



Luxury Brands

Trend Report

November 2023

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Competitor News & Updates

Chanel's CEO Leena Nair Sets Three New Pillars for the Future

Leena Nair carved her path in an industry that was otherwise led by men, sometimes being the only female in the room. Nair started her career at Unilever in India, specializing in management development and human resources. In January of 2022, Nair was named the CEO of French luxury brand, Chanel, becoming the first outside executive to lead the company since Maureen Chiquet left the company in 2016.

An unusual choice to hire externally for Chanel; **there's an attractive logic to bringing in an executive with an outsider's eye to the tradition-steeped luxury industry, as well as someone who sees business through the lens of talent.**

"The way I lead, it's about putting people at the centre of what you do. If you look after people they will help you take care of the business," Nair explained. "It's about galvanising and inspiring people."

Nair says she spent nearly two years travelling the world to immerse herself in the Chanel universe from stores to suppliers, to studios and headquarters teams. The result: a strategy aimed at laying the foundations for the brand's, founded by Gabrielle Chanel in 1910, next hundred years — which she lays out in three buckets.

First, she says she wishes to expand, deepen and improve the brand's work on sustainability and social development, particularly through causes like circularity, worker conditions in the supply chain and promoting "women's autonomy."

Secondly, in a world that's bracing for the transformational impact of artificial intelligence, Chanel is committing to preserving the centrality of the human touch across all aspects of its strategy, from the craftsmanship that goes into products to the store experience.

Thirdly, Chanel wants to reassert its identity as an innovator — founder Chanel liberated women from corsets and heavy skirts, and marketed handbags with long straps for women in motion who wanted to keep their hands free — with an emphasis on cultural creation and startup investments.



Audemars Piguet X Travis Scott & Cactus Jack Records

Swiss luxury watch brand Audemars Piguet is set to renew its longstanding ties to American pop culture with the release of a watch collaboration with hip-hop star Travis Scott and his label Cactus Jack Records.

In partnership with Scott, Audemars Piguet will release a limited-edition version of its Royal Oak watch Thursday in a new ceramic, as well as putting out a capsule collection of co-branded merchandise from the Swiss watchmaking house and Cactus Jack.

"Travis could raise an army," said Audemars Piguet's chief executive François-Henri Bennahmias in an exclusive interview with The Business of Fashion. "He's got such a power. People follow him in a major way."

Scott, 32, is one of the most successful hip-hop artists of his generation. His fourth studio album Utopia, released in July, had more than 650 million global streams in its opening week, making it the most commercially successful hip-hop album of the year.

This collaboration is unique in its kind as no major watch company is yet to partner with an American rap artist that has as much power and prestige in the mind's of Gen Z. Not only will this collaboration make great waves for AP, but the watch industry as a whole will have a new label of prestige. Designer items that are worn by popular celebrities quickly become icon pieces to their fans, and no less is expected with the AP & Travis Scott collab.

Clearly, Audemars Piguet is appealing to a younger audience with this collaboration. It's less about making the Royal Oak more opulent and more about making it more desirable to a fresh customer base.

And what better way to make your Royal Oak watch more streetwise than by letting one of the biggest rappers in the world redesign it?

Watch Scott's promotional video [here](#).



travisscott Dreams can come true.
6d



travisscott IT took me and the gang 4years.
And now it's time literally
Never been more excited
From Houston to Switzerland
@cactusjack @audemarspiguet

Tag Heuer Launches Two LE Lunar New Year Watches

Swiss watchmaker TAG Heuer has announced the launch of two limited edition watches in celebration of the 2024 Lunar New Year, marking the Year of the Dragon — each blending Chinese cultural elements with TAG Heuer's [racing heritage](#).

The dragon, a central figure in Chinese mythology, symbolizes imperial strength and unity. TAG Heuer has incorporated this symbol into its new watches, designed to reflect values like power and charisma.

