

# THE PARADOXES OF LUXURY

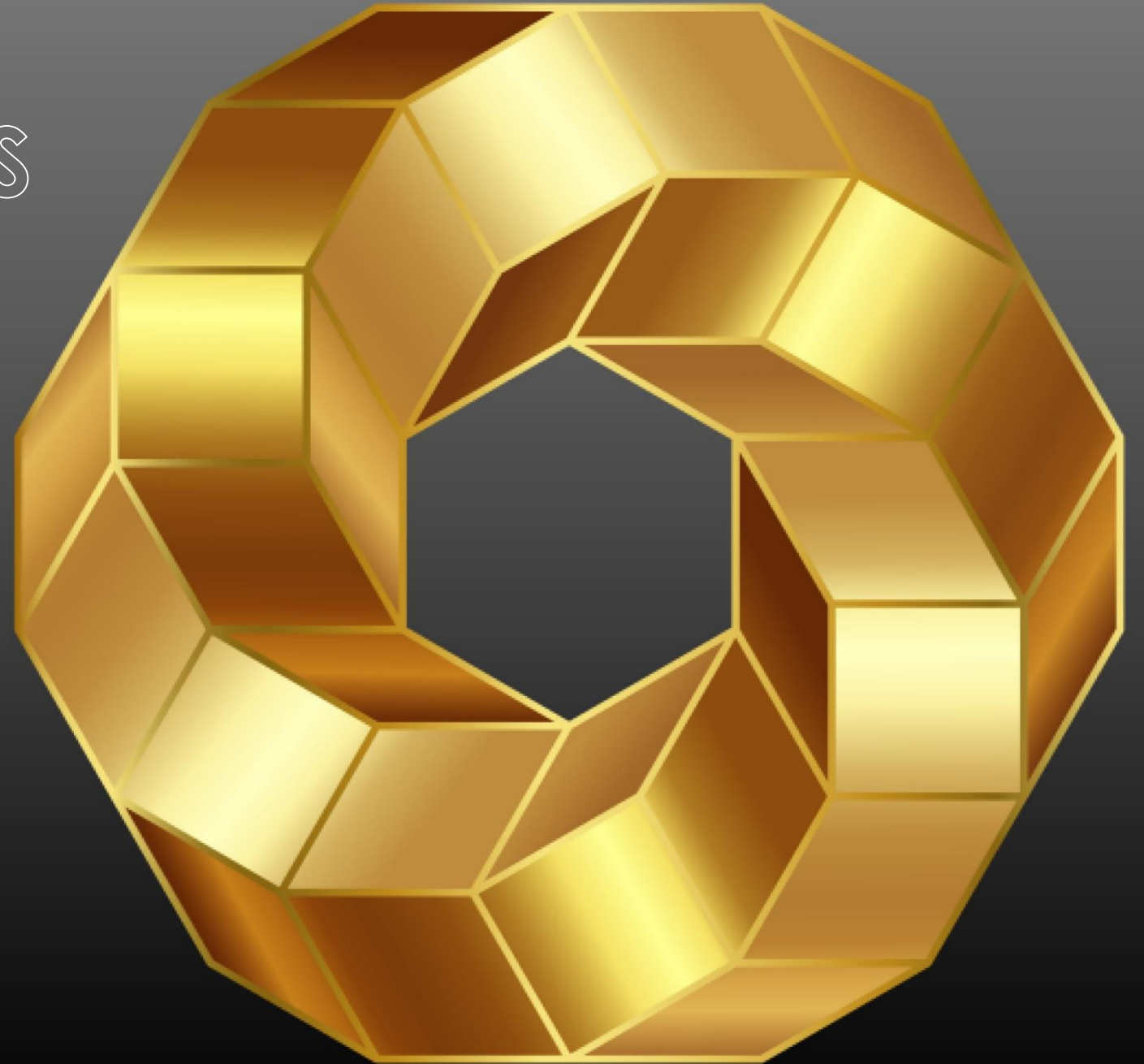
France – United-States - China

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PARIS LUXURY SUMMIT  
12 December 2023

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## Survey sample

### International quantitative survey

Survey carried out in November 2023 among a **sample\* of 1,200 purchasers of luxury products of whom:**

- 400 French respondents aged 18 to 65
- 400 American respondents aged 18 to 65
- 400 Chinese respondents aged 18 to 55

Self-administered online questionnaire.

