

LB♦PARTNERS

LUXURY BUSINESS

EXPERT'S MONTHLY

June 2021

EDITORIAL

Vaccination...Vaccination...

After 16 months of uncertainties, we must congratulate all the research and development teams; especially in the United States of America, England, and Germany for giving us an optimistic view for the coming months. Indeed, thanks to the new mature and innovative DNA, we are now able to protect our families as fast as possible and to fully restart our activities for new ambitions.

One of the most significant consequences will be to enable us to travel again and to make us free to talk face to face with our customers.

Luxury Business Partners is at your entire disposal to provide its full and active support for the success of your new challenges. All our teams will do the best to support you in this second part of the year.

Please feel free to share your current projects with us, and we will be very delighted to discuss them further.

With my best regards,

Daniel Mayran

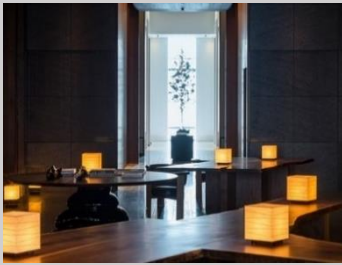


ZOOM IN LBPARTNERS

Zoom in LBPartners ongoing projects

Below is a selection of different ongoing projects managed by the designated LBPartners' experts.
For confidentiality reasons, no further information can be provided.

Luxury hotel brand to be advised in Asia



A global luxury hotel brand has the project to develop a retail zone in a new property in a bustling Asian city. LBPartners experts are bringing their market knowledge to define a theme and concept, adapted to new trends.

European shoe brand to be distributed in Korea & Japan



A European brand seeks to be distributed in Korea and Japan. LBPartners is looking for distributors, facilitating introduction as well as negotiation, and will then act as a representative office in the region.

Home fashion company to be settled in Asia



A European Home Fashion company is looking for a store location in Seoul. LBPartners is currently looking for the appropriate location, and provides full support to the brand to create a destination.

Shoe brand to be distributed in Asia



A child shoe brand seeks to be distributed in Asia. LBPartners is seeking distributors in order to succeed in this project. Some experts are currently facilitating negotiations between the parties.

THE VOICE OF EXPERT



NEW CHALLENGES IN THE LUXURY WORLD AFTER THE PANDEMIC... A CHANCE?

Written by Mr. Christian Blanckaert

*Ex- Executive Vice President of Hermès International
Ex-Chairman & CEO of Hermès Sellier
Ex-President of Comité Colbert
Ex-Chairman of Petit Bateau*

*Board member of Moncler, Vestiaire Collective, Furla, Yves Rocher
and Champagne Piper Heidsieck.*

The pandemic has strongly impacted the physical trade of luxury goods. The various lockdowns have led to store closures and a complete shutdown of tourists.

As a result, there is a generalized increase in online purchases but less in luxury than in other sectors as for some players; digital is not compatible with the idea of scarcity. The luxury consumer has still and maybe more than before an emotional connection when buying and often needs to touch the product.

Therefore, a real challenge will be to manage this paradox of keeping stores and sustain digital shopping. The leaders of luxury brands will have to maintain this ambidexterity! They must create a corporate culture that embraces structurally constant changes and new changes—more than ever after the pandemic.

Paradox?

The pandemic is, in fact emerging as a growth lever in e-retail. It has accelerated the digital transformation, drastically changing consumer habits. For example, luxury pure digital player Farfetch illustrates the strength of their platform business model.

THE VOICE OF EXPERT

Continued from previous page.

NEW CHALLENGES IN THE LUXURY WORLD AFTER THE PANDEMIC ... A CHANCE?

It is the time of Omni channel management. A time where various channels, including physical stores and online stores, are integrated, which makes customers enable to purchase products or goods from various channels at any moment of their life. Nights and days. At the business time or on vacations. The challenge will be to shift from multichannel to Omni channels..... make the digital transformation a success! Only Omni channels companies will be capable of developing, managing, and maintaining an inventory management system, an information system so that customers will be able to access the same information regardless of physical stores or online stores. This integration is difficult to achieve but once integrated the customer journey will be seamless, endless.

The reverse is true. Digital-born companies will have to develop physical stores to provide a platform for consumers to have a more immersive brand experience than what is possible online, thereby enabling the e-commerce companies to have control over the entire customer journey which is the absolute key for success in the post-pandemic world.

