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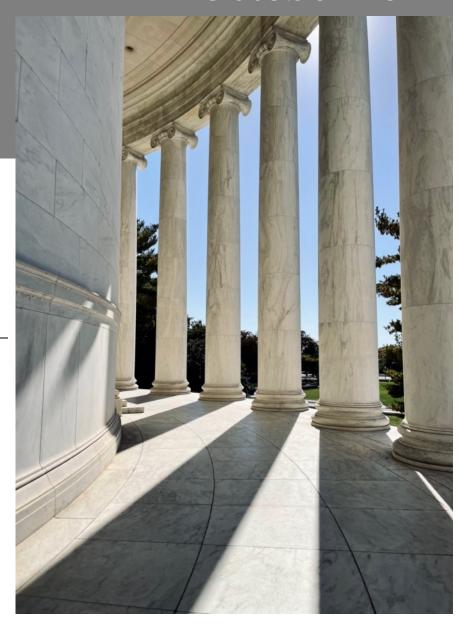
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Knowledge. Perspective. Passion.

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"In surveys, luxury consumers often cite design, quality and craftsmanship as what attract them" read a quote by John Gapper in the Financial Times recently; "in reality, they are seeking higher status."

This is one of the most frequently mentioned 'secrets' of luxury psychology by luxury market commentators, but it is sadly one which is far too simplistic to actually be entirely true.

In his article, Gapper was mystified as to why brands such as Gucci and Louis Vuitton held such sway in the luxury market. Amazed that such brands are 18 times larger than the average label and in awe at the fact that these brands, built on exclusivity, still had such vast catalogues of product for sale.

The closing argument referred to Kapferer's idea of "abundant rarity": the solution for luxury goods brands to make money through selling vast amounts of goods but still be elite and therefore permanently desirable. This was termed the 'grand illusion.'

The big problem with the article is that it assumed all luxury consumers – at every income and wealth level – have the same attitudes and the same needs. For example, the belief that it's all about 'status' for every consumer completely ignores the differences that exist between different demographic groups.

To be clear, status is the hidden selling point, the promise, of luxury goods to a big cohort of aspirational, low to middle income buyers

around the world. Luxury goods are a passport to a world they don't actually inhabit, but one they can visit and feel part of from outside through ownership of its objects.

At the other end of the scale, the established wealthy – who inhabit this world and cannot escape it – there is no need for them to purchase for reasons of participation. Why buy the print at the museum shop when you own the painting itself?

These individuals live and breathe lives of luxury. Because of this, they are not drawn in by emblems of status but by the things that Gapper assumed were post-rationalising fictions: design, quality, craftmanship. Being accustomed to the best means you come to expect the best, although for the most elite of these consumers, the best is simply the minimum they would expect.

Luxury brands, in this context, become trusted allies in their journey to live lives of endless quality, not temple altars at which they make sacrifices for the purposes of esteem.

Luxury brands are not the creators of this phenomenon, they are simply capitalizing on it. The most interesting 'illusion' of luxury is not that powerful brands are claiming rarity but selling abundantly, it is that these brands not only associate themselves with the *lifestyles* that aspirational consumers find most attractive, they behave as if they are the representatives, the ambassadors of such lifestyles. This is the real 'rarity' that luxury is selling. It's the reason why royal warrants can

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supercharge a brand's prospects and why, even in the 21st century, luxury portrays its image as the teddy-bear plaything and comfort blanket of the ruling classes. Commentators might think that Gucci's limited editions survive on their inherent exclusivity alone, but they actually thrive on a more subtle and less tangible asset: the magic dust of the world of Gucci, brilliantly preserved for another generation in the award-winning, all-star feature film "House of Gucci." This deepens the 'soft' brand associations. People think of the pseudo-aristocratic existences of its family members; the jet-setting, the cavernous villas and the patrician entitlement.

The brands that are most successful at such associations are the most desirable. In this way, luxury brands employ the same consumer psychology that determines the most desirable private membership clubs. Ordinary people want to get inside them not simply because it is difficult to gain access but because of who they may encounter when they are inside. Those who belong in such places value them because they like the comfort and familiarity it brings; being inside is of course better than being on the outside, but mainly because they expect to be able to always fulfill their needs.

Ralph Lauren is arguably one of the most successful labels in this 'illusion' of association, one which F. Scott Fitzgerald himself would heartily applaud. Ralph (Lifshitz's) story is that of an outsider looking in on an impenetrable world and reimagining his role as its sartorial ringmaster. He himself knew the golden warmth of appeal in a life of Art Deco Manhattan apartments, lvy League education and vast equestrian estates in the countryside. It is a deeper, cultural aspiration than the basic financial desire connected with the "American dream." It doesn't just sell a life with lots of money — it shows people how it should be lived. It encompasses business, sports, home-living and travel. It is a three-dimensional living movie, akin to the rich effect achieved by the makers of the House of Gucci.

