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MARKETING

# Webinar transcript: "Experience: How Does it Translate in Luxury?"

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The Ritz-Carlton brand has been held as an examplar of exquisite luxury experiences. Shown here: Phulay Bay, a Ritz-Carlton Reserve Krabi property in Thailand. Image credit: Ritz-Carlton

By STAFF REPORTS

Elevating and exceeding people's expectations, and not just meeting them, goes to the heart of what it means to deliver a spotless luxury experience, according to panelists who spoke on the topic May 9 on a Luxury Daily webinar.



Brands must realize that the more bespoke, personalized and customized the experience, the more inspirational, authentic and intimate it is. This is especially true for a luxury audience that is cash rich, time poor and experience hungry.

"So experiences in the luxury context, across any category, become inspiration instead of aspiration, authentic instead of staged, intimate instead of exclusive anything that creates a sense of discovery and growth for the individual looking to add to their sense of self," Miles Burton, head of agency and general manager at Quintessentially, told luxury marketers on the webinar.

"Moreover, these experiences have to be built from the ground-up and luxury brands need to be more radical with their experience offerings beyond access to bricks-and-motor stores and the typical sales experience," he said.

The webinar panelists also included Edie Rodriguez, chairman for the Americas and brand ambassador at Groupe Artemis' Ponant Cruise Line; Oliver Lange, corporate executive chef at the Zuma chain of restaurants that serves contemporary Japanese cuisine; and Cheryl Dixon, vice president of communications and PR at beauty care giant Coty, and adjunct professor at Columbia University.

Below is a transcript of their hour-long discussion on "Experience: How Does it Translate in Luxury?" The webinar is part of a monthly series run by Luxury Daily to help luxury marketers get a better handle on industry issues, topics and opportunities. Please read on:

In stark terms, what does experience really mean in the luxury context?

Edie Rodriguez, Ponant: I often say that luxury is a term like beauty, meaning that it is in the "eye of the beholder" and

that it certainly means different things to different people.

Experiences in the luxury context in the global travel and hospitality industry context are about offering individual options to clients/guests where they, for their individual preferences, can further customize things.

This detailed offering needs to be created and allowable by the supplier so that the guest can have it customized even further for their individual needs and desires. Global luxury client/guests are willing to pay for this, too.

However, service delivery is critical to the luxury client seeking an experiential memory yet to be created.

Things have to be truly seamless for them and go off without a hitch via good planning that can be easily adaptable when they change their mind on the spot, which does happen.

It also helps to "surprise and delight" them with a little something extra that they were not even expecting.

Lastly, I think today experiential luxury is a bit like an emoji, let's say a happy face emoji: everyone understands emojis, regardless of the language they speak or where they are from.

At a high level, everyone has an experiential luxury benchmark standard that then gets customized for the individual and what they want at the time of the experience deliverable.

Oliver Lange, Zuma: Luxury experiences are created by people for people. It is the human aspect that elevates an experience to unique and unforgettable.

If you go out to dine, you trust the chef to create a menu, the sommelier with the wine recommendations and the bartender to make the perfect cocktail for your taste.

Karl Lagerfeld famously said, "Luxury is the ease of a T-shirt in a very expensive dress," and I think that mentality applies perfectly to the shift in attitudes about luxury today.

Miles Burton, Quintessentially: In stark terms, experience means a platform to create real and meaningful connections with individuals or groups of people through human interaction.

From a service standpoint, experience means demonstrating a true understanding and respect for people and their lifestyles their passions, their behaviors and, most important for luxury audiences, their expectations.

This intimate understanding must be powered by data as well as real human relationships. Because it is important for luxury brands to remain inherently human.

In the context of luxury where product used to be king, experience is about elevating above the tangible object.

Experience is not selling first. It is organic discovery of what a brand or an individual stands for, why it is relevant to people and what role it plays in their lives.