\*Powered by Dynata



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# INTRODUCTION

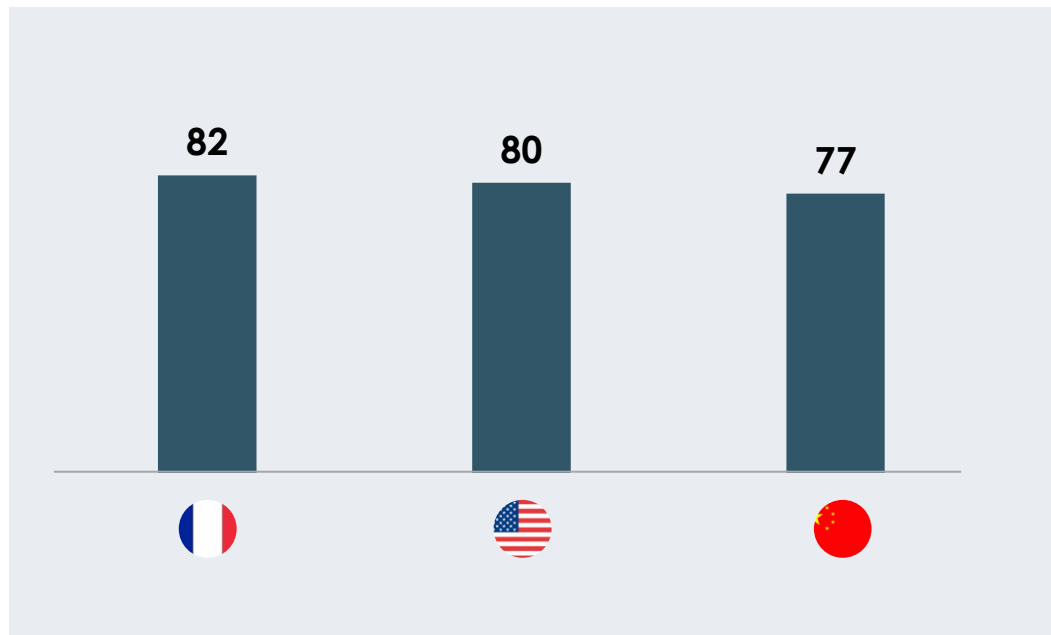
## THE ERA OF CONFUSION



Victim of its own success, the codes of luxury are now being copied relentlessly

**There are too many brands that claim to be luxury brands but are not really**

*% Total agree*



**CONFUSION**



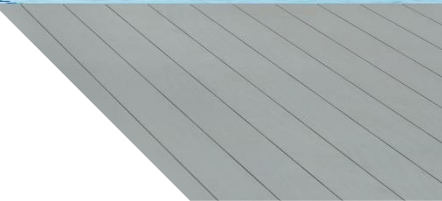
**MIX OF BRAND POSITIONINGS**



**PARADOXES**

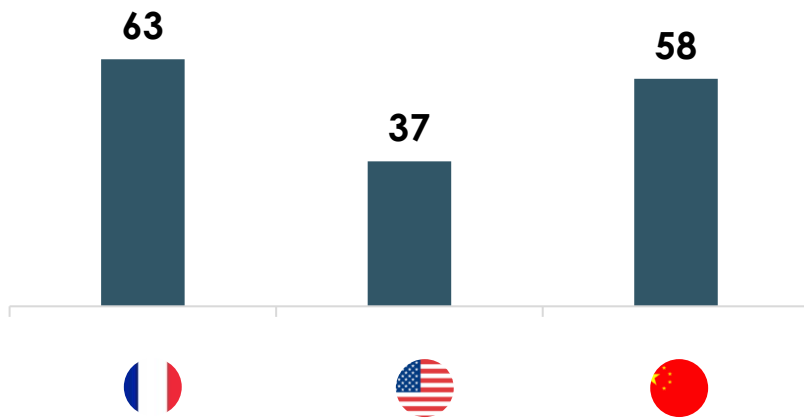
**PARADOX 1**  
**ULTRA LUXURY / "QUIET LUXURY"**

01



# The Americans like to cause upheaval

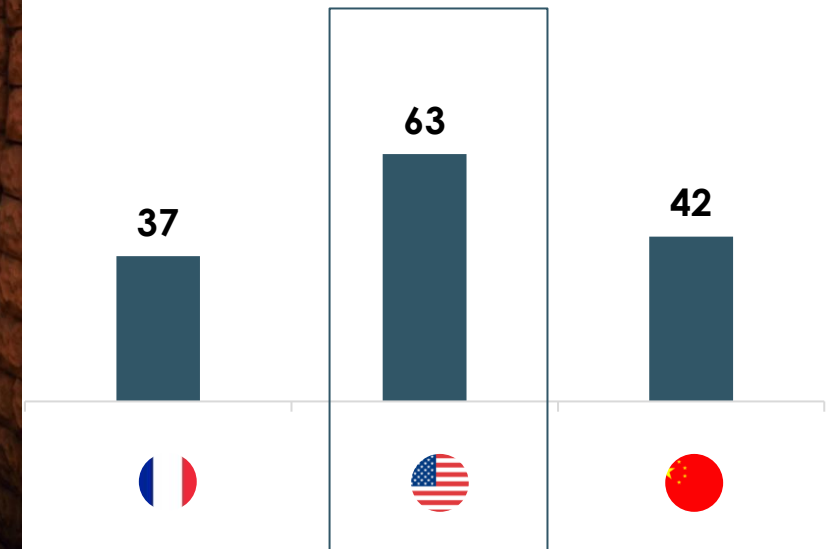
**I am a fan of minimalist, understated luxury**  
% Total agree



VS.



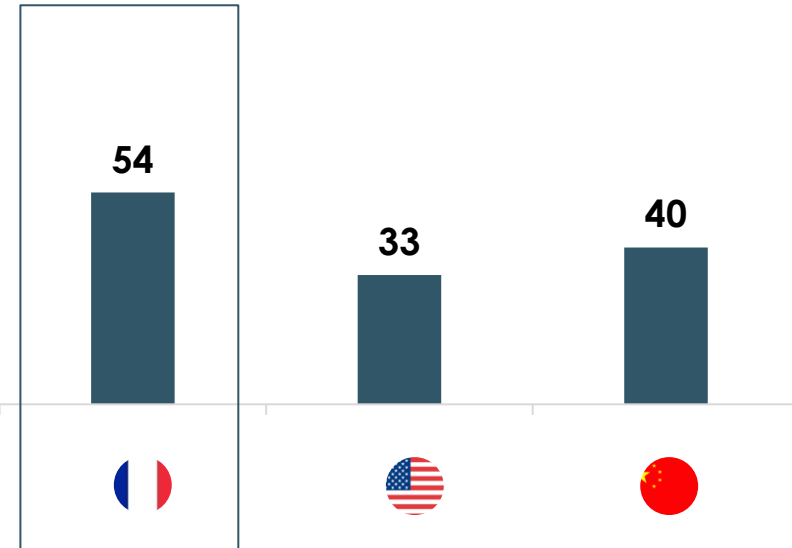
**I am a fan of unique, somewhat extravagant luxury**  
% Total agree



The Americans and Chinese are drawn to ostentatious luxury  
The French remain fond of discreet luxury

DISCREET LUXURY

I prefer it when no one notices the luxury brands I wear, when they appear understated  
% Total agree

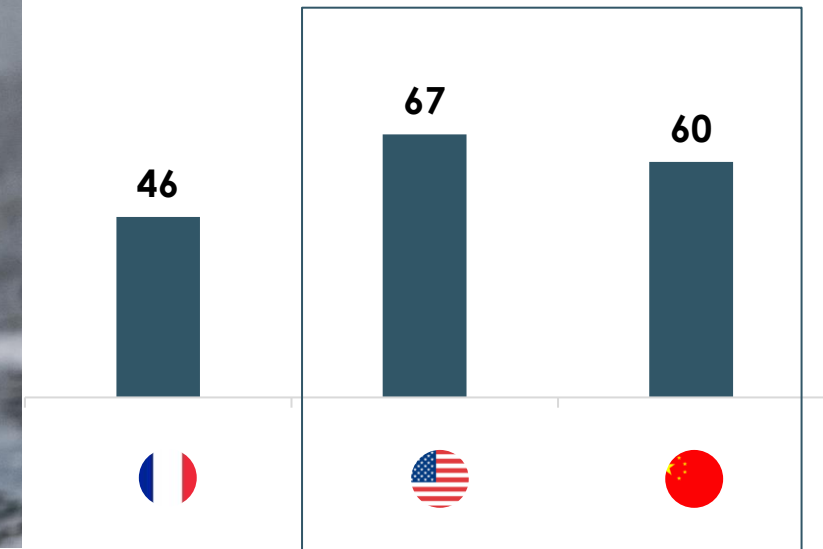


VS.



OSTENTATIOUS LUXURY

I love it when the luxury brands I wear draw attention at first glance  
% Total agree





