



ARTEFACT

DATA & AI FOR
LUXURY

HOW DATA AND AI ARE TRANSFORMING
LUXURY: A PARADIGM SHIFT

ARTEFACT

AI IS ABOUT PEOPLE

WE ACCELERATE DATA AND AI ADOPTION
TO POSITIVELY IMPACT
PEOPLE AND ORGANIZATIONS.



23
COUNTRIES

1500
EMPLOYEES

+1000
CLIENTS

Artefact is a global leader in consulting services, specialized in data transformation and data & digital marketing, from strategy to the deployment of AI solutions. We are offering a unique combination of innovation (Art) and data science (Fact).



STRATEGY & TRANSFORMATION | AI ACCELERATION | DATA FOUNDATIONS & BI
IT & DATA PLATFORMS | MARKETING DATA-DRIVEN | CX & DIGITAL MARKETING

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"Today's luxury market is challenged. It is news to no one. Truth is, it has opened a **world of opportunities for luxury players**.

Opportunities to make a real difference and create an edge versus competition for those ready to operate a paradigm shift.

Opportunities to win the consumers' preference with outstanding digitally-augmented experiences.

Opportunities to make communication campaigns more desirable and cost-efficient when addressing large audiences, by clearing out channels or formats that neither build brand image nor impulse for shopping.

Opportunities to be more relevant – i.e. on the right time with the right content – when directly communicating with their customers.

Opportunities to shift to a more environmentally-friendly and stock-effective "pull" business model implying to better predict the consumers' appetite for the product catalogue down to boutique-level.

All those opportunities – synonyms of a **return to profitable growth** – boil down to activating three data levers.

1. GenAI for productivity, generating massive efficiency gains in all core business processes: from studio assistant designer to copywriting assistant for customer advisors, client meeting digester for B2B commercials, aftersales automated repair quotation, etc.
2. AI at scale, on three practical areas: better marketing budget allocation thanks to incrementality measurement, personalised clienteling and customer activation thanks to deeper insights into consumer purchasing behaviour and preferences, improved sell-through thanks to data-driven demand forecasting, stock allocation, item size offering optimization, etc.
3. Modern BI, combining a rationalised set of reports and self-service exploration tools to take informed decisions.

Some see challenges and pain points, we see opportunities."



Cyril FEKETE,
Partner
Luxury Practice Lead
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Edouard DE MÉZERAC,
Managing Partner
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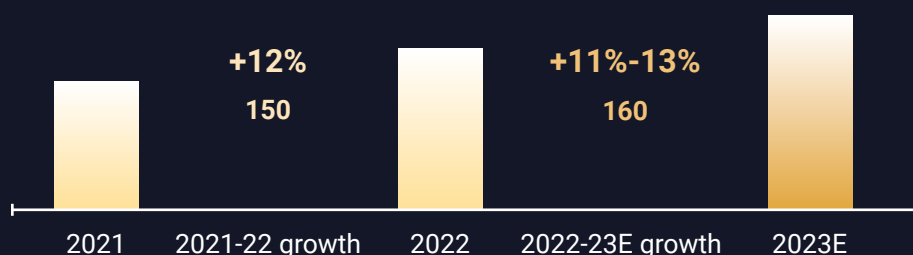
INTRODUCTION

DESPITE GROWTH, THE LUXURY MARKET IS HEADING TOWARDS A PLATEAU

Following a record year in 2022, which saw a massive post-Covid rebound, 2023 saw a relative slowdown in growth, particularly in the personal luxury goods and fine wines and spirits sectors.

Luxury spending continued to grow around the same pace as last year.

Worldwide luxury spending, 2021-23E (€ billions)