The post-pandemic luxury brands have a lot to do to understand the new and young customers of today.

To reach the level needed to attract generation Z in particular cooperation and partnership are here to stay. Brands will need to carefully listen to grasp the understanding of new post-pandemic habits of new customers! Especially in China. In this fast-moving market with new regular players, the consumers will be more knowledgeable than ever, evolve in their attitudes, their skills set. Paradoxically, during confinement customers have increased in confidence in their marketplaces, and the arrival of the new generation is a strong argument for luxury brands to continue to invest in digital technology as for this evolved population of consumers, looking at products on the internet has become intuitive and permanent. They had time to do it!

THE VOICE OF EXPERT

Continued from previous page.

NEW CHALLENGES IN THE LUXURY WORLD AFTER THE PANDEMIC ... A CHANCE?

Headwinds are therefore expected in the luxury world. The shift to digital will become central for any brand market by market and a sense of sustainable development will also be expected from all consumers. It is a new economic model which is coming, linked not only to this fundamental adaptation to the new Omni channels context but also to the secondhand market and the rental market of luxury goods.

It will be the winners' brands which will make sure they change their governance and hire the right people to face this incredible move within each market and especially in Asia. At the same time, it opens room for innovation. An innovative idea that will thrive in the near future. Eventually, this pandemic forces us and all brands to accelerate our understanding of consumer trends in each market, adapt to their needs, and anticipate more than ever. What a chance! What a challenge! Some will succeed. Others will not. ■

About Christian BLANCKAERT

Mr. Christian Blanckaert served more than 15 years at the Hermes Group as Executive Vice President of Hermès International and Chairman & CEO of Hermès Sellier. Moreover, he occupied a series of senior positions in the luxury and consumer goods industry including President of Comité Colbert, Chairman of Petit Bateau, a board member of Moncler, and currently a board member of Vestiaire Collective, Furla, Yves Rocher, and Champagne Piper Heidsieck.

MEET OUR EXPERTS



Mrs. Mila Lights

Multi-Media Artist

Musician

Poet

Painter

Musical Inspiration with Mila Lights

As a multidisciplinary artist and the daughter of art collectors that enjoyed a close friendship with Alexander Calder, she followed in her mother's footsteps," painting classical figurative easel pieces", though she quickly bounded with seven-mile strides. Shaken by Miro's capacity to touch infinity, she refused to comply with rules that would take her creative impulse. Thus painting - yes - but in her own manner: as a radiating force. Aged 18, she flew to New York to follow a year's study at the Actor's Studio. From an extremely young age, her training in dance and music led her to create ethereal solo performances that combined poetry with a dream-like universe accompanied by her compositions. Music would always play a key role in her performances, providing a fundamental source of inspiration for Mila Lights, who explains that "my first canvases were created as if they were music scores".

Mila Lights is an artist who illuminates the medium of performance.

She gives birth to pictorial worlds governed by a highly precise creative protocol. As a highly versatile artist, she enjoys melting the boundaries between creative disciplines. Her essence is movement: everything about her feline grace, sinuously crossing her atelier in the blink of an eye, domineering a canvas lain on the floor with controlled, generous gestures whilst encircling it, constantly opening the sphere of her intervention with her imperial desire to dilate space. Much as Kandinsky, one of her greatest sources of inspiration, Mila Lights is gifted with synthesis; a rare capacity to hear colors and see sound.

It is not surprising to detect musical inspirations in the paintings and compositions of Mila Lights. Originally an author, composer and performer, Mila has evolved naturally over the years towards pictorial work without ever abandoning the sensuality and musical rhythms that characterize each of her compositions.

MEET OUR EXPERTS



Mrs. Mila Lights
Multi-Media Artist
Musician
Poet
Painter

Musical Inspiration with Mila Lights

She can also then express herself eloquently on more everyday objects, such as the Eames armchair in her Parisian studio that Mila highlighted with pictorial clues for which only, she holds the secret. Struck by the aesthetic and narrative evidence of "Castle of Paradise," a painting Mila had punctuated with poetic touches of gold on a striking white background, Nathalie Ryan chose this landmark work as the starting point for their collaboration. An exquisite 22 carat coffee table should not be reserved exclusively for special occasions. Jointly created by artist Mila Lights and interior designer Nathalie Ryan, this exceptional creation exuberantly integrates art into everyday life.



