

Insider's View

The increasingly unconventional world of luxury

Key themes

Theme 01

Alive in Adventure

Theme 2

Reveal the hidden


Theme 3

Lost craftsmanship & expertise

Theme 4

The Charm of Not-so-Niche Marketing





Theme 01

Alive in Adventure



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It's not always lavish hotels and fine dining for luxury travelers...

81%

Of travelers making over half a million dollars a year say they are very likely to seek out thrilling and adventurous activities in their luxury travel experiences.

1

\$1tn

Grand View Research reports that the extreme tourism industry was worth \$322 billion in 2022 but is on pace to top \$1 trillion in 2030.

2

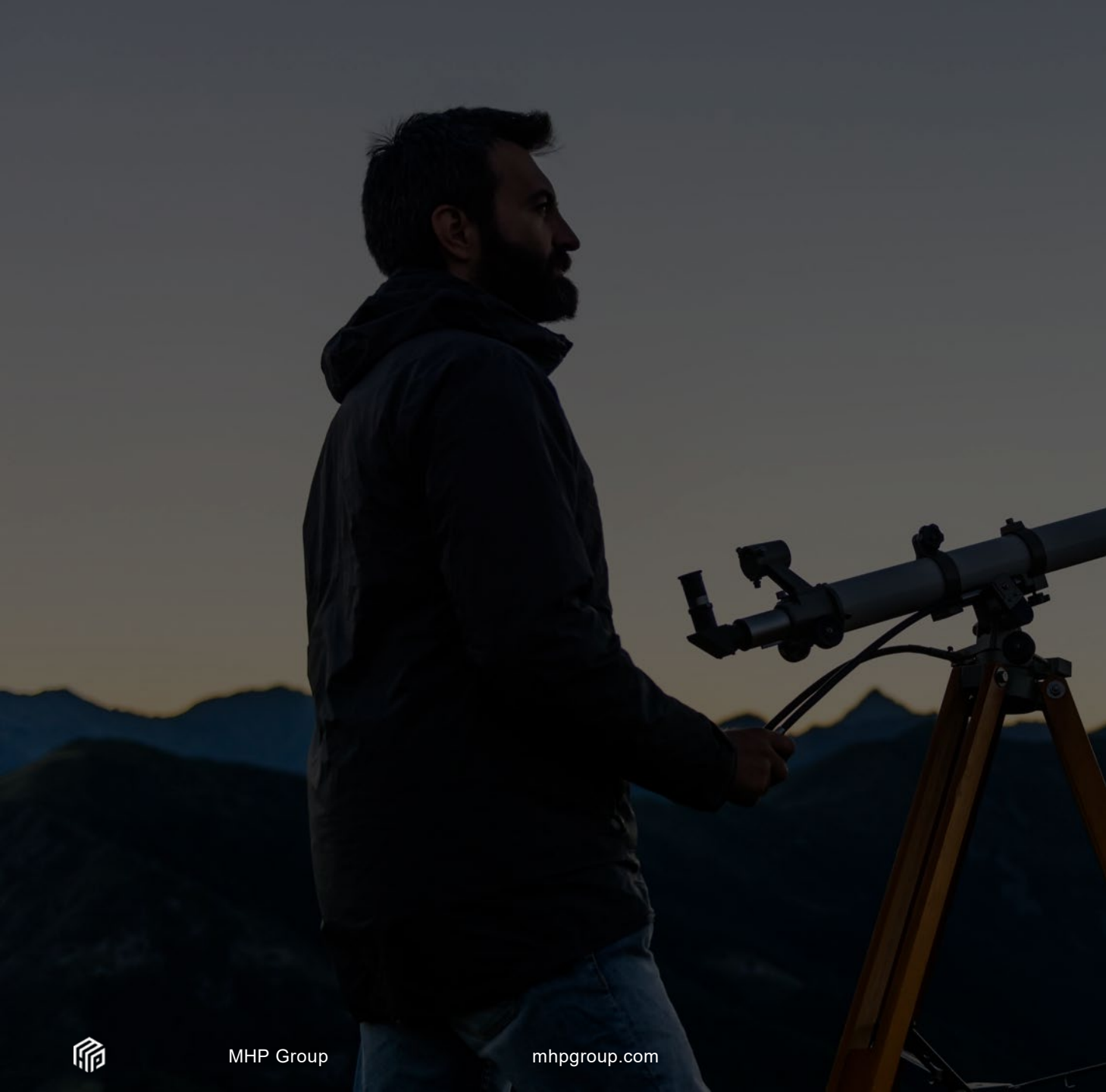
\$4bn

The global space economy is expected to reach \$1.8 trillion by 2035, up from \$630 billion in 2023. The space tourism market will take in about \$4 billion of that by 2030.

