

MARKETING

## What will the luxury experience look like after the pandemic?

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*Designer Giorgio Armani hosted a virtual fashion show this year to stop the spread of COVID-19 infection. Image credit: Giorgio Armani*

By DIANNA DILWORTH

When the COVID-19 coronavirus pandemic finally subsides, chances are that nothing will go back to the way it was before. The challenge will be to translate the tangible into the intangible, from bricks to clicks without missing a beat.

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As affluent consumers adjust to the new normal, luxury brands will have to reimagine what the experience they offer will look like in a world of social distancing, reduced spending power, restricted travel and disrupted supply chains.

"A lot of the luxury marketing was driven by experiences, which were a big differentiator in the category for years, so what happens when consumers are not rushing out for human experiences?" said Allen Adamson, cofounder of Metaforce and adjunct professor at NYU Stern School of Business, New York.



*Christian Dior: Designer of Dreams' exhibition at the Muse des Arts Decoratifs in Paris. Image credit: Christian Dior*

Crisis mode

During the pandemic, luxury brands have been quick to adapt their strategies and communications.

Rather than heavy sales-oriented marketing, luxury brands have been giving affluent consumers a virtual safe space

to relax with rich heritage imagery or photos of how they are pitching in.

LVMH, Kering and Ralph Lauren are among the many companies that have taken to social media to show how they are helping out.

Other companies have forgone new campaigns and turned to their heritage in social media to offer a place of refuge to anxious consumers.

Fashion house Christian Dior, for instance, has played up its history by sharing a documentary from its Designer of Dreams exhibit on YouTube ([see story](#)). Burberry shared image scans of ad campaigns from the 1960s on Instagram.

"Businesses have made very quick and successful pivots into utilizing social and online tools to communicate with consumers, with team members and key internal and external audiences," said Cheryl Dixon, communication strategist and adjunct professor at Columbia University, New York. "The communication may not be perfect and polished, but that increases its authenticity."

Armani hosted a fashion show with no live audience and consumers watched the livestream at home.

"While I expect live fashion shows to eventually come back as people feel safer, it may take a while," said Brian Lee, senior principal at Gartner, New York. "With the economy down and travel halted, normal fashion show attendees are likely unable or unwilling to fly to attend fashion shows for the near-term.

"For now, it seems likely that brands will need to anticipate virtual livestreams becoming the new normal," he said.

"This brings up the idea of see-now-buy-now. While see-now-buy-now was a relative flash-in-the-pan trend a few years ago, we may see it revive as fashion shows increasingly become a live virtual event.

"This may help bring in some pre-order revenue and have a side benefit of helping them anticipate demand to prevent overproduction during a time when belts are tightening."



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## The new consumer

After the crisis subsides, consumers will likely come out as different people.

Some consumers will fear going out and will rely on online shopping. Others may go to stores in masks and gloves and expect the same from sales associates.

"People are eager for socialization and a return to some sense of normalcy, which would include some shopping in stores, but so much depends on how safe people feel and their level of concern around staying healthy," Ms. Dixon said.

"This in turn, depends on the work of the incredible scientific and medical communities and the government to combat COVID-19 and the timeline of when treatments and vaccines will be available," she said.

The challenge remains, how will luxury brands create digital experiences that can replicate the in-person full service experience in the days pre-COVID-19.

"So much of luxury marketing was creating the best possible light to showcase the brand and product," Mr. Adamson said.

"If people are not going into showrooms or dealerships, companies will need to figure out how to add panache to their brand," he said. "This is the big challenge and it is going to require a re-imagination of what you can do online."



*Designer Michael Kors and Bergdorf Goodman fashion director Linda Fargo hosted a game of pictorial alongside as part of Bergdorf's Designers Off Duty program. Image courtesy of Bergdorf Goodman*

## Luxury packaging

Before the crisis, department stores such as Bergdorf Goodman's and Bloomingdale's organized special events for high-net-worth shoppers to build loyalty.

These events will likely not be coming back anytime soon. Events at New York's Metropolitan Museum or Paris' equally illustrious landmarks, live art auctions and in-person wine tastings could also take time to return.

Event gift bags, where samples were distributed into the hands of the affluent, will have to be reimagined as boxes in the mail.

Packaging might see a resurgence, as brands look to present the luxury experience in someone's home. Think Apple unboxing.

"Luxury is driven by a story and a mystique and an experience, which are really hard to get across in digital," Mr. Adamson said. "Packaging could help luxury brands deliver this experience on someone's kitchen table."

Luxury has an opportunity to adapt to the new normal by listening to customers, a key skill among those in the business.

"The luxury industry has deep expertise in understanding what its customers want and need and continually delivering on that," Ms. Dixon said.

Consumers are beginning to be comfortable on Zoom and Google Hangout, so luxury brands are going to have to become content producers to rebuild mystic online.

Fashion house Bulgari is among many who have already started working on product development for jewelry via

Zoom meetings, and these tools could be adapted at the sales and consumer-facing level.

A smooth and interactive digital experience will become expected of luxury brands that have been slower to adapt to than often-relied-on in-person activities.

"Though luxury has historically been a high-touch business, it has modernized processes and its use of technology to deliver exemplary service through quick and convenient channels is a critical necessity with the decline of department stores," Ms. Dixon said.

"The industry should be prepared to continue to be nimble," she said. "The businesses that are the most technologically savvy and in tune with changing customer priorities will be the ones that fare best."

#### **1 thought on "What will the luxury experience look like after the pandemic?"**

1. [jane mccauley](#) says:

[April 27, 2020 at 10:23 am](#)

In discussing how luxury will move ahead in the midst of, and after, this pandemic will not only be digital. Don't forget tactile. Beautiful look books, mailers – things that are rich and luxurious visually AND tactically will support the new uses for digital experience.

People are also very digital weary at this point and we need to look to other ways to 'shake things up'.

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