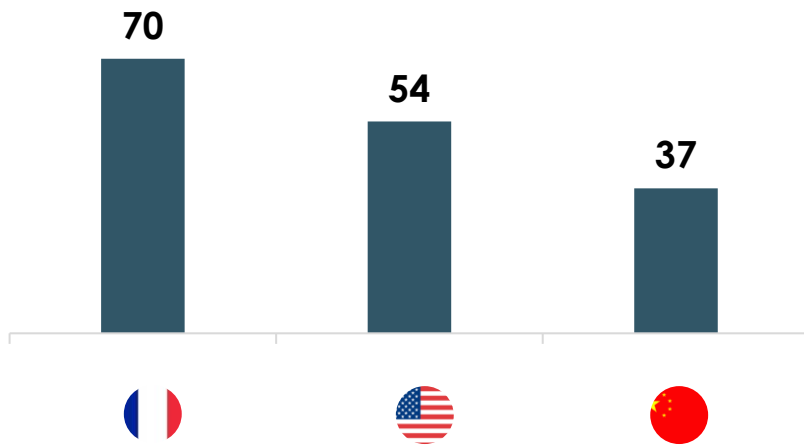
**PARADOX 2**  
**RESPONSIBLE CONSUMPTION / OVERCONSUMPTION**



# Two models coexist when it comes to attitudes to luxury

## SUSTAINABLE LUXURY

**When buying a luxury product, my main motivation is to keep it, to make it last for a long time**  
*% Total agree*

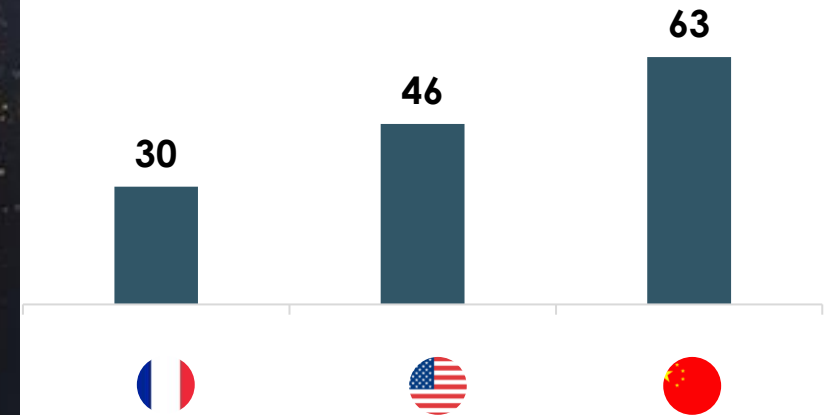


VS.



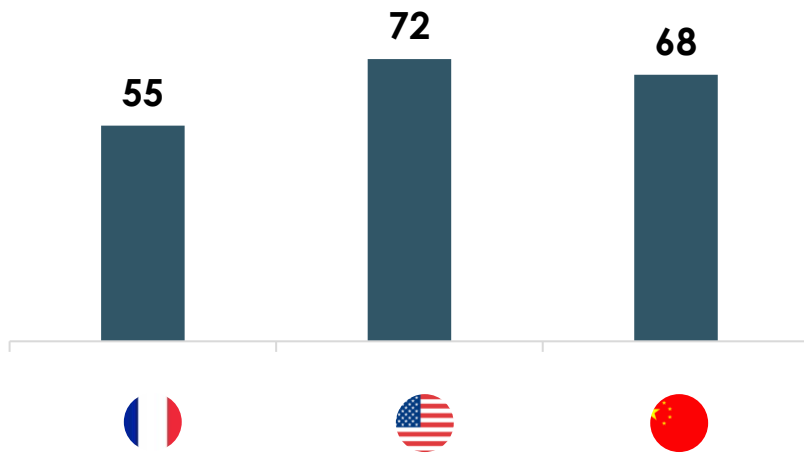
## CONSTANT RENEWAL LUXURY

**When buying a luxury product, my main motivation is to update my style, follow a trend**  
*% Total agree*



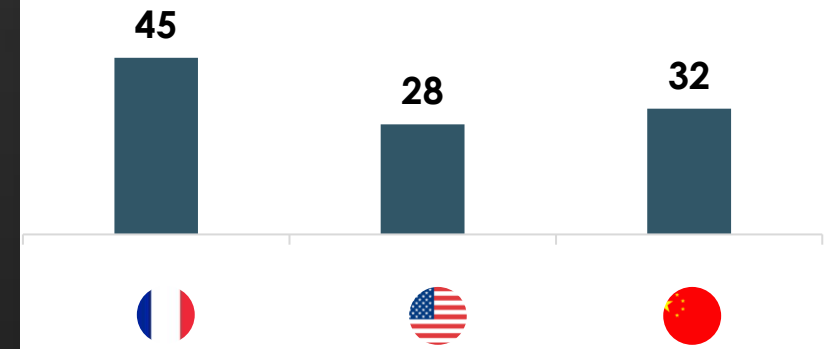
# Are special deals compatible with the quest for sustainable consumption?

**A luxury brand must offer special deals**  
*% Total agree*



VS.

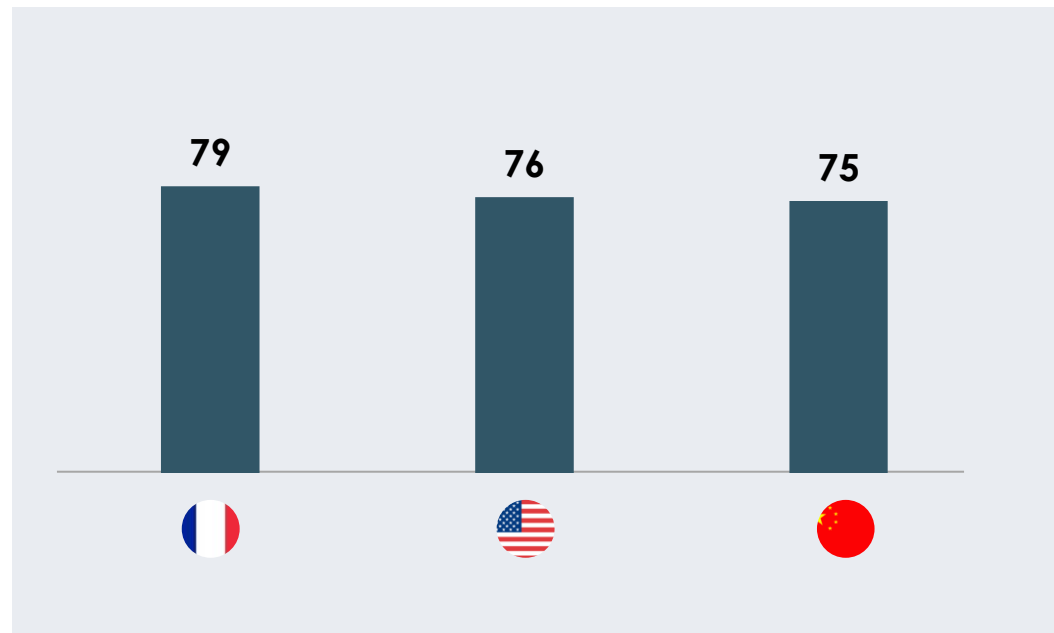
**A luxury brand must not offer special deals**  
*% Total agree*



# A belief that holds true in all countries: Luxury must embrace the circular economy cause

**A luxury brand should offer customers the opportunity to buy second-hand products from that brand.**

*% Total agree*

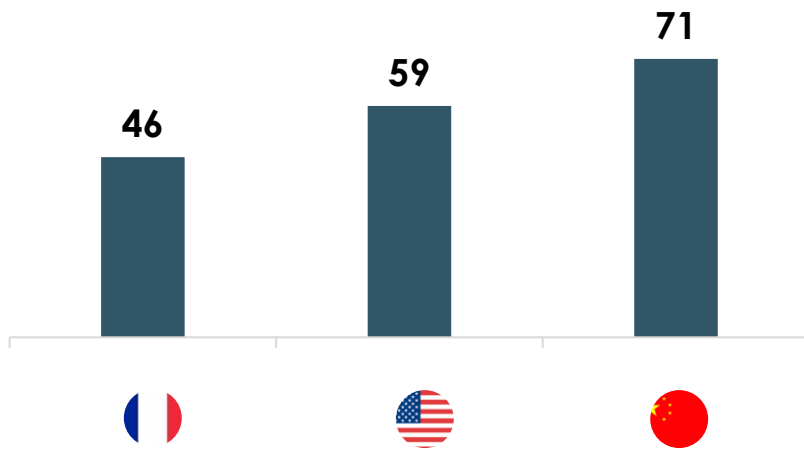




**PARADOX 3**  
**OMNIPRESENCE VS. EXCLUSIVITY**

# The Americans and Chinese are in favour of using the media to showcase luxury know-how, whereas the French uphold the values of exclusivity