3

Source(s): [Skift](#) (2024); [Yahoo! Finance](#) (2024); [UBS](#) (2021)





We're seeing adventure
replace opulence

Thoughts

While lavish hotels are certainly a popular option for those seeking a luxury holiday, they're not the only choice.

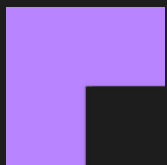
In fact, luxury travel can take a unique turn with the rise of "out-there" experiences.

We're seeing people trading room service for tracking polar bears across the Svalbard archipelago. We're seeing people swap 5-star stays in Mauritius for desert island survival. In the most extreme cases, we're seeing people pay to live out their adventure fantasies through faux kidnappings and heroic rescues via companies like Pelorus.

Whether it's due to a longing for beyond-material experiences, a byproduct of alienation, or something else, high-end travel isn't always about indulgence. It's about immersing yourself in another world, regardless of how obscure or extreme.

Source(s): [Skift](#) (2024)





Who's ahead of the game?

Aston Martin x Ascend

Ascend offers multi-day journeys and ultra-exclusive access to the world's most prestigious venues.





Theme 02

Reveal the hidden



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A significant gap exists between what's promised and what's delivered.

>50%

Of consumers state that they consider luxury brands as overpriced.

1

50m

People have stopped buying luxury brands like Dior and Burberry after 'broken promises' to customers.

2

88%

Of consumers say authenticity is important when deciding which brands to support.

3

Source(s): [Bain & Company](#) (2025); [Forbes](#) (2024); [Fortune](#) (2024)





To overcome this gap and continue to justify price premiums, luxury brands need to show what they preach

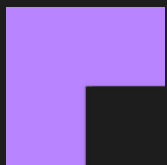
Thoughts

Inflated claims and underwhelming experiences have eroded our trust in advertising, especially within the luxury sector.

While claims could once generate interest, consumers are beginning to see past the facade.

This has led to significant backlash, including the rise of the hashtag #FactoryTok, which has put considerable pressure on luxury brands to bridge the gap between what they promise and what consumers experience.

To address this dissonance, brands must justify each promise. This can include shining a light on the quality of materials used or the knowledge and expertise of employees. So, rather than simply making claims about a product being the best at X, Y, or Z, show it.




Who's ahead of the game?

Rolls Royce x
Inspiring Greatness

A video series designed to show
the level of craftsmanship and care
that goes into each and every
single vehicle.





Theme 03

Lost Craftmanship & Expertise



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Luxury brands are struggling to attract and keep talented employees

51%

Of luxury retail employees are planning to leave their employer in search of better opportunities.

1

20,000

LVMH predicts a deficit of 22,000 workers by the end of 2025, one-third of whom are artisans and designers.

