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How technology is elevating luxury shopping in the age of experience

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As the demographics of high-end fashion buying shift towards a younger generation, the world of luxury shopping finds itself at a turning point. This emerging and influential youthful audience not only seeks exceptional customer service and access to top-tier brands within physical stores but also craves immersive experiences and the latest advancements in technology.

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Today, tellingly, almost half of frequent luxury consumers in North America say that high-end stores should be more than a place to purchase products they must be a space where brand stories are told, memories are made, and communities are built. There's no doubt that iconic luxury brands still command a loyalty of their own; but as buyer profiles change, business models must adjust and new technologies must be embraced to meet the needs of the customer base. Here's how luxury stores are rising to the challenge of the experiential retail age.

A multisensory shopping journey

More so than other brands, luxury sellers are well-positioned to implement captivating and emotionally immersive experiences into their retail spaces. Creating an unforgettable "experience" has always been at the core of high-end retail, after all.

Premium brands are investing heavily in store designs that enchant and inspire, seamlessly blending architecture, lighting, and sound to craft a multisensory shopping journey. These thoughtfully crafted environments evoke powerful emotions and transform each store visit into a truly memorable event.

Take, for example, Tiffany & Co.'s recently reopened landmark Fifth Avenue store, which features futuristic floor-to-ceiling CGI windows displaying an animated cityscape complete with birds in flight. Another noteworthy example is the avant-garde and art-infused SKP-S department store in Beijing; and let's not forget Dior's monumental Parisien flagship on Avenue Montaigne, which offers not only a retail space but also a museum, restaurant, pastry caf, lush gardens, and even a hotel suite.

Elevated store designs like these demand meticulous attention to visual merchandising consistency and excellence

throughout the shopper journey is key to upholding a luxury brand's prestigious reputation. Recognizing this, forward-thinking retailers often equip staff with mobile devices to capture photos of displays and product presentations, share them with managers and merchandising executives, then receive real-time guidance for precise alignment with brand-wide campaigns. This ensures that every product is positioned flawlessly, eliminating any patchy or inconsistent presentations that could diminish the store's overall appeal.

Technology-driven customer engagement

While luxury brands are known for their rich historical heritages some dating back hundreds of years their pursuit of deeper and more personal customer engagement necessitates an openness to digitization. When answering shopper queries, for instance, smart workplace apps can elevate the service by guiding store associates, who offer advice and recommendations. Done right, this both elevates the shopping experience and empowers the employee to serve as a true brand ambassador.

Virtual reality (VR) and augmented reality (AR) technologies are also revolutionizing the luxury retail landscape. Brands are leveraging VR to provide customers with virtual try-on experiences, allowing them to see how clothes and accessories look without having to change. This technology eliminates the limitations of fitting rooms and empowers customers to make more informed purchasing decisions.

AR, on the other hand, overlays digital content onto the physical world, enhancing the shopping experience. Customers can use AR-enabled apps to visualize how different outfits might look or to access additional information by scanning smart tags with their smartphones. These technologies bridge the gap between online and offline shopping, enabling customers to enjoy the convenience of digital browsing while still benefiting from the in-store experience.

Elevating luxury retail

Luxury retailers are not only embracing cutting-edge technologies but also introducing unique in-person offerings that help cultivate immersive and unforgettable shopping experiences. The rise in popularity of personalized styling opportunities where expert fashionistas help customers select garments that match their individual style is a prime example. High-end retailers are also going big on events and workshops. These range from fashion shows that showcase the latest trends, to interactive design classes that enable brands to forge deeper connections with their customers and form long-lasting relationships.

Another luxury trend gaining momentum is experience-driven brand collaborations. Noteworthy examples include Dior's takeover of Harrods in London, featuring a caf, an immersive exhibition, two pop-up shops, and captivating window displays. Also in the British capital, Selfridges hosted Jacquemus's inaugural pop-up last year, an exciting three-part experience featuring a 24-hour vending machine dispensing various colorways of the brand's popular Chiquito and Bambino bags.

These engaging events and services, in conjunction with the integration of new technologies, play a crucial role in forging extraordinary shopping journeys. Their success, however, hinges on excellent service. In the realm of luxury retail, where customers expect personalized treatment throughout the shopping experience, even the smallest details can matter.

For this reason, a highly skilled workforce is essential. Luxury customers are motivated to visit by the prospect of VIP service from a knowledgeable sales team that understands their wants and needs. A highly trained and engaged employee can also enhance the effect of an experiential feature, ensuring not only that it is presented to customers as intended by retail leaders, but also helping to convey the deeper story behind the experience. With this in mind, learning and development initiatives are a core priority for many luxury brands several of whom are exploring the power of AI to provide targeted, on-the-job training, ensuring their staff have the skills and knowledge to offer luxury shoppers the experiences and services they desire.

Investing in a lifestyle

As global recession fears loom, luxury retail is projected to be among the most resilient sectors, thriving with an influx of younger and more diverse customers. But elite brands can't afford to be complacent.

High-end stores must offer more than just products; they need to create memorable and personalized experiences that connect with customers on an emotional level. When someone makes the purchase of a luxury item, they are not merely buying a physical object, they are investing in a product of unparalleled quality and value.

To meet and surpass these lofty expectations, luxury brands must continue to harness new technologies and

implement innovative features that elevate the in-store experience. This, backed by the contribution of a highly-skilled, tech-enabled team, is what keeps shoppers returning for more, even in a challenging economic environment.

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