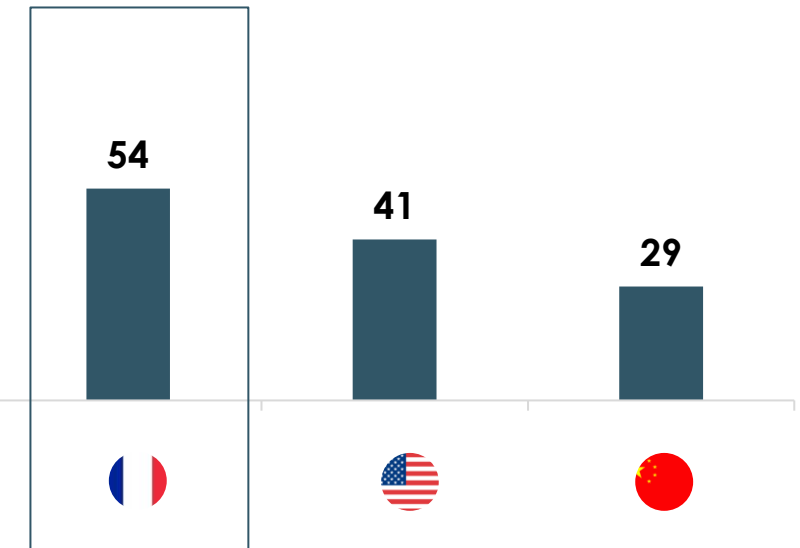
**A luxury brand should communicate regularly via the media, to showcase its know-how to everyone**  
*% Total agree*



VS.

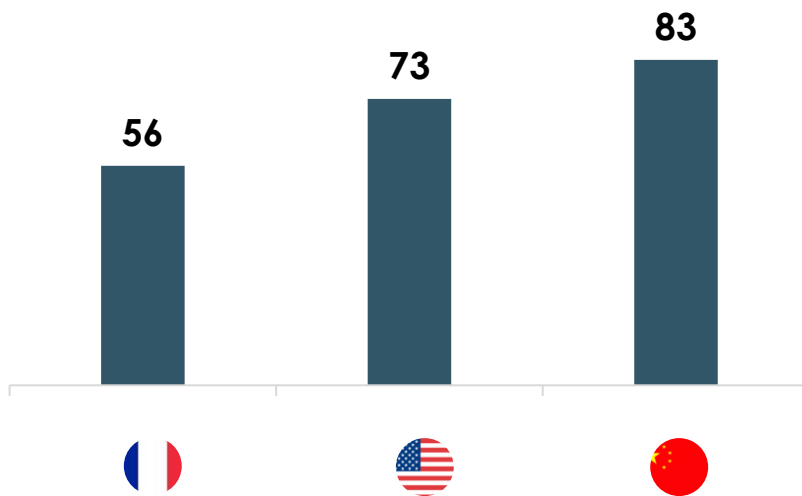


**A luxury brand should make restricted use of the media, in order to remain exclusive**  
*% Total agree*



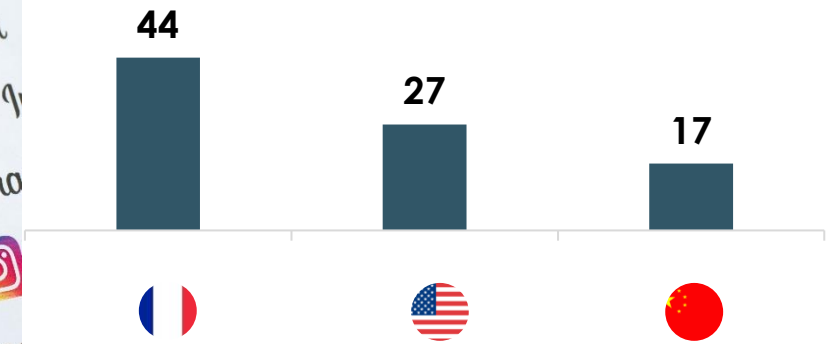
The majority of customers are in favour of the presence of luxury brands on social media, although there is a degree of reticence in France

**A luxury brand should be active on social media**  
% Total agree



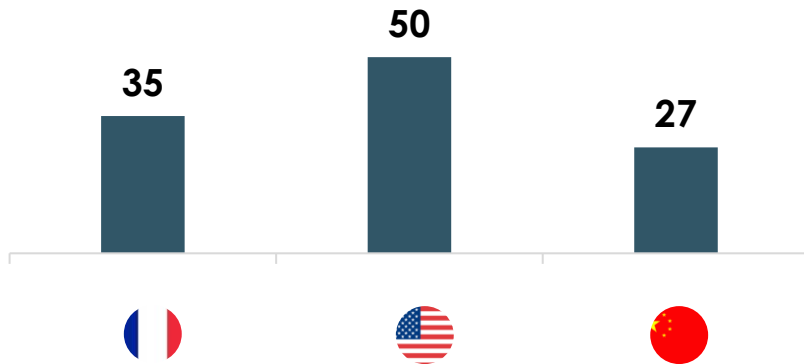
VS.

**A luxury brand should not be active on social media**  
% Total agree



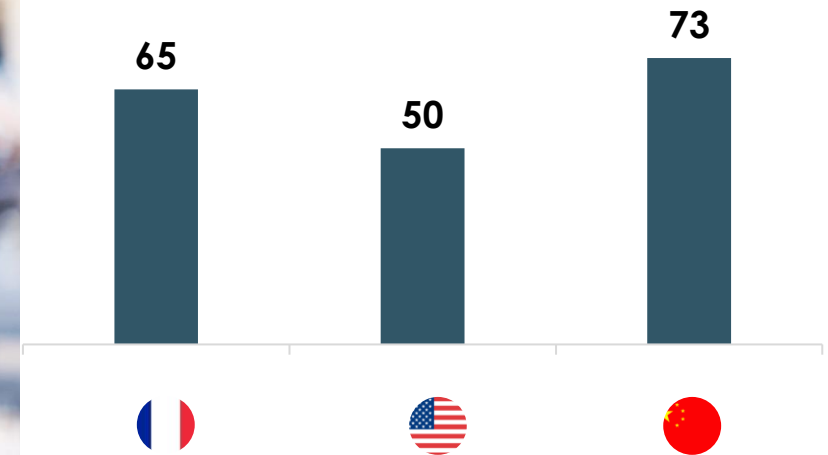
But not to the detriment of brands:  
influencers are struggling to impose themselves in the world of luxury

**It's a good thing that luxury brands use influencers**  
*% Total agree*



VS.

