

COLUMNS

What luxury retailers need to know to stay relevant in 2022

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Customers are changing faster than retailers are adapting.

More than ever, brands are competing for the same client. One thing is crystal clear: establish a genuine connection with clients or risk becoming irrelevant.

Technology does not make relationships people do. It is no secret that technology has become invaluable to retailers. Only those retailers that invest equally in developing their human capital as well as their technology will leverage the synergistic benefits.

Brands must not only prepare advisors to leverage technology. Advisors also need to form relationships and create desire for product beyond what the brand can do.

Transitioning from being the expert to selling the expert. Since clients are increasingly more knowledgeable about brands and self-confident in their decision making, advisors need to be more than product experts who download information.

Advisors need to stop competing with the client for information and adapt the newest ways of selling clients who have more information than they do.

Humanizing relationships. High-net-worth clients acquire more when they have an authentic connection with the advisor.

Clients are increasingly more casual, and reject being treated impersonally in a robotic way. Helping advisors bring out their authentic self that creates authentic connections and converts to quality sales.

Clients want to buy, but they do not want to be sold. Create a buying atmosphere versus selling atmosphere by creating desire and facilitating the client's path to purchase.

Without a deep understanding of each client's individual motivation, advisors will fail to make inspiring recommendations.

Aligning values is increasingly non-negotiable. Corporate social responsibility is no longer the added value. Instead, it is the value of the brand.

Client advisors must act as brand ambassadors who can speak clearly and confidently about the brand's policies and initiatives.

Friends continue to replace advisors as the #1 influencer. Be in the customer orbit or be ignored. Advisors must understand the luxury client's world and connect on topics other than business.

Advisors need to become their clients go-to person within and outside the brand.

Relevancy: the new differentiator. Customers are often decided before they even enter the store. Unless the advisor can prove her added value to the buying decision, she becomes unnecessary to the client and risks brand perception.

Shifting from product experts to brand and industry experts will be pivotal to staying relevant.

IF GENUINE CONNECTION is the key to staying relevant, then relationship is the new currency.

We have discovered how to increase business by transforming the relationship between clients and advisors. Make this the cornerstone of your solutions.

Martin Shanker is founder/president of [Shanker Inc.](http://ShankerInc.com), a New York-based global consultancy deploying its Relationship FIRST Method for luxury retailers and brands to develop their sales teams. Clients include Burberry, Cartier, Chanel, Louis Vuitton, LVMH, Lane Crawford, Tod's and Van Cleef & Arpels. Reach him at martin.shanker@shankerinc.com.

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