2

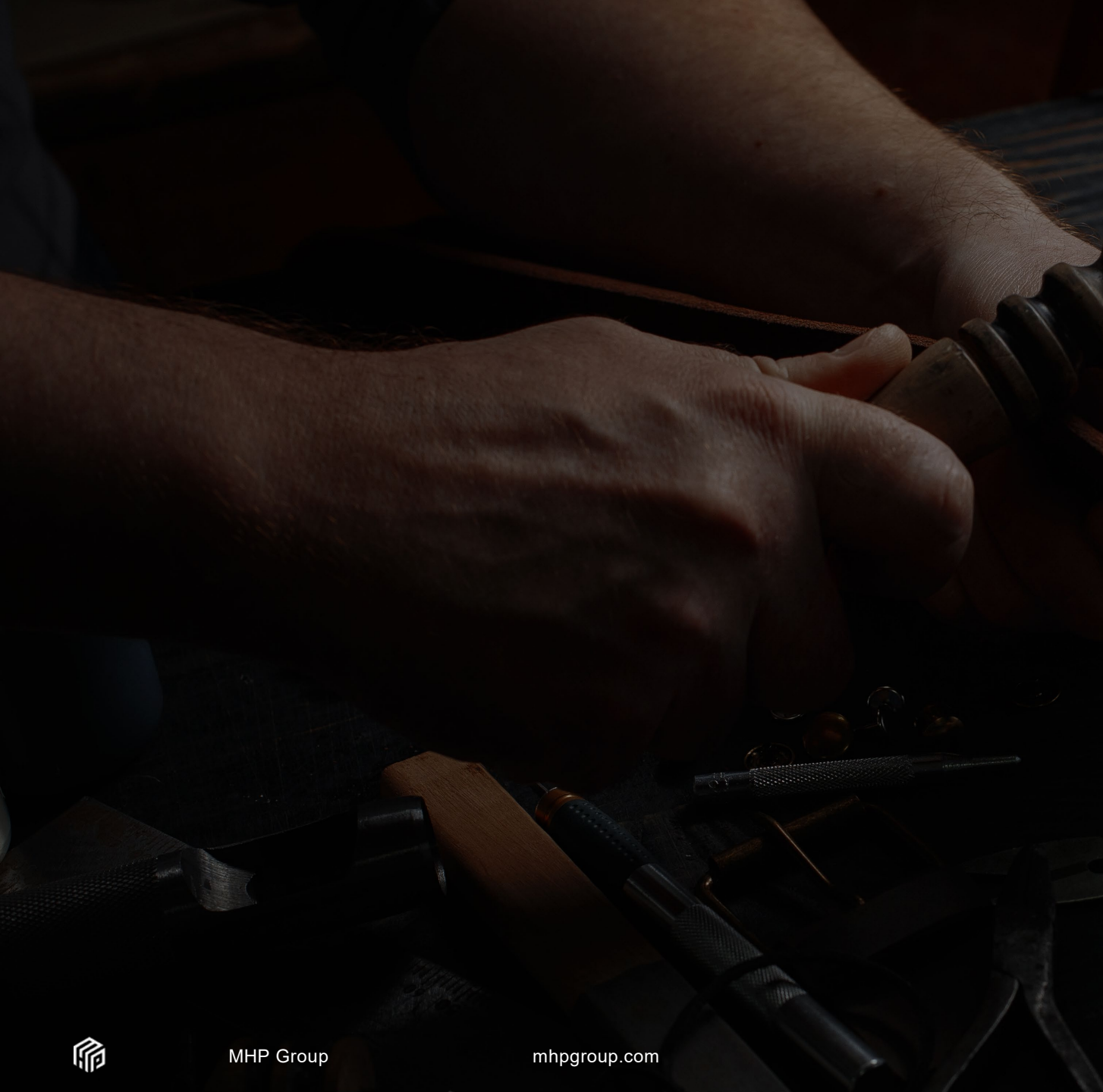
85%

Of luxury houses are dealing with serious worker deficits in their production sectors.

3

Source(s): [Forbes](#) (2024); [Future of Luxury](#) (2025)





This loss of employee expertise will erode your brand's story of quality; which is a critical part of what the customer expects and pays for.

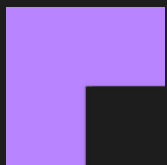
Thoughts

Luxury is facing a recruitment crisis.

The sector that prides itself on quality craftsmanship and employee expertise is at risk due to a lack of people entering relevant professions and a rise in people leaving the sector for new opportunities.

The failure to attract and retain talent puts luxury brands at significant risk. The skills, knowledge, and dedication of employees constitute a significant portion of the brand promise and the customer experience. If either the promise or the experience erodes, luxury brands will struggle to justify their price premium, as highlighted in the previous theme 'Reveal the Hidden'.

As a result, luxury organisations must dispel previously held perceptions and biases about trades and retail professions, and provide pathways for people to pursue these as careers.



Who's ahead of the game?

LVMH x Inside LVMH

An open training program designed
to help people gain a deeper
understanding of the luxury
industry and enhance skillsets.





Theme 04

The charm of Not-so-Niche Marketing



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Luxury brands are going mainstream... and it's working

\$96m

The second season of “Emily in Paris” generated \$96m in media impact for LVMH – higher than some Fashion Weeks (which generated between \$50m- \$60m)