If the coffee table is classically the centerpiece of one's living room, the addition of 22 carat gold makes it the focal point of this convivial space where hospitality takes priority. The streamlined, curved format designed by Nathalie Ryan lends this work of art its practical versatility. The surface, designed by artist Mila Lights, ensures its exquisitely sparkling appearance, and is then carefully protected and enhanced for brilliance beneath glass.

Seen from above, the artist's precise and sensual work in paint and gold leaf upon the immaculate white leather canvas expands her artistic emotion to any and all guests around the table. This desire for bringing people together for "sparkling conversations" reflects the shared philosophy of both creators who eagerly break the traditional codes of their respective artistic and constructive worlds.

MEET OUR EXPERTS



Mrs. Mila Lights

Multi-Media Artist

Musician

Poet

Painter

Musical Inspiration with Mila Lights

Mila Lights is creating a capsule's collection of cushions in collaboration with Edition 169 & Staron, who also choose to edit artistic carpets with her. An expert in the creation of exceptional hand-made carpets and upholstery fabrics, Edition 169 & Staron asserts its Parisian roots and haute couture spirit with its cosmopolitan influences of techniques and inspiration. This clever mix of genres, which ensures the brand's influence throughout the world among renowned influencers, reveals the deep attachment of its leaders to the notion of "sharing", the key value of this discerning house. In constant quest for the most refined weaving techniques, David and Olivier Aouate combine them to create unique signature carpets and upholstery fabrics, to give a taste of the secrets of a savoir-faire ever more highly sought.

Mila Lights : the epicurean artist reinventing the capsule collection !

Invited to various artistic collaborations, she has already published a limited edition of Fashion Art in Asia and France for Art Gallery and brands. In France, Maison Dognin, designer of luxury bags, called on Mila Lights for the development of its best seller "the Polochon".

The models created are a subtle synthesis between fashion, Art and a philosophy of life; this is an artwork that you can wear with an inspiring message. 100% Made in France. Mila Lights Limited Editions selects the best luxury and fashion artisans who use organic, soft to wear and eco-responsible cotton for each of its collections. The brand is committed to children's cause and donates 10 euros for each T-shirt sold to selected associations (Racines d'enfance, UNICEF...). ■

HIGHLIGHTS

Retail



- Korean giant e-tailer Musinsa acquires StyleShare and 29CM (worth \$265M) and plans to go overseas market as the pioneer of K-fashion and culture platform. [READ MORE](#)
- China's online retail sales increased by 29.9% in Q1 2021 (\$44.7B) and the online retail market is expected to maintain a steady growth rate of 10% and exceed 13 trillion RMB in market size in 2021. [READ MORE](#)
- Luxury brands find future with 'Metaverse'. [READ MORE](#)
- IKEA's expansion in Asia: IKEA opens Southeast Asia's first small-store concept in Singapore and invests in store openings and digital initiatives in India as online furniture shopping grows rapidly. [READ MORE](#)

Hospitality



- The Luxury Collection, part of Marriott Bonvoy's portfolio of 30 extraordinary brands, celebrates its brand debut in South Korea with the opening of Josun Palace (254 rooms), a Luxury Collection Hotel, Seoul Gangnam. [READ MORE](#)
- Marriott International announced the signing of an agreement with the Ningbo Central Plaza Construction and Development Co. Ltd to bring the Ritz-Carlton brand to the heart of Ningbo with an expected opening in 2025. [READ MORE](#)
- Frasers Hospitality forges ahead with expansion in China: 7 properties will be added to the group's growing portfolio in China over the next 4 years. [READ MORE](#)

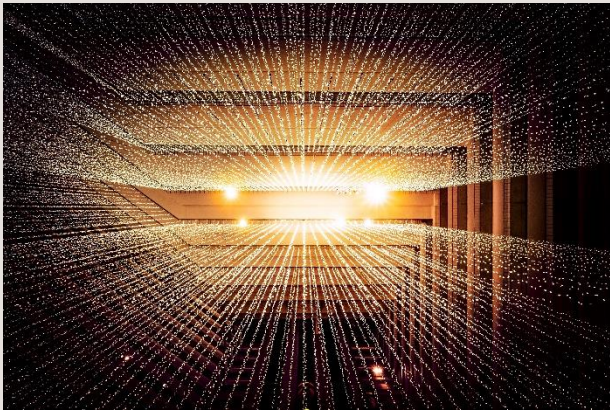
HIGHLIGHTS

Macroeconomy



- Even with the recent COVID curbs, it is still possible for Singapore's economy to grow 6% or more this year, economists say. [READ MORE](#)
- Thailand first quarter GDP contracts 2.6% year-on-year, less than expected. [READ MORE](#)
- Japan April wholesale prices jump on rising material costs, especially energy and commodities. [READ MORE](#)