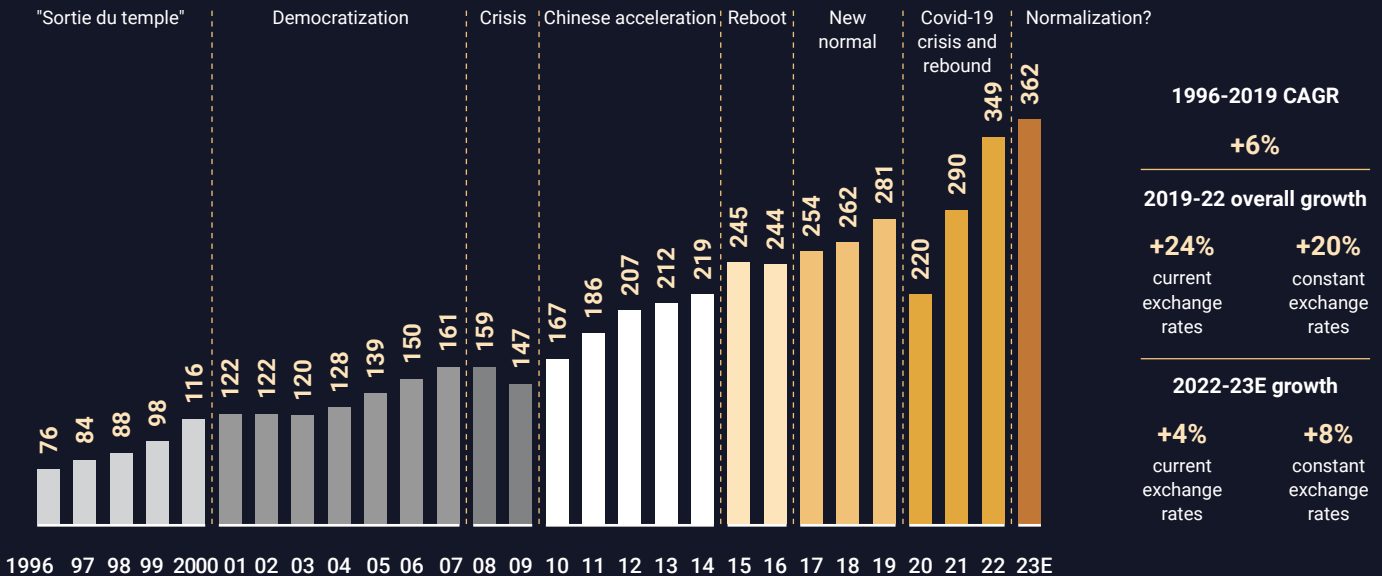


Note:
Growth shown at constant exchange rates; E indicates estimated value

Source:
Bain & Company

Despite uncertainty, personal luxury goods posted another year of growth.

Global personal luxury goods markets
(€ billions)



Note: E indicates estimated value

Source: Bain & Company

Luxury companies are facing a pivotal moment as they navigate the shifting landscape of the luxury market. In early 2024, lower growth rates have prompted a reevaluation of strategies, urging luxury brands to adapt to emerging trends in order to maintain their market relevance. Recognizing the transformative dynamics at play, these companies must acknowledge and integrate three primary trends into their approach.

- First, the influence of online touchpoints on consumer purchasing decisions has become paramount, necessitating a robust digital presence and tailored online experiences.

- Second, there's a noticeable shift in consumer preferences towards environmentally conscious brands, compelling luxury companies to prioritize sustainability and embrace eco-friendly practices.
- Lastly, the emergence of technologies (such as the Generative AI) presents an unprecedented opportunity for innovative brand storytelling and immersive consumer engagement.

By aligning their strategies with these evolving trends, luxury companies can not only navigate through the current period of lower growth but also position themselves for sustained success in the future luxury landscape.

CHAPTER 1 : THE LUXURY INDUSTRY IS UNDERGOING A PARADIGM SHIFT

Factor #1: Online touchpoints impact consumer purchasing decisions more than ever.

Recent research shows that luxury consumers engage with brands at more than ten touchpoints before making a purchase, with 60% of these touchpoints occurring in the digital space. Luxury brands use multiple digital touchpoints to enhance both brand awareness and

consumer engagement. A recent report by Bain & Company estimates that 75% of global luxury purchase decisions, regardless of channel, are influenced by online information, while 20-25% of purchases were digitally enabled.

75%
of luxury purchase decisions
are influenced by online information;

20-25%
are digitally enabled.

Factor #2: Customer preferences are shifting towards greener brands.

Two driving forces are pushing luxury players to reduce their environmental impact. The first is the massive preference of luxury consumers for environmentally responsible brands. The second is the need to comply with mandatory regulations.

According to a recent study, 60% of consumers believe that luxury brands should take the lead in driving environmental and societal change, and 72% of Gen Z members consider sustainability when making luxury purchasing decisions.

