

APPAREL AND ACCESSORIES

Service, community differentiating values for luxury post-COVID

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The Light and Shadow installation at the Cartier boutique in Macau runs through January. Image courtesy of Cartier Travel Retail

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After the COVID-19 pandemic disrupted traditional behaviors of luxury shoppers, brands had to rethink consumer engagement on local and global scales.

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In a dialogue at the [FT Business of Luxury Summit](#) on May 19, two luxury executives detailed how 2020 changed brands' tactics and strategies when reaching consumers. As brands focused on digital channels, new challenges and opportunities arose regarding relationship building.

"Nurturing your local customers, nurturing your interaction with them is our main focus," said Arnaud Carrez, marketing and communications director at Cartier, Paris. "We've seen that this unprecedented period, it forced us to further strengthen our digital ties, especially when we had to close all boutiques."

Consumer engagement

Luxury brands, particularly those with bricks-and-mortar locations in Europe, heavily relied on tourists to spend on hard goods prior to the pandemic. Once international came to a halt, however, both domestic and international consumers turned to ecommerce.

For British fashion label Alexander McQueen, store closures turned into an opportunity for personalized outreach to existing clients. The brand leveraged its existing customer relationship management software to offer product recommendations, updated inventory for reopenings and tailored programming.

French jeweler Cartier is also undergoing a retail transformation, following heavy investment in online channels such as Tmall Luxury Pavilion and livestreaming to reach Chinese affluents.

"Boutiques should not only be places of transaction," Mr. Carrez said. "They should be places of experiences, places of connections."

One of the ways Cartier has adapted is having boutiques reflect local cultures, rather than having all stores look the same. Programming is also customized for each locale while keeping a sense of exclusivity, even if the events are conducted online.

Preparing for more movement in a post-pandemic world, Cartier is also implementing new CRM techniques to provide consumers a more seamless experience across ecommerce, multiple boutique locations and other touchpoints.

"The first priority was to have a better service level for our customers," Mr. Carrez said.

Alexander McQueen is also looking to improve its omnichannel capabilities and reduce customer pain points with its CRM.

"It's all customer centric," said Paolo Cigognini, chief communications and marketing officer at Alexander McQueen, London. "It's all about the service, and I believe that the service is the value that makes a difference."

Highlighting values

Emphasizing other values, from community to sustainability and social justice, is also essential for luxury brands.

"If you don't communicate, then it potentially leads to mistrust, misinformation," Cartier's Mr. Carrez said.

"Transparency is critical."

The jeweler recently increased the visibility of its work with a content series showing how Cartier Philanthropy is giving back to communities impacted by the COVID-19 pandemic.

The "Upside" series is designed to inform consumers about how the partner organizations that Cartier Philanthropy works are on the frontlines taking action. The aim of the program is to show the positive side of a disaster during a time that seems to be overburdened with issues from the pandemic to racial injustice and unrest ([see story](#)).

In 2020, Alexander McQueen expanded its fabric donation program to grow its sustainability efforts while supporting the fashion community.

Sarah Burton, creative director at Alexander McQueen, introduced the fabric donation program in 2019 in an effort to redistribute leftover materials from the label's production cycles. As the scheme enters its second phase, the label will be donating a new shipment of fabrics to students who are studying fashion and textiles at universities and educational programs in the U.K. to assist the next generation of designers ([see story](#)).

"Today, it's all about sharing values," Alexander McQueen's Mr. Cigognini said. "If the values are togetherness and community, our house needs to follow the same values."