Crafted in gold and steel, the watches are a tribute to Chinese culture and the success symbolized by the Chinese Dragon, paralleling TAG Heuer's Carrera legacy. The steel version features a sunray-brushed silver dial, while the gold variant boasts a sunray-brushed 18K 5N pink gold-plated dial. Both models feature rhodium-plated and 18K 5N pink gold-plated indexes, complemented by red lacquer. The distinct red "azuré" subdials at 3 and 9 o'clock add a captivating contrast, echoing the emblematic reverse panda design.

A central red lacquered hand highlights a calligraphic dragon character at 6 o'clock, symbolizing strength and prosperity within Chinese culture. At the caseback is a printed Chinese Dragon figure that wraps around the sapphire glass, alongside special engravings indicating the watch's exclusive status.

Each watch is accompanied by a special red box that features the Chinese Dragon symbol and TAG Heuer's logo in gold.



Grand Seiko Launches a Trio of Time-Tellers as Watches of Switzerland Exclusives

Grand Seiko has revealed three exclusive models for Watches of Switzerland. Presented in the brand's classic 62GS case, the new models measure 40mm in case diameter with a thickness of 12.5mm. The stainless steel watch case is finished with the brand's signature Zaratsu-style polishing, framing the radiant, mosaic-like dial that draws references from the starry night skies.

Arriving in three different colorways, spanning black, green, and purple spotlighted on the watch's mesmerizing dial. **Each color option nods to a different place in the Japanese city of Miyako**, which is located in the Iwate Prefecture. [SBGH333](#) stars a black dial that pays homage to the Jodogahama beach at night, where its blue seconds hand symbolizes the moonlit sea. Meanwhile the [SBGH335](#) "Nova Green" and [SBGH337](#) "Nova Purple" evoke a more dynamic and cosmic mood of Miyako Bay's coastal scenery.

Powered by Grand Seiko's Hi-Beat 3600 9SA5 caliber, the watches are also geared with Dual Impulse escapements and 80 hours of power reserve. Launched on December 1st, the assortment of watches is available only in the U.S. or the U.K. **The "Nova Green" and the "Nova Purple" references are offered in a limited run of 200 examples each.**



The Logic Behind Louis Vuitton's Hong Kong Show

Following Chanel's cruise show in [Shenzhen](#), fashion insiders traveled to Hong Kong to witness Pharrell reveal his second menswear collection for Louis Vuitton. What previously would have been strong choice of location for the show, Hong Kong has suffered immensely since Covid-19. From being restricted as an off-limits travel location to mainland Chinese to internal political conflict and population decline, Hong Kong was a bold choice for the show.

The brand described the city as "cosmopolitan and vibrant; a melting pot of East and West that has given rise to a thriving metropolis of art, culture, and industry", but beyond being a culturally relevant backdrop, commercial motivations remain at play. **Luxury is highly exposed to key global cities: the world's top ten fashion capitals account for roughly one-fifth of all luxury points of sale.** Before the downfall of Covid-19, Hong Kong alone was responsible for more than [5%](#) of global luxury sales, closely competing with Paris.

Following the difficulties of the macroeconomic environment, **Hong Kong has reclaimed its spot as the market with the [highest per capita expenditure](#) on luxury goods.**

The city's **seven million inhabitants include a powerful and savvy clientele that's up to speed on the latest trends.** As third- and fourth-generation luxury buyers, many Hong Kong shoppers have had local access to big brands for far longer than their counterparts in the mainland. Nurturing those valuable client relationships will be top of mind for brand executives who have been absent during the pandemic.

The last major event Louis Vuitton hosted in Hong Kong was an exhibition in 2017. By putting on a big show now, the brand can refresh its relationship with local VIP clients and pay tribute to their hometown notwithstanding the city's recent troubles.



Notable Marketing Moments

Bottega Veneta's Guerilla Marketing Techniques

When fans caught view of ASAP Rocky jogging through LA in a full Bottega Veneta sweatsuit, they weren't too surprised...except for the fact that the entire sweatsuit is made of leather (shown top middle). Besides that, his typical paparazzi shots showed him dressed to the nines as usual - but dressed by who? Almost every outfit Rocky has been photographed in during 2023, he was wearing full Bottega Veneta.