In Europe, in particular, the Corporate Sustainability Reporting Directive (CSRD) is set to significantly expand the scope of sustainability reporting requirements for companies operating in the EU. This new directive will require companies to disclose more detailed information about their environmental and social impacts, as well as their governance practices.

As a result, luxury companies must ensure that they have robust data management systems in place to collect, analyze, report on relevant sustainability metrics, and

identify key areas for improvement.

In addition to a better data management, and reporting, luxury companies can expect qualitative data to provide opportunities to launch or accelerate sustainable business models such as circularity and vertical integration:

1. Circularity: this may include offering second-hand products, repair services, and implementing recycling programs. By embracing circularity, companies can reduce waste and minimize their environmental impact, while also appealing to the growing number of consumers who prioritize sustainability.

2. Vertical integration: to better manage the sourcing of their materials. This approach allows companies to have greater control over their supply chains, ensuring that materials are sourced ethically and sustainably.

In addition, these business models will offer luxury brands a better understanding of both their customers and their product lifecycles.

Factor #3: Generative AI is bringing new capabilities while fostering brand elevation.

Today, GenAI serves as a pivotal tool for luxury brands, offering a dual set of advantages. In the short term, it optimizes productivity and efficiency through streamlined processes, from inventory management to personalized customer experiences. This efficiency not only cuts costs but also enhances the brand's ability to respond swiftly to market demands and consumer preferences, fostering agility in a competitive landscape. Looking ahead to the mid-term, GenAI plays a crucial role in brand elevation, crafting bespoke experiences and narratives that resonate with affluent consumers. By leveraging AI-driven insights, luxury brands can curate unique storytelling, establish emotional connections, and ultimately elevate their

brand perception, fostering long-term loyalty and market positioning.

Several brands have started to take advantage of these opportunities. For instance, Kering has launched an innovative KNXT platform⁵, which features Madeline, a ChatGPT-powered luxury personal shopper. Madeline curates personalized recommendations using product lists provided by Kering. Users are encouraged to engage with Madeline by giving her prompts that describe their unique scenarios and needs, for a customized and immersive shopping experience.

Examples like these prove that luxury brands urgently need to embrace digital and AI trends if they want to remain relevant. However, the systematic implementation and true business impact of these technologies still needs to be further explored.

Luxury brands today face new challenges from data and digital that test their traditional values of craftsmanship, exclusivity, and brick-and-mortar operations. To remain relevant in the age of data and digitalization, luxury brands must proactively embrace these opportunities and shift their strategies accordingly.

A pivotal aspect of this expansion lies in the emergence of GenAI factories, specialized hubs designed to identify and deliver high-value opportunities within organizations. These factories serve as structured frameworks, aimed at testing and industrializing high potential solutions. They navigate complex operational landscapes to pinpoint areas ripe for enhancement, thereby paving the way for scalable and impactful innovations.

This strategic approach not only optimizes productivity but ensures sustained growth and competitiveness, positioning enterprises at the forefront of their respective industries.

“Luxury brands must embrace digital & AI to remain relevant.”



CHAPTER 2: FIVE SUCCESS FACTORS FOR LUXURY BUSINESS TRANSFORMATION THAT LEVERAGE DATA & AI

Artefact supports many luxury brands around the world on their data and AI transformation journeys. Based on our experience, we've identified five key universal success factors to guide luxury brands as they navigate this paradigm shift by harnessing the power of data.

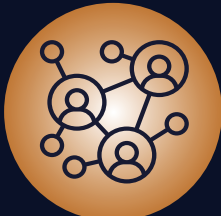
#1  Identify the right client

"Prescribe" the right product offerings

 #2

#3  Make sure each euro is wisely spent with MMM

Create tool-empowered omnichannel experiences with Augmented Customer Advisors

 #4

#5  Adopt a continuous improvement approach to support business excellence (standardization, accessibility, etc.)



Success factor #1: Identify the right clients

Customer databases of luxury players are highly polarized. It's common knowledge. Usually 2-5% of customers account for 40% of yearly revenues, while 60-70% of customers will remain one-timers forever.