Cheryl Dixon, Coty: Experience is fuelling customers' desires and creating a memorable impression with a brand whether that means a convenient, quick purchase, personalized or custom product offerings, expertise and information that helps customers make good decisions, or giving the high-touch VIP treatment in a beautiful, luxurious environment.

In beauty, the ability to try on products and get expert advice is key, but so is having the right shades available. The ideal experience is in the eye of the consumer, so brands need to put their data to good use and understand what their target customer is expecting from them.

# How have luxury customer expectations changed in the shopping and buying process?

Edie Rodriguez, Ponant: Their expectations perpetually change and evolve. They are doing their own research and want really require fantastic digital experiences first and foremost.

Then they want service via either a personal shopper at Gucci or a travel advisor to proactively be reaching out to them with the next hot thing in advance so they can get first dibs on bragging rights typically.

Oliver Lange, Zuma: People are more interested in the origin of products and, when it comes to food, are becoming more knowledgeable about flavors and cooking techniques.

I see a trend developing in how people dine. There is a growth in people dining in larger groups and sharing dishes, hence private dining rooms becoming more and more popular. It's the feeling you would have at a dinner party in a friend's house, but without the washing up.

People are also looking for more personalized dining experiences like a sushi omakase or chef's table, where they can connect with the chefs and/or other diners but also have a unique experience.

Miles Burton, Quintessentially: First of all, we are talking about a new luxury generation Gen Z and millennials are driving the new standard.

By 2020, 50 percent of all global luxury consumers will be younger than 30 years old. The products they choose convey a value system that is much more introvert than extrovert they seek things that represent their values rather than their status and that includes the buying process. Brand values need to be clear at the point of purchase.

So elevated buying experiences matter more than ever before.

Participation has now become equal to ownership. More and more people want to be part of something unique that they can carry as social and cultural currency as part of their lifestyle.

Buying the product becomes a souvenir of being there as part of an experience that transcends the product.

Time is the new luxury and brands can't ignore the impact of technology on the perception of how buying takes place. Fast is no longer fast enough technology has created instant gratification. Buying luxury goods needs to be easier than ever before. The use of technology and data to pre-determine, pre-populate or pre-order has to be part of the shopper journey.

Cheryl Dixon, Coty: In four ways: personalization, convenience, transparency and technology.

Consumers increasingly expect brands to understand what is important to them and to anticipate their needs.

For example, as experientially minded consumers are traveling more, they need appropriately sized and packaged products, multi-use products that work with their lifestyle. And they want it on their terms and through their channel of choice.

Customers have unprecedented access to information, so they are better prepared and more informed shoppers, with access to more choices.

It is a critical time for luxury brands to keep evolving so that they remain interesting and important to their customers today and in the future.

Brands also have unprecedented access to customer data, and should be putting it to good use to enhance the customer journey.

Authenticity is so over-used, in my opinion. A brand is authentic not because its ambassadors, influencers or messaging are in line with the brand perception. Its ethos needs to be reflected in its actions how the brand operates, manufactures, responds to issues and its impact on the environment and society.

### How does experience translate in luxury, especially in retail, travel and hospitality, dining, and wines and spirits?

Edie Rodriguez, Ponant: It is all encompassing, from the digital online research and shopping genesis experience in the planning, to the purchasing and receiving the documentation via hard copy or digitally, to leaving their home for their flight and so on every step of the way, including long after they have arrived home.

Every step of the way needs to be seamless, efficient and accurate, and as I said earlier, include a few "surprise and delights" along the way, including before and after.

This can be that their trip includes a reservation at the No. 1 restaurant in the city with a vintage bottle of their favorite Chteau Latour waiting for them. Every detail, including every hiccup, has to be anticipated and planned for. This client demands it, especially if you want them returning as a client.

Oliver Lange, Zuma: We are in an age where everything is instantaneous.

Whatever you want, 24/7, is at the click of a button and I think people have become jaded by that.

