THE FUTURE OF LUXURY: EPICENTERS & SCALABILITY

EVOLUTION: 2025 and Beyond

TOURISM
2/3 of Chinese luxury consumption occurs outside of China.

TECHNOLOGY
Online sales +20%. In 5 years this will double.

TRANSMIGRATION
600 cities 2/3 economic growth globally.

DMS: Dynamic Market Scorecard
Deconstruct Traditional Boundaries

The DMS is a set of metrics that will help businesses understand cities on a deeper level in order to:
1. Provide a strategic framework for global patterning process
2. Serve as a predictive model for future Big Bet Cities

MARKET DYNAMICS
as defined by MetroLuxe Index, BCG

INDIVIDUAL DYNAMICS
Mobile Connections: Level of mobile commerce optimization
Mobile & E-Commerce Spend: Average order value per e-commerce transaction

CITY DYNAMICS
Market Maturity of Individual City: Emerge - Takeoff - Accelerate - Thrive - Mature

REVOLUTION: The 3 R’s of New Management

RESTRUCTURE
ACTION: Pattern cities driving efficiency by sharing relevant expertise with big bet cities. Product assortments, retail formats and service models are customized by city patterning.

RE-LOCATE
ACTION: Reorganize talent distributing into city markets. Human capital valuation - Former Country GMs become City GMs.

RE-ALLOCATE RESOURCES
ACTION: Create City P&Ls and City Budgeting for new City Managers to leverage and optimize resources with similar Big Bet Cities.

BEYOND BORDERS: THE NEW LENS OF LUXURY EPICENTERS
For years, luxury companies have linked markets by geographic location to manage global complexity. A look at the regions of luxury powerhouse China renamed by the world’s countries that share a similar GDP shows varied wealth from the Gulf oil states to those of the developing world. Luxury brands will need to distort traditional boundaries to succeed in the future luxury marketplace.

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