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# Luxury Unfiltered: Why training is the key to client-centric success

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

## By Daniel Langer

The luxury sector is at a turning point.

While many brands lament headwinds, the true challenge is their ability to connect with the next generation of luxury clients and create desirability. I just came back from one of the world's most important investment conferences in Hong Kong.

There were almost 3,000 attendees including some of the most important investors in luxury brands -- I had a packed agenda with multiple meetings and the discussion points of practically all investors were the same.

# Unlocking Luxury's Potential

What I learned was not a surprise.

In recent months, investors have grown increasingly impatient with brands that fail to deliver the growth and performance expected in today's dynamic market. The frustration is real: too many brands are blaming market conditions for underperformance instead of taking responsibility for their own shortcomings.

But the true issue isn't the market. Instead, it it's in most cases internal mismanagement, a lack of innovation and a failure to adapt to evolving client expectations.

The rise of Gen Z, the most disruptive force in luxury, and the rapidly changing preferences of ultra-high-net-worth individuals (UHNWIs) demand a radical shift in how brands operate. I have been advocating for years that brands need to adapt their strategies from internal product focus to an external client-centric approach if they want to reach Gen Z. Yet, still in 2024 many mangers of luxury brands believe they can win by ignoring the next generation of clients. The rationale seems compelling, as I often hear that "they are not our clients."

My point is, if they are not your clients today, they may never be and your will be out of business. We do an incredible amount of research on this rapidly evolving target group. This new generation expects not only exceptional products but, importantly, meaningful, seamless experiences across both digital and physical chanels. They want to engage with brands that embody authenticity, emotional connection, and exclusivity. And yet, too many luxury brands continue to rely on outdated models that no longer resonate. When their numbers decline, it is often too late.

One of the most glaring issues facing these brands is the client experience, both online and in-store. Despite heavy investments in physical stores, mystery shopping exercises often reveal an alarming lack of engagement from sales teams. I personally assessed some experiences of self-proclaimed "luxury brands," just to find that they were "luxury in name only." Disconnected, underwhelming customer journeys undermine the exclusivity and emotional connection that are the cornerstones of luxury. Moreover, many brands have failed to link their digital and physical experiences, leading to fragmented, inconsistent messaging that leaves clients feeling alienated.

It's not just about the surface-level experience either. At the heart of the issue is a lack of compelling brand storytelling. True luxury isn't just about aesthetics or celebrity endorsements - hello Gucci! it's about communicating a story that deeply resonates with your audience, one that's rooted in authenticity and values. Many brands have lost their way here, launching glossy campaigns that fail to tell a compelling narrative. Without a clear story, brands lose their ability to evoke strong emotional connections, which are critical to sustaining long-term loyalty and growth.

## True luxury experiences

Enter the 4E framework: emotion, experience, engagement and exclusivity.

I presented this model in many of my publications as a straightforward roadmap luxury brands should follow to gain significant relevance and desirability. On stage in Hong Kong, the audience agreed that brands that aim to deliver extreme value need to perform well across all four dimensions.

Emotion should drive every interaction: luxury brands must evoke a sense of belonging, aspiration and personal connection in each client encounter.

Experience should be immersive and unforgettable, from the moment a client walks into a boutique to the second they engage with the brand online. Engagement goes beyond "great" customer service: it's about creating a dialogue that feels personal and inspiring. And finally, exclusivity must transcend price tags - today, it's about how a brand makes you feel. Are "all eyes on you," or are you just a person who comes to a brand? Most luxury experiences don't feel exclusive, and that is haunting brands as clients today expect much more.

This is where training becomes not just important but indispensable. Immediately after being on stage in Hong Kong I did several luxury masterclasses in Hong Kong, Singapore, and Tokyo. As I am writing this article I am about to do a luxury sales training in New York City. And after each training the participants agree: Luxury brands need to ensure that their teams from the sales floor to anyone involved at any level of the client experience are equipped to deliver on every critical touchpoint every time.

Luxury is about the extraordinary and this requires a deep understanding of the psychology of clients to unlocking their emotional key. Consequently, training needs to go far beyond product knowledge. It needs to encompass the psychology behind luxury purchases, the art of storytelling, and the nuances of creating emotional connections with clients. Brands that fail to invest in this area will find themselves losing not just sales but also long-term client loyalty.

Investors are no longer willing to accept excuses. They expect brands to address these challenges head-on, with urgency and accountability. The brands that embrace, client-centric storytelling, training and empower their teams to deliver extraordinary experiences will lead the change and grow. Those that do not will continue to face decline at accelerating rates.

# Setting high standards

In this turbulent market, complacency is luxury's biggest enemy. For brands to lead, they must make training a non-negotiable priority.

To ensure long-term growth and client loyalty, luxury brands must take immediate action by implementing rigorous, ongoing training programs for their leadership teams and staff. This is an investment in the brand's future. Every touchpoint from in-store interactions to digital engagements needs to reflect the brand's core values of emotion, experience, engagement, and exclusivity. The stakes are higher than ever luxury brands need to meet this moment, or risk being left behind in a hypercompetitive landscape where client demands change faster than ever before.

**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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