

MARKETING

Are NFT collaborations a boom or a bust for luxury brands?

February 28, 2022



Dolce & Gabbana's NFT-enabled 2021 Alta Moda show raked in \$6 million in sales. Image credit: Dolce & Gabbana

By [Jing Daily](#)

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

The following is an excerpt from Jing Daily's latest market report, "NFT Collaboration: Luxury's Metaverse Opportunity." Packed with 62 pages of market research, spotlight interviews with industry insiders and brand executives and revenue-generating insights, the report is a must-read for anyone interested in understanding the risks and potential rewards of NFTs and the metaverse, both globally and in China. Get your copy today [on Jing Daily's Reports page](#).

Although it may seem as if luxury brands are new to minting the virtual wearables, cartoon avatars or in-game skins that have largely defined the NFT gold rush since early 2021, many have been relatively eager to leverage the counterfeit-fighting aspect of NFTs and the blockchain.

This has translated to a slew of marketplaces and platforms competing to attract brands in the luxury space, from generalized platforms such as OpenSea, Rarible and Nifty Gateway to a fast-expanding constellation of fashion, lifestyle and luxury-specific upstarts.

Among the blockchain-centered platforms specifically aimed at fashion and luxury brands are Paris-based Arianee (which works with Audemars Piguet, Vacheron Constantin, and ba&sh), VeChain which worked with Givenchy to embed authenticity-verifying chips in handbags and Exclusable.

Competition is fierce among platforms to attract the biggest names in luxury.

In June 2021, Christie's burnished its potential as a luxury NFT-selling platform by enticing Gucci to include its "Aria" art film NFT in the Christie's auction, "Proof of Sovereignty: A Curated NFT Sale by Lady PheOnix," where it ultimately sold for \$25,000.

Bitski, a San Francisco-based startup with an investor roster that includes Andreessen Horowitz and Jay Z, worked with American cosmetics brand e.l.f. Cosmetics for e.l.f.'s first NFT release in June.

Meanwhile, Dolce & Gabbana, for its nine-piece digital-and-physical NFT collection in September, opted to work on

the platform, UNXD.

At the moment, this patchwork of NFT marketplaces goes to show that there is no dominant platform in the luxury space.

However, as luxury brands more seriously eye NFTs as a revenue driver and a way to enter the wider multiverse, as well as a method of assuaging consumer concerns about product authenticity and provenance, there are indications that greater consolidation may eventually come through the efforts of luxury groups rather than outside startups.

Ultimately, with no single marketplace or NFT platform having established itself as the one for luxury or fashion brands, the choice for those looking to get into the space will come down to what is important to that individual company.

Those concerned mostly about counterfeiting and addressing consumer concerns about authenticity and transparency may opt to join the Aura Blockchain Consortium.

Brands interested in riding the NFT wave and catering to a younger generation of consumer may instead go with a buzzy startup platform such as Bitski that itself is fueling that hype.

Others, simply interested in a user-friendly way to experiment with the space, could collaborate with a more turnkey platform such as Exclusible.

Yet, the crucial factor particularly for image-conscious fashion and luxury brands is choosing a platform that has the potential to endure and retain consumer trust once the novelty of cartoon NFTs, or virtual wearables, fades and is supplanted by more practical applications of NFTs, such as authentication for luxury rental and resale.

Lacking a one-size-fits-all solution, it is up to the brand to do its homework to find the right platform that offers the correct mix of environmental awareness, fraud prevention to the extent that it can and brand copyright protection.

Download your copy of "NFT Collaboration: Luxury's Metaverse Opportunity" on [Jing Daily's Reports page](#).

Published with permission from [Jing Daily](#). Adapted for clarity and style.

© 2022 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.