



Luxury Travel Retail: In conversation with Luxury Expert Catherine Jubin

Cécile Gorgeon, Director at Added Value was a speaker at the Luxury Travel Retail conference organized in November 2013 by Catherine Jubin, founder of the Luxury Business Association and luxury expert. After the event, we sat down with Catherine to discuss her views on the sector, from the new travel retail landscape to issues affecting the BRICS.

Added Value: Catherine, what is The International Luxury Business Association and what is its mission?

Catherine Jubin: The Association's mission is to inform, exchange and share around the challenges of Luxury. A non-profit organization, the Association is a place of reflection, exchange and networking, striving to pursue various goals:

- Provide its members exclusive information on the sector,
- Promote the pooling of means around innovative, value-adding projects
- Encourage exchange, facilitate meetings and foster new partnerships

Added Value: Who are its members?

Catherine Jubin: Its members are French or international corporations, large groups and small businesses, all involved in high-end businesses. Fashion and accessories, watches and jewelry, home decoration, wine and spirits, beauty care and fragrances, automotive, finance, gastronomy... a diverse range of sectors are represented, including some of the top names in luxury.

Added Value: You recently organized a conference on the new luxury travel retail landscape. Could you explain to our audience why this theme is important for your members?

Catherine Jubin: Most luxury brands are European, but luxury clients are from all over the world. As they are among society's most affluent members, they have always been travelers, and luxury brands have always received a good share of their revenue from travelers. But what makes the Duty-Free distribution channel increasingly important is the very dynamic growth rate in passenger numbers. Airports realized that they had to include Travel Retail in their strategies and there has been a lot of emphasis placed on the development of larger shopping areas in many airports.

Added Value: From a more general perspective, what are the particular issues facing the luxury industry in France, in developed countries and in the BRICS?

Catherine Jubin: For the BRICS, it depends on which markets we are discussing. Some are still emerging; others like China are maturing rapidly. China's is a very specific situation, because of the size of the country and the different development stages of regions, cities, etc. It cannot be considered as one market, and it now requires some more specific approaches, linked to the history and the progress of each brand in the country, as well as to the level of development of each region/city.

The same is also true for mature markets: there is no global, one-size-fits-all view. The German economy is doing much better than economies in southern Europe, younger generation of Germans

have more appetite for luxury than the previous ones; Germany certainly offers new opportunities for luxury brands that might have overlooked it in the past. The US economy is recovering, but the USA has always been a challenging market for European brands (other than automobile brands); strategies will have to be fine-tuned to take advantage of the recovery. A good proportion of Southern European clients have lost a significant amount of purchasing power, and if luxury is not suffering too much at retail level this is largely due to tourists. Brands have been putting a lot of emphasis in the past few years on better catering to these clients. However, they should not forget their local client base, and should be careful that they do not feel excluded (by price increases, services targeting mainly foreign clients...), otherwise they will not fully benefit from the recovery when it happens.

Added Value: What are the most interesting trends in luxury at the moment?

Catherine Jubin: The Association is trying to focus on clients and tries to detect the things for which there is the greatest demand. One thing we can certainly say is true for all markets is that the expectation in terms of quality is rising, whether it is on the product side or on the service dimension.

Added Value: What are your next projects?

Catherine Jubin: The Association always has many projects. The upcoming one is the 5th Edition of the "Luxury-Outlook", a full morning conference which looks at hot topics for luxury professionals. The 2014 edition will take place on March 20th and with the theme 'Luxury 2025,' it will be devoted to understanding the challenges luxury will have to face with increasingly fast technological changes that will have a significant impact on the way goods will be designed, developed, manufactured and distributed in the coming years. (www.luxury-outlook.com)

About Catherine Jubin:

Catherine Jubin started her career within the Fragrance Division of the L'Oréal Group. She spent seven years in various marketing roles before becoming SVP International Marketing for Parfums Guy Laroche in 1989. After having created her own consulting company "Estampille" in 1992, she joined the Yves Rocher Group in 1996 as SVP Research and International Marketing for Fragrances, Make-up Toiletries. Since 1998 she has been working as an independent consultant specializing in international strategy for companies and brands within the luxury industry, with key players including Shiseido (Japan), Unilever (GB), Le Club des Créateurs de Beauté, Séphora, ST Dupont, Sonia Rykiel, and Roland Berger & Partners. Using the experience she gained as an expatriate and during her studies in the USA, she was able to build, maintain and develop a large international network in the United States, Europe and Asia. This network, together with her in-depth knowledge of a fast moving sector, inspired her to contribute to the development of luxury goods and services companies by offering them an original and dynamic "tool". Her determination to set up a body serving companies in this sector led her to found the International Luxury Business Association in 2001.