Louis Vuitton are also deft at this. LV knows that of its leather goods it is its travel goods that are most aspirational, for the simple reason that these are goods that are used very rarely by the majority of people and therefore lack the outsize spend justification of, say, a Neverfull tote.

Its advertising campaigns using new and vintage pieces at the core emphasise not just the brand heritage — which is easy — but the carefree lifestyle, which is seemingly impossible for most people looking at the image. Here, the famous monogram canvas pieces — so treasured and protected by the humble handbag owner — are used practically, dumped in the desert, sat on, attached to an oily, dirty vehicle. In other words, their fetishization as aspirational trophies is utterly rejected. They are simply pieces to use for their intended purpose. We look at the people using them and it is they who the ordinary consumer wants to be: "Oh to be able" they cry "to throw a Vuitton case on the jungle floor like it doesn't matter!"

Of course, it *shouldn't* matter. And to the brand's 'hero' consumer (the wealthy ones) it actually *doesn't* matter. What *matters* to them in that scenario is design, quality and craftmanship, the serviceable parts of luxury that determine its superiority — ironically, the very things that Gapper believed luxury consumers were falsely claiming as their priorities.

Naturally, no one, not even the lowliest of low-income luxury consumers, would first admit that they need a handbag brand to give their life some value. Inherently, we all know how embarrassing that is. The error to make though is not only incorrectly believing that *all* consumers need the status that such products bring, but also that it is the ordinary consumers alone that are falsely aligning themselves to a vanishing lifestyle of demi-Gods, hidden in the Olympian clouds. With these elusive people, luxury brands usually have but a nodding acquaintanceship.

Sector updates



Rolls Royce Motor Cars launched its new fully electric vehicle, the Spectre, at the Goodwood headquarters on the 18th October, with an expectation to begin deliveries at the end of next year. Barton had previously reported a year ago in the Diary that Rolls Royce's entire range will be electric by 2030. Unlike other luxury manufacturers who see the SUV as the ideal electric model, the Spectre is a monstrous coupe of 17.8ft in length, with 23-inch wheels. To keep weight down, the new Spectre uses an all-aluminium construction that integrates the battery into the structure of the car, helping it to be 30% stiffer than any previous Rolls — but no less heavy, at nearly 3000kg (3 tons). The range is a disappointing 260 miles, although it is arguable, in Barton's view, that even this is unlikely to ever be needed by the typical owner. Naturally, as with all electric vehicles, the Spectre is as silent as the grave although this is especially valuable for Rolls Royce as its own combustion engine vehicles have been painstakingly honed to be as quiet as possible. Now, such engineering is, truly, effortless.

Image: Rolls Royce

Accor has been flexing its new Orient Express product this month with a reveal of the new interiors of its train cars. Launching in 2025, the interiors were revealed in an immersive virtual reality exhibition called Orient Express Revelation, displayed during Paris Art Week between 17th and 21st October 2022. The train's architect, Maxime d'Angeac, explained how his redesign is only the second redesign of the Orient Express in history. "We have two versions of the Orient Express," explained D'Angeac. "One in 1833, and one extremely famous that you could see in the movies of James Bond and of Sidney Lumet, which was the Orient Express 1924." Err, or that you can still see in the Belmond VSOE train – but Barton will forgive that glaring omission, because Belmond is a competitor. Accor's train and d'Angeac's design departs from the Lalique-era carriages in that everything is overhauled and given a 19th century French design. However, there are some serious homages to the 1924 golden era such as the glass bar, the table lamps and glass panels.



Image: Accor



Image: Gucci

Gucci has become the first brand to build its own space within The Sandbox metaverse platform, with the recent launch of an experimental concept store 'Gucci Vault Land' as part of The Sandbox for a limited period until November 9th. The event will allow users to purchase eight voxel digital collectible clothing items, hats, skate ramps, and even cars - each envisioned as a showpiece for owners to display in their own lands. The goal of this effort, according to Gucci, is to educate the Web3 community on Gucci's heritage via gamification. It is yet another venture into meta for the Italian house who introduced Gucci Garden to the metaverse last year. For Barton, the jury is still out on the metaverse for luxury brands. Though there's an undoubted pressure not to miss out on what has been termed 'the next stage of luxury shopping', the fact that luxury brands are seeing this as largely 'infotainment' for new consumers shows a fear that it isn't quite the all-conquering platform it has been billed as. A recent report from Activate Technologies shows that the 'hype cycle' for NFTs and the metaverse is already over.