And the feeling is mutual. As much as A\$AP Rocky loves Bottega Veneta, Bottega Veneta loves Rocky right back. **Bottega loves Rocky so much, in fact, that its allowed him unfettered access to its unreleased Spring 2024 collection, which he's worn ceaselessly in one of the year's best guerilla fashion campaigns.**

This is part of Bottega's brilliant subliminal marketing strategy, wherein the luxury label has been feeding Rocky its Pre-Spring 2024 collection months before its actual release, organically building interest with his excellent outfits.

Rocky's Bottega renaissance began in mid-2023. Since their beginning, a key touchstone of Rocky's Bottega outfits is in how he downplays their exquisiteness by reframing them as, simply, real clothes. It's an egalitarian approach that allows the look to be more than the sum of its parts.

In his [most recent music video](#), a visual accompaniment for the Pharrell-produced "RIOT (Rowdy Pipe'n)" — Rocky wore then unreleased Bottega Veneta boots, building hype in the collection before it could even be purchased.

Bottega's unofficial brand ambassador benefits from this unusual relationship just as much as Rocky does.



Market Trends

Luxury Market to Grow a Muted 4% This Year

The personal luxury goods market is set to reach €362 billion (\$387 billion) by end of year, growing 4 percent at current exchange rates from 2022. Compared to a global luxury market growth rate of 8-10%, the personal luxury segment has much softer projections.

Wavering consumer confidence, uncertain macroeconomic conditions in China, shrinking aspirational spending in the US and lingering inflation have contributed to slowed growth.

In order for brands to compete in this difficult market, they need to sharpen their strategies, focusing on having a differentiated approach with their customers. Currently, ultra-wealthy customers are fueling the luxury market. Top luxury brands have pivoted by catering to more insulated customers with established sales channels, such as private salons and other exclusive stores. Brands have begun to pivot away from taking the chance on new, aspirational customers.

Other financial forecasts include:

- Japan's luxury market is expected to grow 17% this year
- America's luxury sales are likely to fall 8%
- Experience based luxury, like fine art, luxury cars, private jets and yachts, fine wines and spirits, is expected to grow 10%
 - Travel related experiences expected to grow 15%
- By 2030, Millennials will dominate (50% to 55%) and GenZ will hold 25% to 30% share, yet they will represent different sources of power for luxury brands in the near term.
 - **The younger GenZers' power will be realized through their influence**, being at the forefront of cultural and societal change and inspiring value shifts across older generations. **“Luxury brands need to target them to reach their parents or older brothers and sisters,”** Levato said.



Where can luxury look to grow in 2024?

Early on in November, Burberry reported their quarterly results, saying sales in the 12 weeks through September had risen just 1% from a year earlier compared to an 18% jump in the previous quarter. Sales had fallen in Mainland China and the US, both falling 9 and 10%, respectively.

Where can brands look for growth? Business of Fashion noted that there are no alternatives of the same size and economic possibility as the US and China, even with the Middle East and India expected to grow. However, while China started the year off slowly, economic revival methods are in the works by Chinese government officials.

Last month, Beijing announced it would unleash a package of fiscal stimulus measures aimed at reviving the country's fragile post-pandemic economy. Youth unemployment and falling real estate values are among the challenges that have dogged China's economy in recent months — holding back a hoped-for rebound in luxury spending as anti-coronavirus measures lifted.

China injected funds worth over \$500 billion into its banking system this week — the biggest single stimulus since 2016 — in the latest move hoped to turn the situation around. But how fast and how much stimulus measures will help remains to be seen.

While the US could remain fairly challenging short-term, it could be another source of positive surprise now that inflation is more firmly under control. Earlier this week, the Bureau of Labor Statistics reported that consumer prices rose 3.2 percent on an annual basis in October, the slowest pace since March 2021. Later, the department reported that wholesale prices actually fell last month.

If inflation is truly beaten, that will clear the way for the Federal Reserve to begin lowering interest rates next year, freeing up investment and, inevitably, spending on high-ticket items.