**A luxury brand should be in sole control of its communication strategy, and manage it in-house**  
*% Total agree*





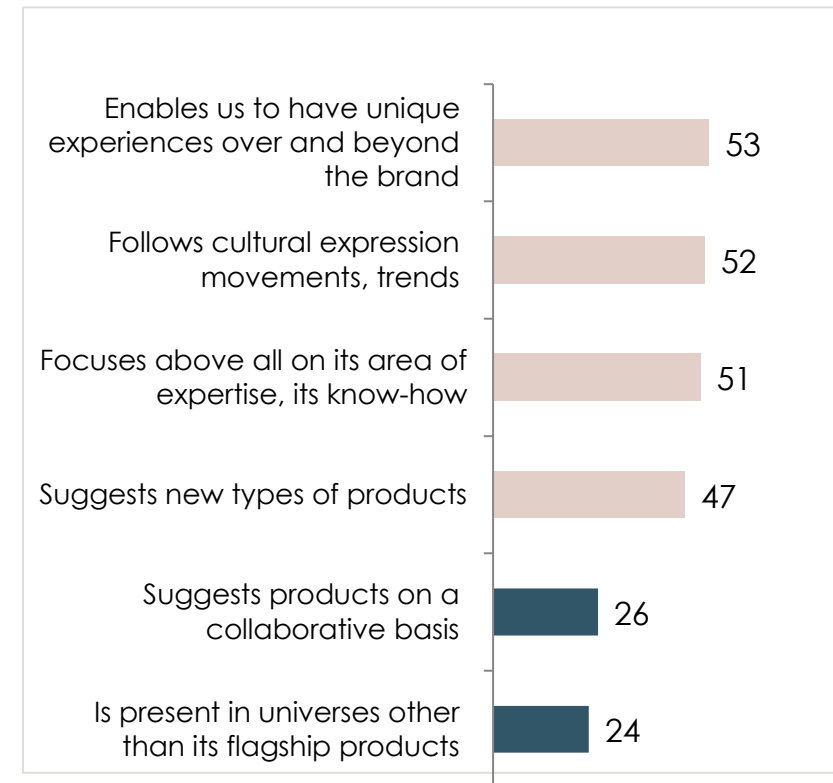
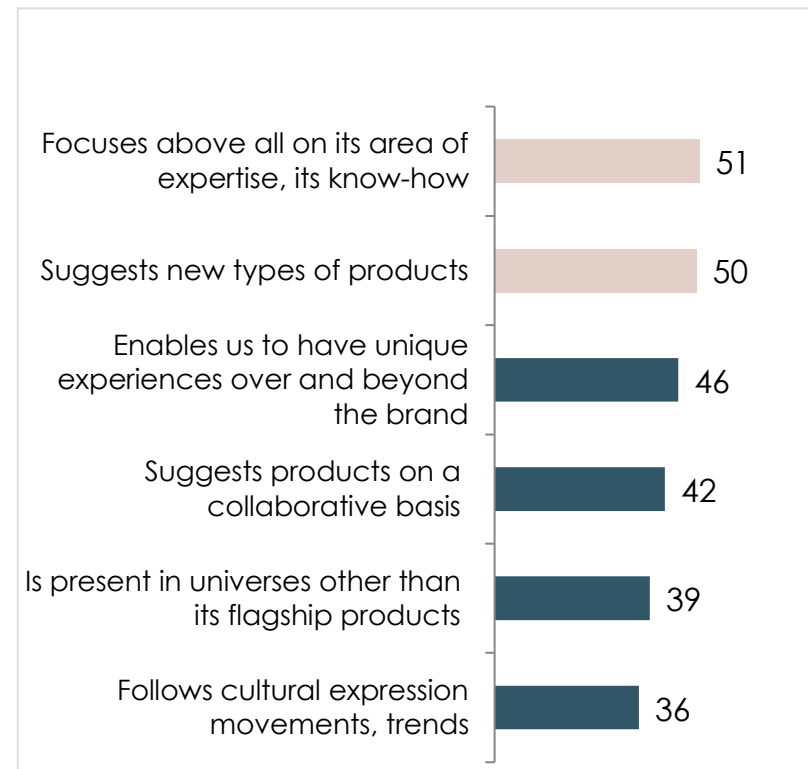
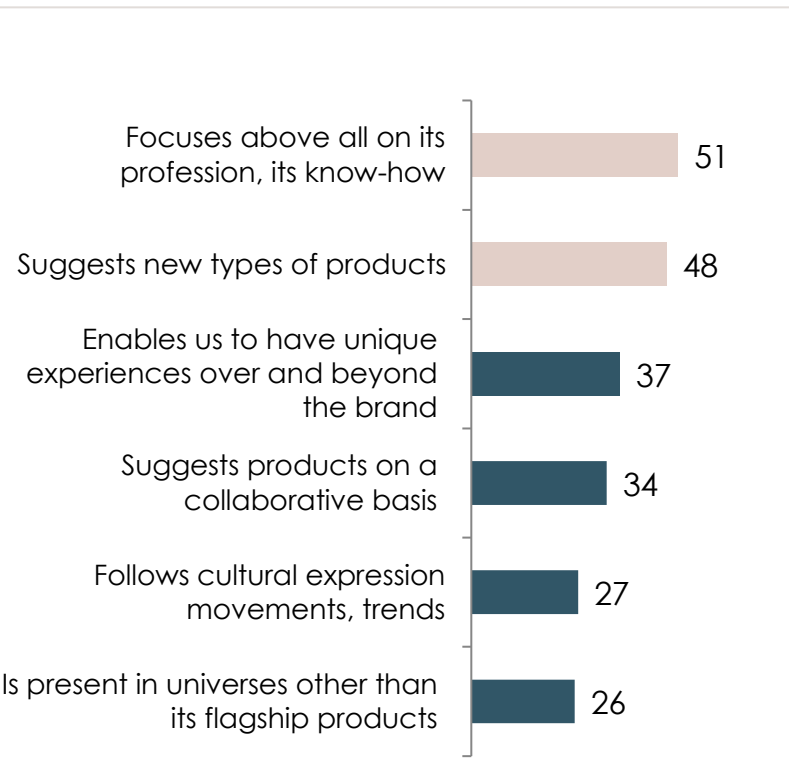
**PARADOX 4**  
**EXPERIENCE / KNOW-HOW**



# The priority for a luxury brand: Innovation in its key area of expertise, except in China

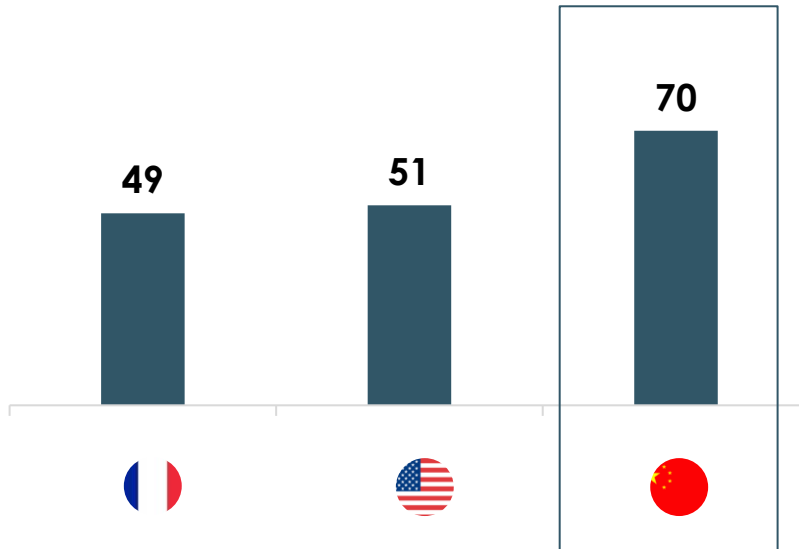
## Priority expectations relative to a luxury brand (fashion, leather goods, jewellery, watch making...)