We all appreciate convenience and accessibility, but there is no luxury in that anymore. Where people see value and integrity is in personalization, uniqueness, authenticity. Customers who are willing and able to spend significant money on luxury goods and experiences are looking for that as well. They want something customized to them.

Miles Burton, Quintessentially: The luxury audience is three things cash rich, time poor and experience hungry. So their expectations are set higher than anyone else.

In terms of luxury brand experiences, more so than any other type of brand experience, brands need to elevate audience expectations, not just meet them.

So experiences in the luxury context, across any category, become inspiration instead of aspiration, authentic instead of staged, intimate instead of exclusive anything that creates a sense of discovery and growth for the individual looking to add to their sense of self.

Moreover, these experiences have to be built from the ground-up and luxury brands need to be more radical with their experience offerings beyond access to bricks-and-motor stores and the typical sales experience.

The more bespoke, personalized and customized the experience, the more inspirational, authentic and intimate it is.

In the luxury context, experience translates as audience understanding. And this is driven by the responsible use of data. Responsible in that you should never lose sight of the individual human being at the core of the experience.

Cheryl Dixon, Coty: *Travel:* Similar concepts apply to travel and hospitality: personalization, technology and conscious traveling in eco/environmentally friendly resorts.

Bespoke and off-the-beaten path experiences created for discerning travelers, according to their tastes and interests.

Technology that helps travelers discover destinations, book travel, enhances a guest's stay and makes it more convenient.

Loyalty programs that really reward loyal customers with unique experiences and rewards.

*Retail:* Gucci's store in New York's SoHo district gets it. Without intimidating security guards and "look but don't touch" design, this flagship is inclusive to shoppers whether they buy or not.

It is important to create moments for consumers to remember your brand, and heritage brands especially have a lot of storytelling possibilities to draw upon.

Levi's store in New York's Times Square boasts the brand's largest assortment of product, as well as mobile points-of-sale and associate-assisted ordering, call buttons in dressing rooms and sustainable design elements.

The store hangers are made from recycled jeans. Product options, convenience, eco-friendliness, the element of discovery and true brand immersion: It checks all the necessary boxes.

## Key examples of luxury brands and retailers that are getting experience right

Edie Rodriguez, Ponant: I think Singapore Airlines and Emirates Airlines' first class "cabins" are both delivering allencompassing luxury experiences right, before, during and after the trip.

I think Singapore's Changi Airport is superb and keeps adding features and benefits to an already great experience and getting better as to a luxury experience and service deliverable like no other airport in the world.

Oliver Lange, Zuma: Dom Perignon. When you visit their vineyard and cellars in Champagne, you truly experience the best hospitality. You would expect something untouchable and almost out of reach with a brand with this type of prestige, but in fact what hits you is the passion for what they do. There is zero ego and they make you feel like you are the only person they have ever invited to see the abbey and have a tasting.

In reality, when you're in the business, you know the work that goes into creating that moment for someone, that moment that feels effortless takes a lot of planning and choreography, and the ability to make it seem spontaneous and effortless is the ultimate accomplishment in a luxury experience.

Miles Burton, Quintessentially: We're very proud of our partnership with Hennessy Paradis Imperial (HPI). It is a radical program designed to introduce high-net-worth individuals to the brand's story of the Art of Selection.

Individuals are hand-selected based on passion points that champion the HPI lifestyle. They are invited to curate bespoke, money-cannot-buy HPI experiences, sometimes in their own homes, for guests of their own selection. This allows guests to organically discover The Art of Selection in an authentic environment over a truly intimate experience.

It is a radical platform because it puts the power of the experience into the hands of the host to create a real human connection.

Cheryl Dixon, Coty: Experiential shopping is popping up everywhere.

Restoration Hardware's store in New York's meatpacking district has a restaurant and in-house interior design firm.