At the top of the market, **luxury brands could capitalise on the momentum with big spenders who increasingly seek a 360-degree luxury lifestyle** — including yachts, art, furniture, hotel stays and food in addition to fashion and beauty. Brand extensions like Bulgari and Armani hotels, Dior and Gucci's museums or Louis Vuitton's restaurants and airport lounges could become more common.



Black Friday Industry Recap

Black Friday 2023 Recap

While consumer spending in the months leading up to Black Friday looked bleak, customers planned and budgeted for the expected savings on Black Friday. Consumers had planned to spend [an average \\$567](#) (on Black Friday/Cyber Monday alone) up 13% from last year.

The result is a new record for Deloitte's annual Black Friday-Cyber Monday survey. About 84 percent of shoppers felt confident enough to stick with the budgets they set in September. In order to stay within their spending limits, many consumers planned to do much of their shopping during Black Friday and Cyber Monday. **Four in 10 expected to finish their shopping during the period.**

And in light of these predictions, sales over Black Friday rose at [an even higher rate than expected](#). Overall spending grew low- to mid-single digits on a year-over-year basis, as shoppers made purchases in physical stores as well as online. **But an active consumer alone does not portend a robust economy.** Sales may be promising to retailers this holiday season, but how people have been able to afford to make purchases may tell another story.

As of 6 p.m. EST, Cyber Monday has generated \$8.3 billion in US e-commerce sales, Adobe found, ending a record-breaking weekend of consumer spending on track to total north of \$37 billion, above Adobe's initial projections. **The current total stands at [\\$38 billion](#).**

Brick-and-mortar retail also saw substantial growth. Foot traffic on Black Friday was up 2 percent year-over-year in the US, [according to analytics firm RetailNext](#), with the health and beauty category posting the highest growth: 13.3 percent.

Consumers may be generous in their holiday spending, but that doesn't mean they're in a strong financial position. Over the summer, US credit card debt reached a historic high at more than \$1 trillion, and balances have only continued to climb since then.



Brand Collaborations

Nike & Footlocker Celebrate 25 Years of the TN

Nike's history and heritage has always been a focus in their marketing campaigns; whether the brand is remembering early days of the Jordan, their Air technology, or the Just Do It campaigns. The Nike Air Max Plus (also known as the TN) hit its own milestone of 25 years, first released in 1988.

The sneaker is a staple in the wardrobe of many subcultures, including Rave, Graffiti, and Hip Hop and will likely become part of many more. The TN is unique in that it has never been out of production and has been available in ample quantities at Foot Locker for the past 25 years. This is a rarity in a time where 'limited edition' is often mobilised to create hype around a sneaker.

Foot Locker has also sought to encourage the female audience, with some of the most celebrated colourways of all time produced as women's exclusives.

Celebrating 25 years of being the official home to Nike TN, Foot Locker joins Nike to drop an exclusive repetition of the legendary silhouette titled 'TN 25th'. The sought-after release is a special moment for the retailer; it's a time to celebrate the TN-loving community it has amassed in the last decade. **The new sneaker arrives with a unique design that came about after the 'TN Community' voted on their past favourite styles to create a new sneaker that is an amalgamation of four fan favourites from the history of the TN.**

To honour the release, the retailer reveals a 25th-anniversary campaign with community members Jasmin Sehra and creators of The Lost Boys Society Luke and Eddz commanding the visuals. The retailer has also partnered with Sneaker Freaker to commemorate the milestone with a new book that chronicles the life of the TN, featuring interviews and more.

View launch party photos from one of the TN [sponsored events in Paris here.](#)



Influencer/Influential Celebrity Campaigns

Rihanna loves styling her watches unconventionally, even when they're \$400,000

In her grand entrance at the Las Vegas F1 Grand Prix, Rihanna wore a custom-made iced-out watch anklet by Jacob & Co. In collaboration with the luxurious accessories company, Rihanna's custom watch anklet featured 70 carats of round and emerald diamonds that were set in 18K white gold. A testament to Jacob & Co.'s craftsmanship and Rihanna's jaw-dropping visionary aesthetic, the piece cements the duo's relationship overtime.