% average for the three countries



# The Chinese like brands that dare to stray from their established know-how

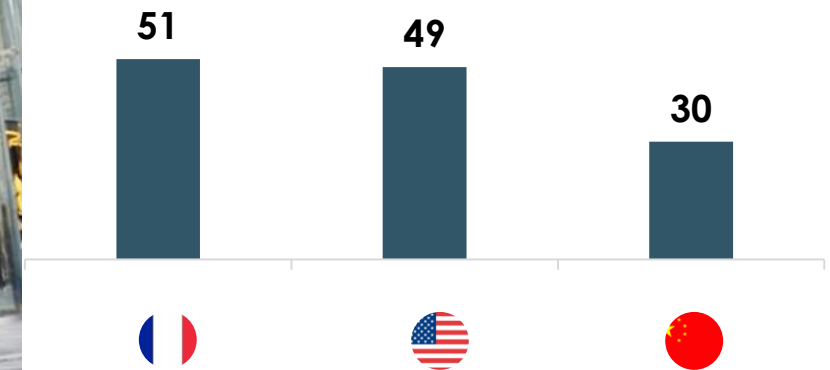
**Luxury brands should continually reinvent themselves, follow trends, offer new experiences**  
*% Total agree*



VS.



**Luxury brands should primarily focus on their know-how and their iconic products**  
*% Total agree*

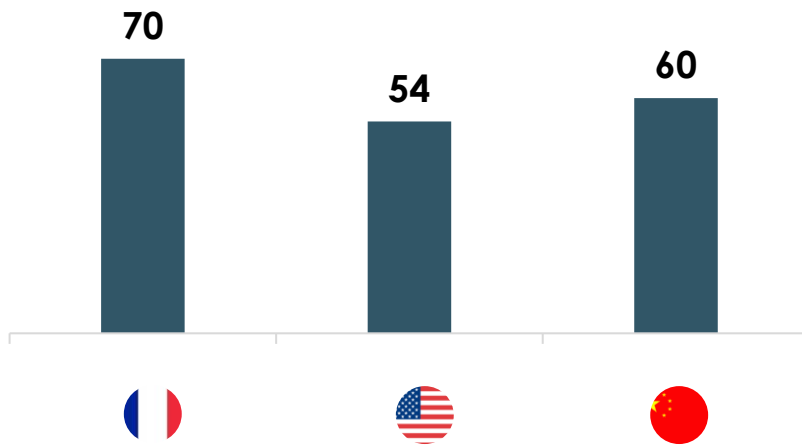


**PARADOX 5**  
**DIGITAL VS. HUMAN CONTACT**



# Luxury customers remain fond of the in-store experience, including in China

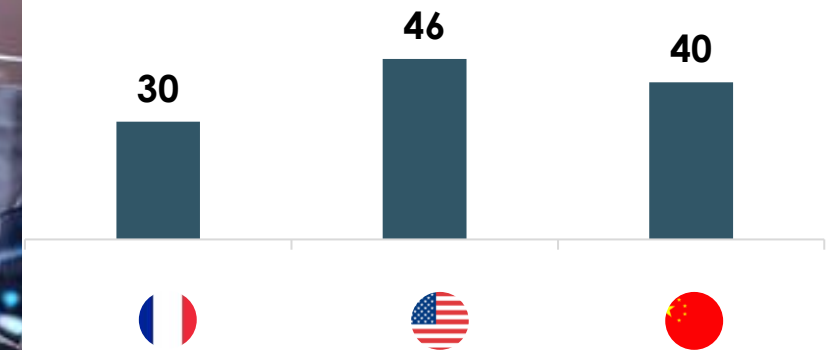
**What is important for me is above all the physical in-store experience I have with luxury brands**  
*% Total agree*



VS.

