

COLUMNS

Luxury Unfiltered: Reinventing luxury in the age of AI and Gen Z

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Daniel Langer is the founder and CEO of consulting firm quit.

By **Daniel Langer**

In practically every project I am involved in, across all product and service categories, there is one common theme: The rate of change and disruption is unprecedented.

Brands that were successful just two or three years ago suddenly see themselves confronted with a massive shift in client expectations, plus Gen Z is becoming rapidly more influential and powerful as a customer group for the luxury industry.

On top of the change in the client setup, luxury brands are confronted with an unprecedented technology shift that will make the first digital revolution that hit luxury brands in the 2010s seem like something uneventful. What is to come between now and the end of the decade will change the entire way brands have to operate, from strategy and creativity to implementation.

Loud and clear

We are not just living in a noisy world, we are living in the noisiest world ever.

In many of my luxury masterclasses, I regularly ask participants whether they remember any advertising that they saw on Instagram or TikTok since the morning. Probably one or two out of hundreds of participants remember. While we are bombarded with more targeted advertising than ever before, we don't remember.

Now let's flip the script: If you don't remember the social media advertising you have seen, why should any of your clients remember yours? Here is where brands need to think radically different.

In the algorithm-driven world we inhabit, the landscape of luxury-brand marketing is undergoing a seismic shift. The era we are entering is one where traditional approaches to luxury branding are being challenged and redefined by Artificial Intelligence (AI).

The omnipresence of AI-powered social media algorithms, acting as gatekeepers between brands and clients, necessitates a strategic overhaul in how luxury brands operate. This evolution demands that luxury brands not only adapt, but also profoundly define and articulate their identity and narrative to thrive.

At the heart of this transformation is the realization that the intimate, nuanced relationship between luxury brands and their clientele can no longer rely solely on the aesthetic vision of a single designer. While the creative aspect remains crucial, there is a growing need for brands to articulate their core values, personality and stories more clearly and compellingly.

This shift is not merely about marketing strategy, but about survival in an ecosystem where algorithms prioritize content engagement and relevance.

Social relevance

The implication for luxury brands is clear: To resonate with, and be discovered by, their target audience, they must develop and articulate their brand storytelling with precision, inspiration and creativity.

The reality is different: In recent brand audits in fashion, fine watches, UHNW wealth management, luxury automotive and luxury hospitality, most brands were completely generic with their brand storytelling which means they don't have a brand story that is distinct.

I call them "category stories," rather than "brand stories," and it explains why so many brands feel like their competitors the famous "sea of sameness" that I mentioned in many publications and presentations.

quit research estimates that more than 90 percent of all legacy luxury brands today are not defined precisely enough in their emotional storytelling and that an even higher number lack a coherent communication on brand values, including at the point of sale. The sea of sameness is bigger than most brands like to admit.

In our algorithm-driven world, and in a world increasingly dominated by Gen Z, the first "social-media-first generation," this is fatal. In this new world, weaving the brand's essence into every piece of content and interaction is mandatory to be able to pass the AI gatekeepers and inspire an audience that lives on social media.

But when brands have the same story than their peers often: quality, craftsmanship, materials, engineering, visiting paradise, etc. and fail to create emotional distinctiveness, they lose the ability to connect with their audience and they don't give the algorithms and their audiences enough data points to understand which emotional markers the brand has and what exactly makes it distinct.

Cutting through the noise

Instead, brands need to be extremely precise in articulating who they are so that they align themselves more closely with the algorithms' criteria for visibility and engagement, ensuring a better match with current and potential clients who share their values and aspirations.

Failure to adapt to this new paradigm has dire consequences, as many legacy brands are seeing currently in their declining numbers. Brands that do not refine their identity and narrative risk becoming invisible in the digital arena, their messages drowned out by those more adept at engaging in an algorithm-infused reality.

This invisibility not only diminishes market presence, but also erodes brand equity and customer loyalty, ultimately leading to a decline in relevance and sales.

In an algorithm-driven and Gen Z-dominated world, the success of luxury brands will increasingly hinge on their ability to articulate their identity and engage audiences through compelling storytelling.

This strategic pivot, augmented by the intelligent use of AI in personalization, operational efficiency and other client-focused areas, represents a significant opportunity for luxury brands to redefine their value proposition and provide deeper, more meaningful connections with their clients.

The future of luxury is not just about creativity and design, but about understanding that brand storytelling is a strategic necessity. It is the foundation of everything else and needs to be expressed in every brand message and experience.

The brand story defines the creative vision, not vice versa. This is the only way to ensure that luxury brands remain not just visible, but create extreme value in the eyes of their audience.

Luxury Unfiltered is a weekly column by *Daniel Langer*. He is the CEO of *quit*, a global luxury strategy and brand activation firm. He is recognized as a global top-five luxury key opinion leader. He serves as an executive professor of luxury strategy and pricing at Pepperdine University in Malibu and as a professor of luxury at New York University, New York. Mr. Langer has authored best-selling books on luxury management in English and Chinese, and is a respected global keynote speaker.

Mr. Langer conducts masterclass management training on various luxury topics around the world. As a luxury expert featured on Bloomberg TV, Financial Times, The New York Times, Forbes, The Economist and others, Mr. Langer holds an MBA and a Ph.D. in luxury management, and has received education from Harvard Business School. Follow him on [LinkedIn](#) and [Instagram](#).

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