The watch anklet appears to feature three rows of diamonds as the strap while the entirety of the watch face is covered in diamonds. Rihanna, who dressed in all-black in her entrance, chose the anklet as her statement piece. The unique placing of such an expensive piece is a Rihanna special, knowing that the piece itself stands out no matter what.

Rihanna is no stranger to collaborating with long-time friend Jacob Arabo of Jacob & Co. when it comes to making a flashy entrance. At her [Super Bowl LVII performance](#), Rihanna wore a \$72,000 USD Jacob & Co. Brilliant Northern Lights red timepiece while at [Pharrell's debut Louis Vuitton show](#) she wore a \$700,000 USD Jacob & Co. watch choker.



Industry Trend Highlights

Footwear & Accessories: Gifting Guide A/W '24 & '25

As conscious shopping remains a key driver for gifting, balance novelty and functionality to enhance the value of your offering. Personalisation and the successful matching set will be key for all markets, including pets.

- **Small Accessories:** as consumers lead a flexible lifestyle, small leathers provide smart storage during commutes and transitions from work to play. Consider: do consumers have a proper place to store their watch when moving from one activity to another? The GIF to the right shows a personalized solution.
- **Modular Embellishments:** jewellerification embellishments, including responsibly sources pearls, beads, and charms are key. Applying to accessories can allowing the consumer to create a one-of-a-kind piece.
- **Food in fashion:** as snacking culture and food hype impact fashion, food in fashion motifs uptrend as decorative details. See the Swatch donut watch to the right.
- **Zodiac signs:** a universal symbol, the global growing interest in astrology provides inspiration for personalization opportunities. Use zodiac signs, constellations, and planetary references as motifs. Incorporate birth stones for jewelry, hair accessories, and watches.
- **Pet Club:** following the pandemic pet boom, the global pet care market is set to reach \$232.14 billion in 2030. Consider hand painted accessories on bags showing the personalization through pet portraits.
- **Home Hub:** as consumers continue to prioritize their time at home, expand into the home category by offering functional designs with an elevated aesthetic; see the green felt jewelry box to the right.



Social Media Trends

How Social Media Turned Athletes Into Fashion Marketing Machines

Platforms like Instagram let sports stars connect with fans in ways they couldn't previously, while helping to make fashion a vital element of an athlete's image and branding.

To get a snapshot of fashion's sports-marketing playbook in 2023, start with the tie-up between Louis Vuitton and LeBron James.

The NBA star recently became a new face of the brand, appearing in a campaign that popped up on billboards in New York on Oct. 24. But it was James' entry into Denver's Ball Arena that night for his team's season opener that caused the bigger stir. For the walk from the parking lot to the locker room he wore a reported \$28,000 of Louis Vuitton designed by its new menswear chief, Pharrell.

At the other end of the spectrum is an emerging name like Shedeur Sanders, quarterback for American college football's Colorado Buffaloes, who in July [shared a post sponsored by Urban Outfitters to his Instagram](#).

As detailed in [BoF's latest case study](#), fashion has fully woken up to sport's massive marketing potential. **By 2030, the global sport-sponsorship market is expected to reach \$109.1 billion, up from \$63.1 billion in 2021, according to PwC.** Driving it is not just the record viewership of sporting events but also the unprecedented star power of athletes.

That's thanks in large part to social media, which lets sports stars connect with fans in ways they couldn't previously and lets fans track players off the field. [Deloitte has found](#) approximately 80 percent of Gen-Z fans follow a professional athlete online, which can influence the brands they follow and the products they buy.

The rise of social platforms gave athletes new tools to build themselves as brands separate from their teams and sports by letting them offer fans more access to their lives on and off whatever playing surface they compete on.

In the accessories and watch industry, these walk-out moments provide a huge opportunity for product placement and endorsement. Consider how certain athletes connect to specific ethos of your brand, and how a strategic placement could win over your target consumers.