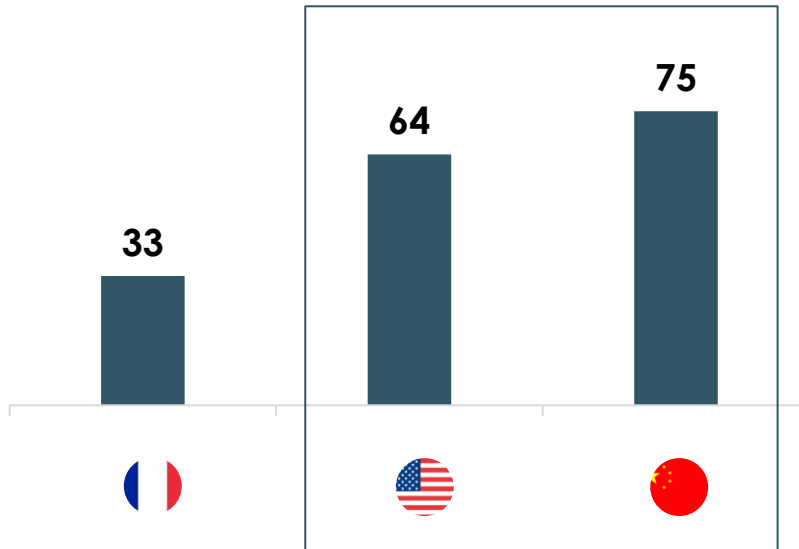


**What is important for me is above all the digital, online experience I have with luxury brands**  
*% Total agree*



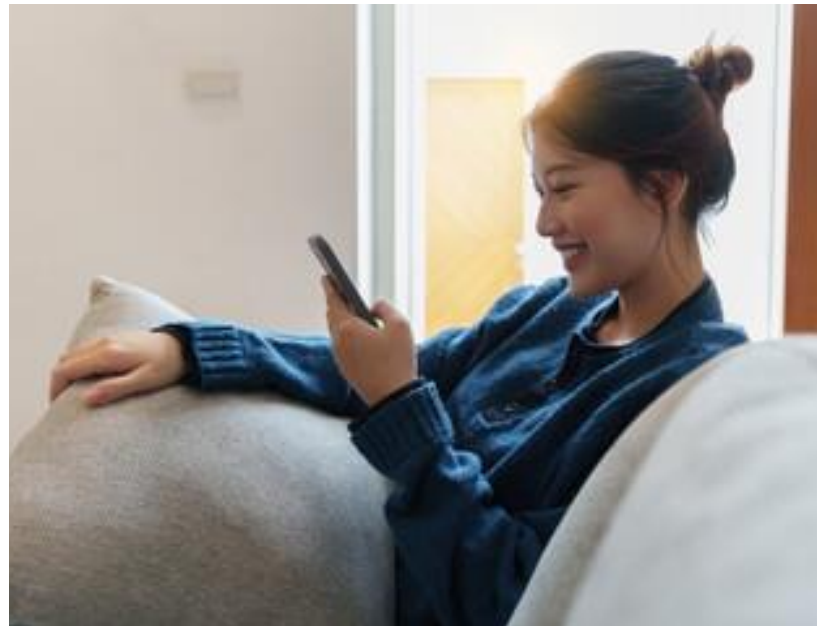
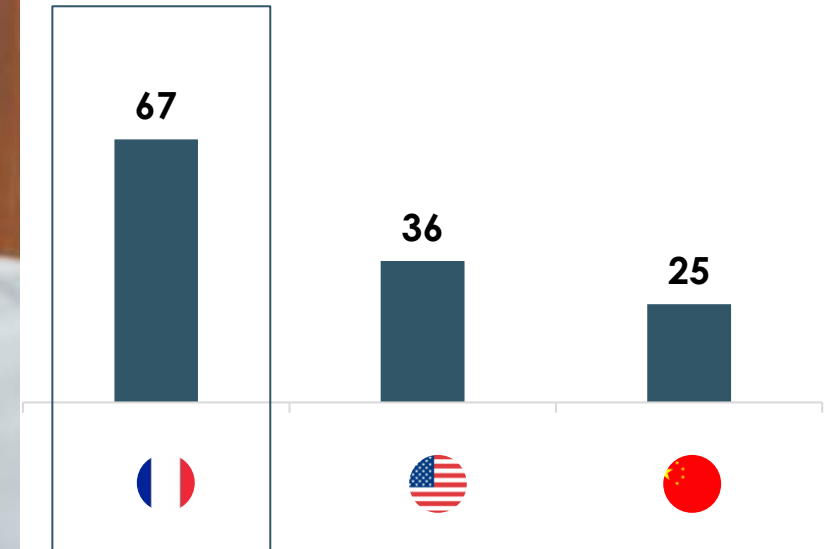
...although social media are deemed legitimate too, except in France

**I like or would like to purchase luxury brands on social media**  
*% Total agree*



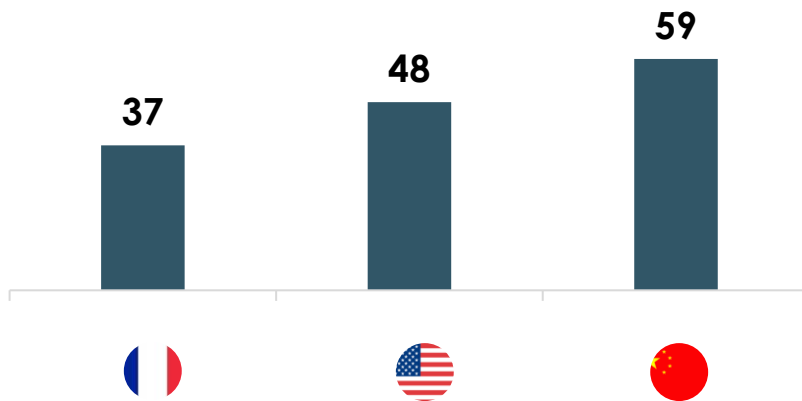
VS.

**It should not be possible to purchase luxury brands on social media**  
*% Total agree*



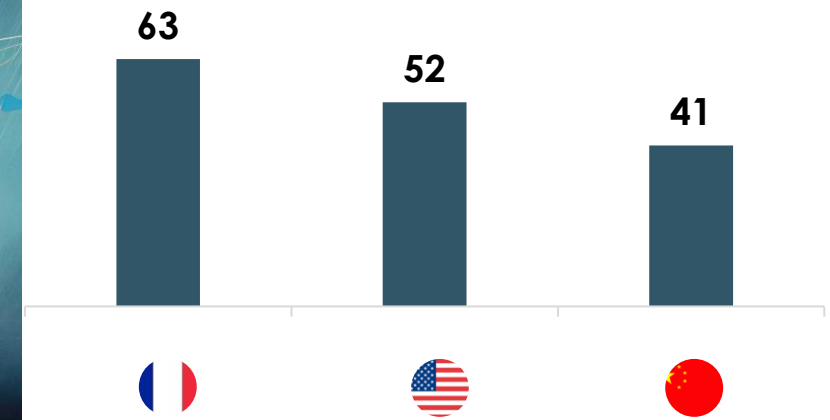
# A.I. serving the needs of luxury brands: the Chinese are already convinced

**Artificial intelligence will improve the creativity of luxury brands**  
*% Total agree*



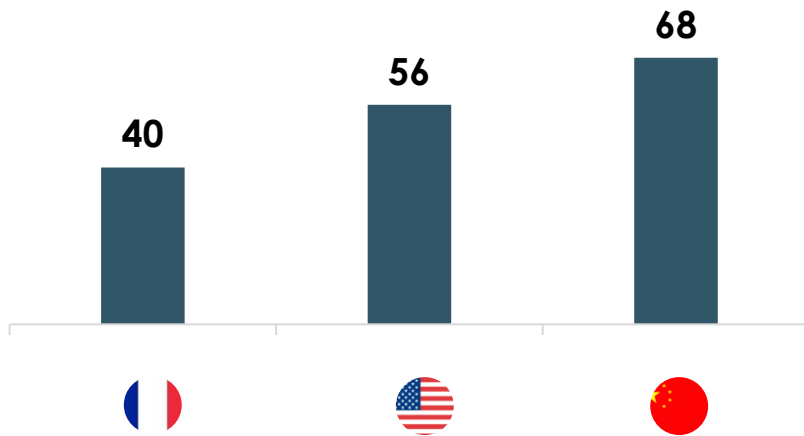
VS.

**In the luxury sector, creativity should remain under the control of humans**  
*% Total agree*



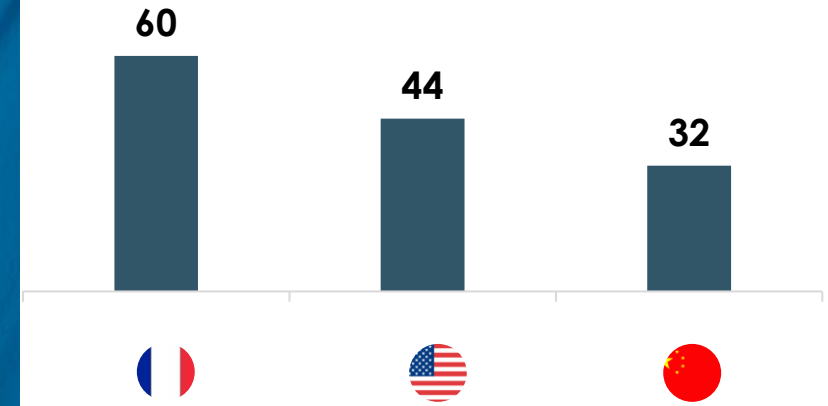
# Luxury products manufactured by AI: the Chinese are willing to take the leap, whereas westerners are more reticent

**I would not hesitate to purchase luxury products created by artificial intelligence**  
*% Total agree*



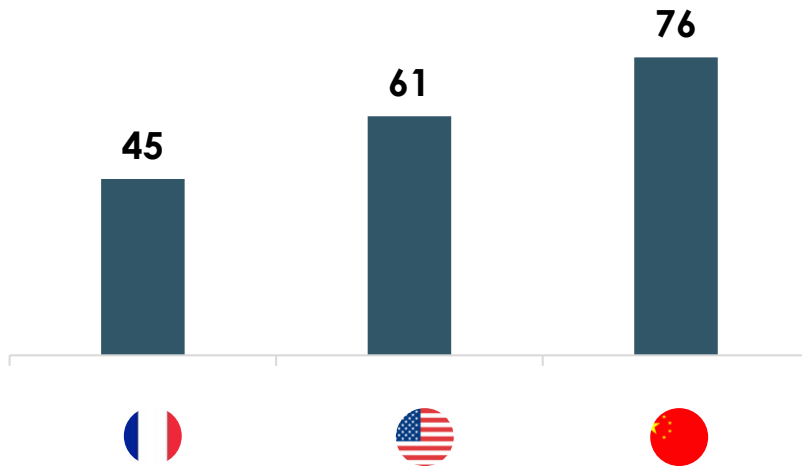
VS.

