

MARKETING

## Luxury service today requires blend of high-tech, high-touch

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*Technology and personal interactions perform a delicate dance in luxury marketing. Image credit: Cunard*

By SARAH JONES

NEW YORK Even though technology is taking over some aspects of brand interactions, the continued importance of human service cannot be overlooked.

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During a panel discussion hosted by the Luxury Marketing Council on June 25, speakers agreed that luxury brands need to strike a balance between digital and physical assistance, since some aspects of customer service cannot be replicated through technology. Technology is also giving brands additional tools to deliver personalization, particularly when combined with a human touch.

"Personalization rules, without question, and the biggest opportunity is the direct access to the consumer," said Moira Boyle, director of luxury and commercial sales/strategy at [WealthEngine](#).

"And the biggest problem for brands is the direct access to the consumer, because you're fighting with each other and with nonprofits and with everybody who wants that wallet share," she said. "And because there's direct access, you have to personalize, so now you have to be all things to every buyer."

### Personal touch

Moderator and [Luxury Marketing Council](#) CEO Chris Olshan cited Havas Group's study that found that three-quarters of brands could go away, and consumers would not care. One of the ways to combat this apathy is through personalization, whether through product, service, messaging or experience.

Personalization is manifesting in different ways across sectors and brands.

Kate Zaman, director of new business development at [Pernod Ricard](#), noted that consumers today want bespoke bottles. This could mean having their names or faces engraved on a bottle, or buying limited-edition versions featuring special artwork.

Pernod Ricard's brands are also creating services that enable customers to customize what is in the bottle, such as Perrier-Jout offering the opportunity to blend their own Champagne.

Sandra Jordan, CEO of [Lladr USA](#), noted that the porcelain maker has also seen success with customizable chandeliers and limited-editions, such as a figurine of a Hindu god.



*Lladr's porcelain. Image credit: Lladr*

Cruise line Cunard's business development manager Alycia Olyphant explained that personalization is nothing new for the company. For decades, [Cunard](#) has been personalizing guests' in-room stationery with their names, and the cruise line will call ahead of time to make sure it has stocked the travelers' preferred beverages.

Newer efforts revolve around creating on-board experiences tailored to certain interests, such as fashion events and fencing classes, enabling Cunard to appeal to clients who had not previously considered traveling with the cruise line.

Cunard also found that consumers were not as interested in all-inclusive packages, preferring to be able to spend the way they wanted on-board with credits.

Similarly focused on experience, styling platform [LookStyler](#) is seeing a growing demand from China for personalized shopping tours that provide social media moments, according to CEO and founder Mirjana Perkovic.

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The best Bachelorette Party destinations around the world! Link in bio. #luxuryfashion #luxury #fashion #luxurylifestyle #style #fashionblogger #luxurybag #instafashion #luxurystyle #luxurylife #follow #instagood #fashionista #designer #beauty #luxurybrand #lifestyle #luxe #instastyle #bacheloretteparty #bachelorette #summerdestination #partylook #shopping #travel #destinations #weddinglookbook #traveltoshop #travelinstyle

A post shared by LookStyler (@lookstyler) on Jun 19, 2019 at 12:24pm PDT

### *Instagram post from LookStyler*

Personalization is also taking hold in education. LIM's dean of graduate studies Dr. Susan Baxter pointed to the university's new Business of Fashion degree, which enables graduate students to plan their own course list.

In the ecommerce environment, personalization can help persuade shoppers to buy full price. WealthEngine's Ms. Boyle noted that retail Web sites that consistently serve up fresh, personalized content can avoid discounting.

There is also the potential for more one-to-one targeting. Ms. Boyle shared the case study of a wine seller who integrated WealthEngine's API into its Web site, enabling it to serve up product suggestions that fit with a customers' wallet size.

Technology also has the potential to save retailers the hassle of ecommerce returns. Melissa Shea, CEO/cofounder of Fashion Mingle, sees the opportunity for more integration of digital measuring tools, which would give shoppers personalized suggestions for sizing pertaining to a specific garment.

A number of technology companies have also sought to solve the sizing dilemma caused by a lack of standardization ([see story](#)).

### Digital disruption

As luxury brands need to balance serving clients in different age groups, having options that allow for both human and digital interactions is key.

Mary Brennan, president of M. Brennan Design, said that she has been watching the growing prevalence of virtual design, in which consumers will get a plan for redecorating their own home without ever meeting a designer in person. She does not see it as a competitor, and questioned the ability of the process to deliver tailored results, since it does not enable an interior designer to get to know their clients as personally.

Similarly, panelists doubted whether a digital tool would be able to replace an under-the-radar recommendation from a concierge at a hotel. Ideally, hotels would give the option for either a digital or analog interaction, such as when ordering room service.

Hospitality can also let guests opt in for digital integration. Ms. Olyphant gave the example of Princess Cruises' smart medallions, which include a sensor that can tell where the individual is on the boat, to enable everything from seamless drink delivery to unlocking the room door.



*Princess Cruises' Medallion. Image credit: Princess Cruises*

LIM's Dr. Baxter noted that brands need to consider what is right for their target audience when choosing technology, and look at what is giving them the best returns on their investments.

Sometimes taking a step back from technology can also enable more engagement. With many consumers searching for Instagramable moments all the time, hosting events where phones are not allowed can lead to better parties, according to Pernod Ricard's Ms. Zaman.

Personalization can also hit pitfalls when brands rely too much on data over talking to their clients.

Mr. Olshan told the story of a man who had split his travel between two main hotel chains. Because he was staying with each brand for a different purpose, the hotels developed wildly different profiles for him, neither of which were accurate.

Wealthy individuals represent a powerful, global economic force, but they can be a difficult audience for brands to target due to their busy lifestyles and elevated expectations.

According to a whitepaper from researcher Euromonitor, there will be 3.6 million more HNWIs created in the next decade, bringing the total population above 8 million. This growing audience that can afford luxury purchases is typically time poor and looking for brands that go the extra mile ([see story](#)).

"The price tag [is] not...negotiated or even asked about when it is completely personalized," Ms. Brennan said.

"Whether it's a product, a service, anything like that, that's the level at which I think people stop looking for that deal, because they understand on a deeper level what they're really receiving is turnkey, it's completely for them and very intimate."