestyle brands ([see story](#)).

So far, his tenure has been marked by success.

In the second quarter of 2018, Ralph Lauren's revenues totaled \$1.7 billion, a growth of 1.6 percent as reported, and 2.1 percent at constant exchange rates.

While North America was fairly flat with a 1 percent increase and Europe declined slightly by 1 percent, Asia drove much of the company's growth this past quarter with a 13 percent jump in revenue.

Digital is also a key growth driver for Ralph Lauren, with global digital revenue up 10 percent in the third quarter. During this period, the company launched a Polo mobile application and rolled out a direct-operated ecommerce site in China ([see story](#)).

However, Mr. Louvet has also faced a learning curve after spending most of his career at more mass-market brands and outside of the apparel sector.

"Sometimes you have to move slow to move fast," he said.

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