1

257%

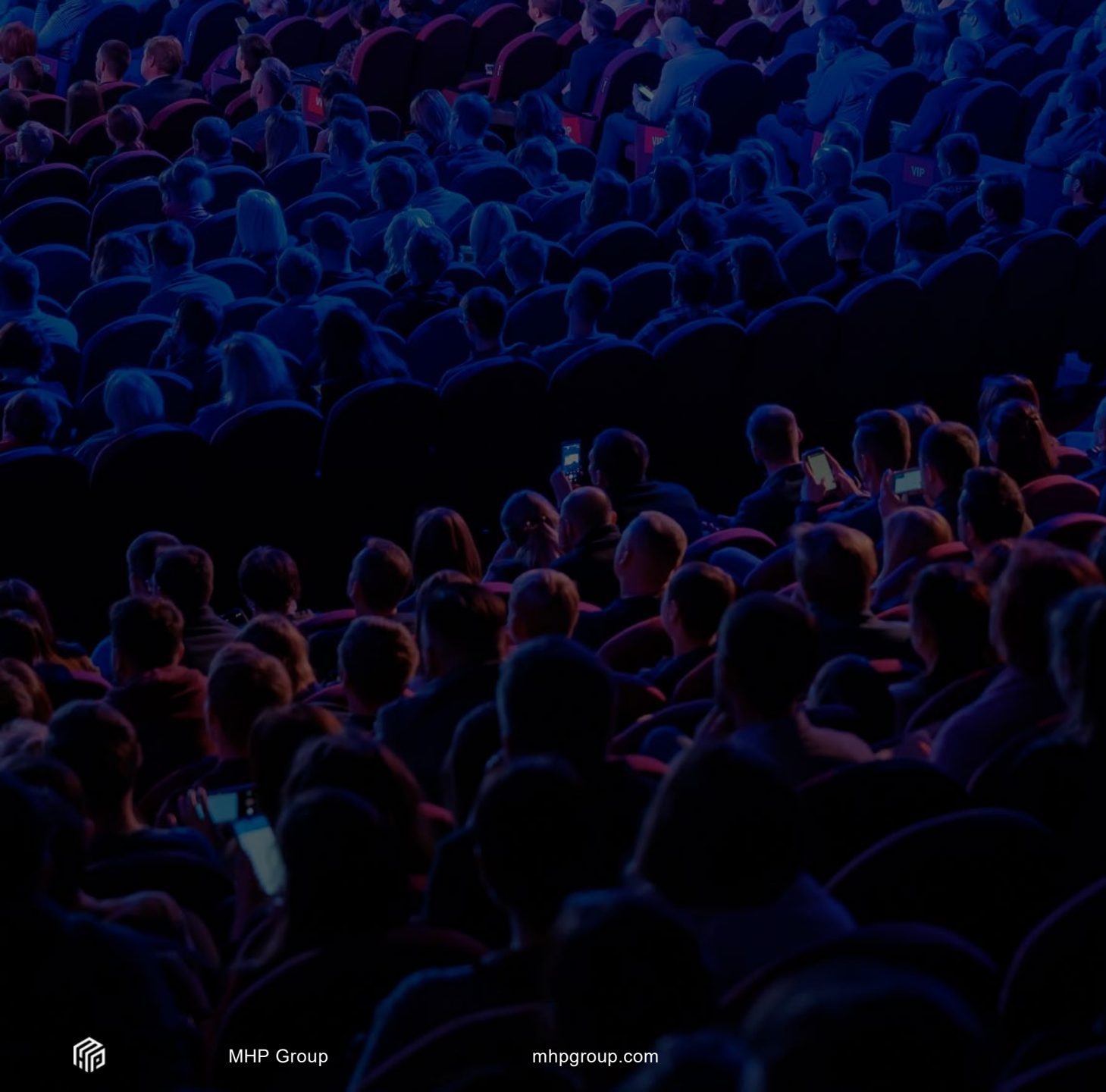
The film, the “House of Gucci” helped drive a 257% increase in demand for Gucci bags.

2

>1m

The collaboration between Omega and Swatch to launch the MoonSwatch series of watches sold more than one million products in 2022 (while also fuelling a surge in interest in Omega’s original Speedmaser collection!).

3



So if you manage a luxury brand,
don't automatically view the mainstream
as the enemy

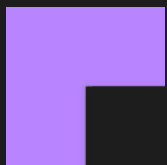
Thoughts

With those having a household income of less than \$50,000 making up 27% of the luxury market, and younger generations possessing newfound disposable income after being priced out of owning—or even renting—their own homes, luxury customers aren't always the stereotypical millionaires and billionaires.

Moreover, Ehrenberg-Bass's 95/5 rule posits that only 5% of your buyers are frequent and loyal, while the majority (95%) are light, occasional, or future buyers. As a result, it's critical for brands to engage with the larger group if they wish to grow.

These two elements explain why we're seeing luxury brands invest heavily in collaborations, influencers, and even media houses to ensure their brand reaches beyond the walls of the stereotypical luxury customer.

Source(s): [Vox](#) (2023)



Who's ahead of the game?

Rolex x Wimbledon

Rolex have been championing the theme of not-so-niche marketing for nearly 50 years. In 1978 it became the Official Timekeeper of Wimbledon and has since gone on to partner the Australian Open, Roland-Garros, and the US Open.





Thank you.