This past weekend, I walked past this beautiful building a historic post office with outdoor seating and fire pits in Greenwich, CT and realized that the RH on the front stood for Restoration Hardware. This is about creating the strong emotional connection with the consumer, who may buy in-store or who may simply enjoy the experience, but buy later online.

Ritz-Carlton is still top notch. I have held many sales conferences in Ritz-Carlton properties and their service is consistently amazing, even with a big group.

We were on vacation in Puerto Rico and talking to one of the servers in the club level lounge about scotch. This man brought a bottle from his personal collection at home for us to taste. They focus on creating bespoke experiences and take their relationships with their guests very seriously. They invest in the processes and systems to support their service mindset. They are so good, they teach others how to do it well.

Amazon. They might be the 800-pound gorilla to many retailers, but Amazon keeps inventing new reasons for customers to keep shopping. Their customer service is excellent, they have many deals and perks for Amazon Prime members. They listen and they innovate.

I have to give props to Starbucks for consistently walking the talk. Their commitment to green retail, investment in renewable energy projects, response to issues, in-store customer service and the gorgeous Roastery in New York that is an experience in itself.

Bloomingdale's. Their beauty floor is amazing.

### Best-practice tips for delivering outstanding experiences

Edie Rodriguez, Ponant: Listen to your clients and your team.

Nobody knows what a client wants better than the client. Proactively ask them and act on their suggestions.

Listen to your team members as they are doing the job and understand things firsthand on the front line especially.

Lastly, remain cognizant of your competition and figure out to be better than them.

Oliver Lange, Zuma: From a customer perspective: Trust. The. Chef.

If you are in a restaurant that is worth your time, the chef will be passionate about what they do and the best dishes are those they love to make. They know which products came in today, that the kitchen team is super excited about working with, and this will come through in the experience.

From a restaurant perspective, the focus should be on delivering a product for the guests, not for you. I have been to restaurants that feel cold and the menu is like an impressive resume, but there is no soul behind it. It just does not work.

Miles Burton, Quintessentially: Start with consumer understanding work the data, but get to know the individual human being.

Think of the end-to-end journey. As cheesy as it sounds, think door to door, not store to store the experience should start the moment they leave the house.

Lead with purpose and values and support with product. It is also okay to create a buying moment as long as it feels authentic to the experience and journey.

No detail is too small. Luxury consumers set the expectations, so it is your job to elevate them, not meet them.

Foster smart and mutually beneficial partnerships. The luxury consumer is more connected than ever before and brands needs to fit into their connected lifestyle.

Cheryl Dixon, Coty: Ensure that your vision and brand experience is consistent throughout the customer's entire journey. There are often disconnects between customer touch points. Example: I drive a luxury car, and I love it. But my experience with the brand's financial services group was appallingly and consistently bad.

Ensure the customer-facing people on the front lines are empowered and motivated to deliver an outstanding experience. Too often, there is a gap between the "why" and "how" from corporate to the representative on the phone or sales floor.

I read recently that Chanel is one of the luxury brands moving away from the traditional commission model to a blended compensation model focused on their associates serving the clients' overall experience. This is a game-changer from both perspectives when it comes to experience.

Use everything at your disposal to create hyper-personalized experiences for your customer from personalized outreach and communication to product recommendations and a shopping experience that caters to their personal buying habits.

Tap into artificial intelligence (AI) for customer service, round-the-clock support and personalization.

### Thank you for attending this webinar

Thank you to our speakers Ponant's Edie Rodriguez, Zuma's Oliver Lange, Coty's Cheryl Dixon and Quintessentially's Miles Burton for their willingness to share time and wisdom with fellow luxury marketers.

Please email Luxury Daily's Sarah Jones at sarah@napean.com for a copy of this deck.

Please check back on *Luxury Daily* for our next webinar in May.

And, of course, we would love for you to register for our Women in Luxury 2019 conference May 9 in New York. Please click here to register seats are running out

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