Digital & Innovation



- JD.com first-quarter revenue exceeds expectation. Popular brands launched flagship stores in the quarter on JD.com's e-commerce platform. [READ MORE](#)
- Walmart acquires virtual try-on tech firm Zeekit, as the American company homes on improving the customer experience across its apparel offering. [READ MORE](#)
- Kakao to Launch Cryptocurrency Wallet Klip in First Half of 2020. Kakao is planning to make Klay, a cryptocurrency to be stored in Klip, available for use in various ways in everyday life. [READ MORE](#)

HIGHLIGHTS

Sustainability



- Foreign firms step up push for sustainability in China. Some of these commitments include waste reduction, use of solar energy or recycling improvement targets for instance.

[READ MORE](#)

- Use of leather is in debate, as leather brands consider as wasteful not to use leather given it is a natural byproduct of the meat industry. But a new assessment questions its carbon footprint.

[READ MORE](#)

- In order to reach China climate goals, all Chinese stakeholders will have to make efforts. Green finance and sustainable supply chain offer opportunities.

[READ MORE](#)

Investments



- JD Logistics, the logistics offshoot of JD.com Inc. , launches Hong Kong IPO to raise up to US\$3.4 billion.

[READ MORE](#)

- Goldman Sachs and ICBC Form China Wealth JV, which will develop a large range of products in quantitative investment strategies and cross-border products.

[READ MORE](#)

- Tech M&A in Asia at record high. Dealmakers experts expect this situation to continue, as Covid increase shift toward virtual activities in the economy.

[READ MORE](#)

- Chinese e-commerce giant Alibaba Group Holding and partners have invested \$400M in the retail unit of Vietnamese conglomerate Masan Group.

[READ MORE](#)

BUSINESS CASES

Here is a selection of companies, projects and innovation we find inspiring. We want to share those ideas with you to participate in the emergence of new projects.

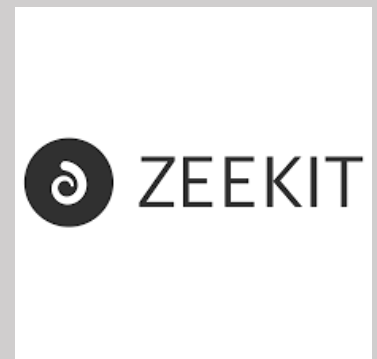
JD.com:

- Chinese technology driven E-commerce company, founded in 1998.
- It engages in the sale of electronics products and general merchandise products.
- JD.com also provides an online marketplace, whereby third-party sellers sell products to customers primarily through its websites and mobile apps.
- It is one of the two massive B2C online retailers in China by transaction volume and revenue.



Zeekit:

- Zeekit is an Israeli technology company founded in 2013.
- It is a virtual fitting room, allowing everyone to see themselves in any item of clothing found online.
- By allow customers to virtually try-on clothes, Zeekit is improving user experience in e-commerce.
- Zeekit raised a total of \$16 million since 2014, and was acquired by Walmart in May 2021.



Zomato:

- Zomato is an Indian multinational restaurant aggregator and food delivery company founded in 2008.
- In addition to food delivery and payment, Zomato propose a procurement solution which supplies high quality ingredients and kitchen products to restaurant partners.



OUR VISION

**Highly recognized and innovative experts
bridging sustainable business
opportunities and skills
between Asia and Europe**

Leverage your business experience and expertise through LBPartners.
Find interesting projects, share your network, and promote yourself in our newsletter.
Give us your feedback and suggestion.

Contact: Ms. Moo Hi Lim, Business Coordination Manager
e-mail mhlim@lbi-group.com

LB♦PARTNERS

LUXURY BUSINESS

The Expert's Monthly