**I refuse to purchase luxury products created by artificial intelligence**  
*% Total agree*



# A.I. seems set to transform customer relations in the luxury sector

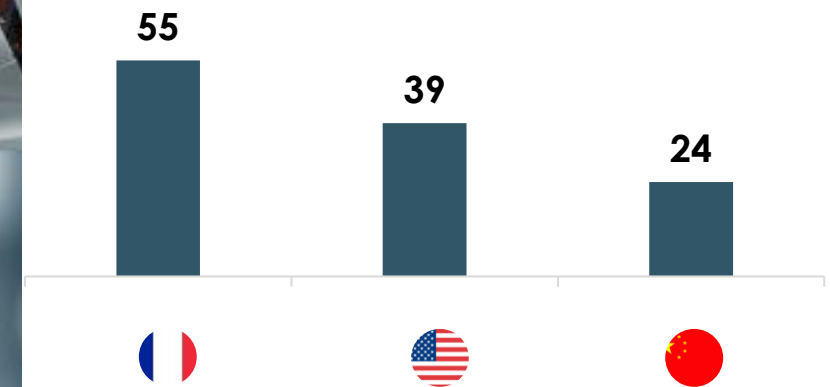
**Artificial intelligence will improve my relationship with luxury brands**  
*% Total agree*



VS.

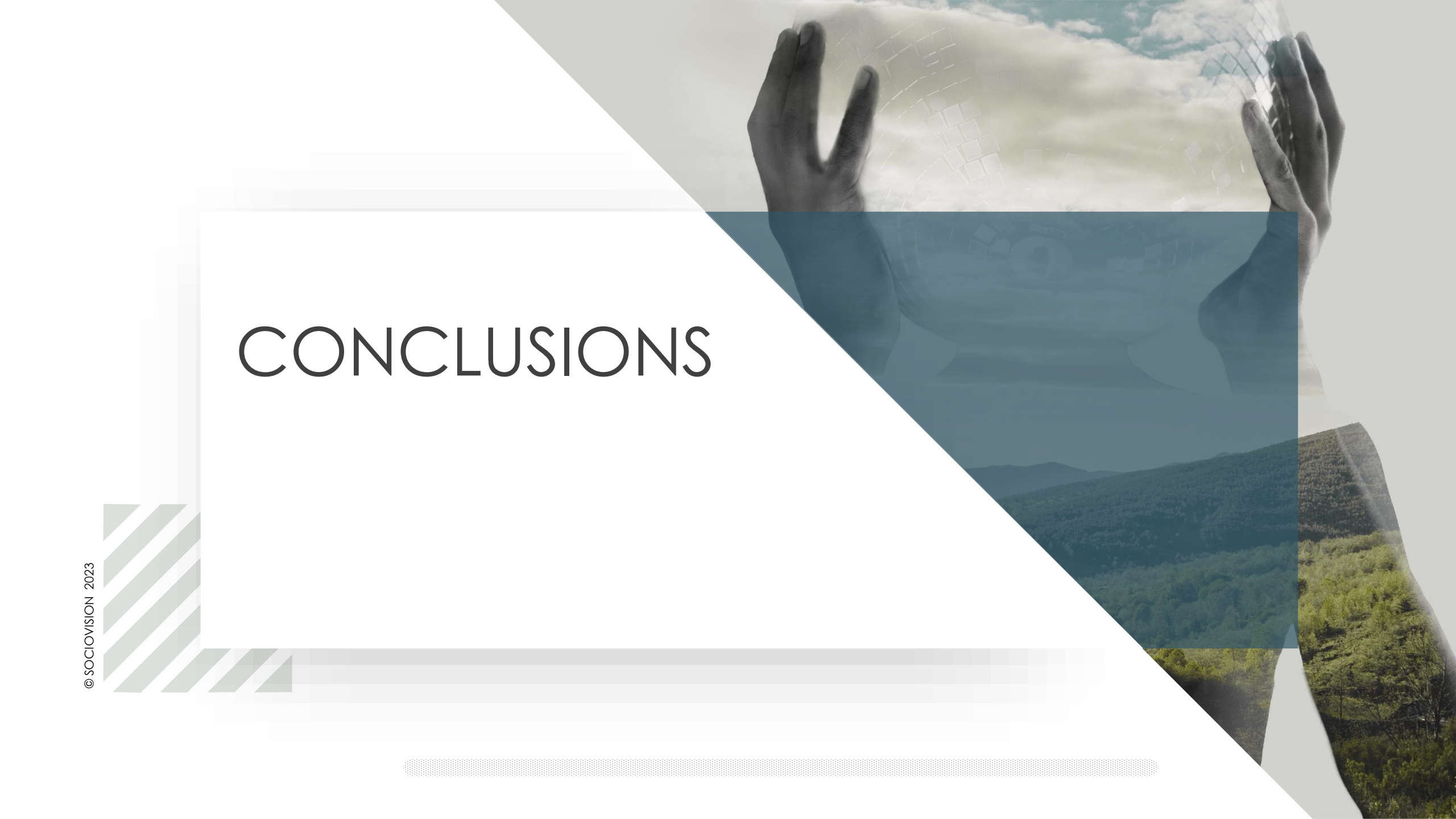


**Artificial intelligence will harm my relationship with luxury brands**  
*% Total agree*





# CONCLUSIONS



## Paradoxes: a reflection of the social fragmentation of luxury customers

### — **'Traditional' luxury customers stand firm**

- **The cult of discreet and patrimonial luxury** lives on in France
- **The appeal of ostentatious and extravagant luxury** is confirmed **in the United States**
- **Ostentatious luxury** continues to appeal to consumers turned to the future

### — **Nonetheless, the growth of the sector has led to the emergence of new luxury customers**

- **Younger and more digital luxury** in China, focused on customer experience and ready to embrace A.I.
- **Luxury increasingly buoyed by social media** in the United States
- **More responsible luxury** among the younger generations

### — **The paradoxes observed thus mirror the fragmentation of luxury customers**

## The challenges facing luxury brands

- **Stimulate desire and pleasure while displaying an exemplary stance in terms of sustainability and circularity**
- **Simultaneously address in a coherent manner customers with radically differing expectations**
- **Integrate A.I. and resort to digital solutions to enrich and personalise customer insights as well as the physical experience**

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France – United-States - China



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