To ensure sustainable growth, luxury brands must adopt a two-pronged approach: hypercare of their *Very Important Customers* to maintain their brand preference; identification of "hidden gems" among new customers to nurture them into becoming high spenders.

Skilled sales associates excel at retaining their top clients by creating strong, personal, binding relationships with each of them. While these sales personnel are great at providing ultra-personalized services that drive sales, the formula is less effective if they're unsure about which customers have the potential to become frequent purchasers and VIPs. This situation creates a chicken-and-egg paradox. Since non-VIPs make purchases less frequently, sales personnel have little data on these customers' preferences and personal information. As a result, they have no way to showcase their expertise.

This is where AI-powered predictive segmentations are game changers for prioritizing sales associates' client interactions. They combine two key dimensions. First is the latent value potential of the customers, taking into account the department (RTW, LG, ...), number of items



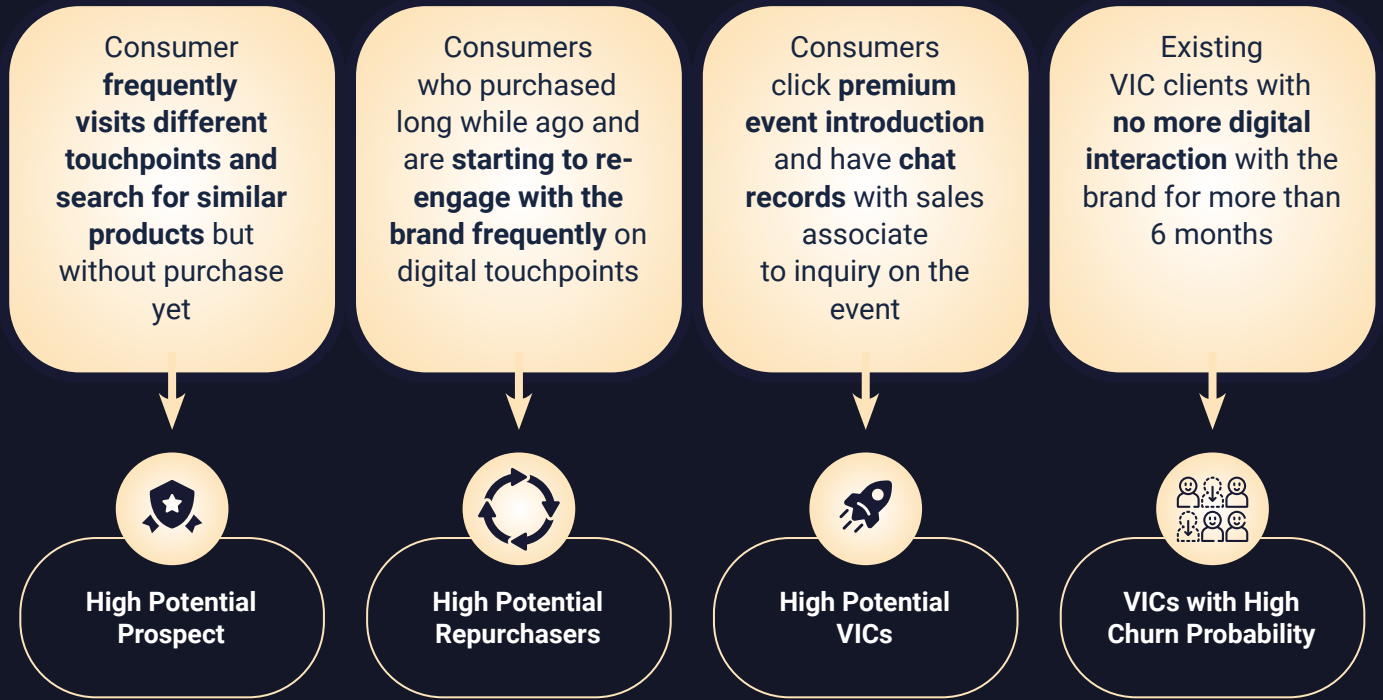
**Retain loyalty
of VIP customers;
identify and
nurture "hidden
gems" among new
customers.**

per transaction, variety and typology of products (iconic best sellers, animations, sophisticated pieces, etc.), amount, etc. Second is the propensity to buy, function of transactional factors (recency and content of the previous purchase, etc.) as well as behavioral (online and boutique visits, etc.).



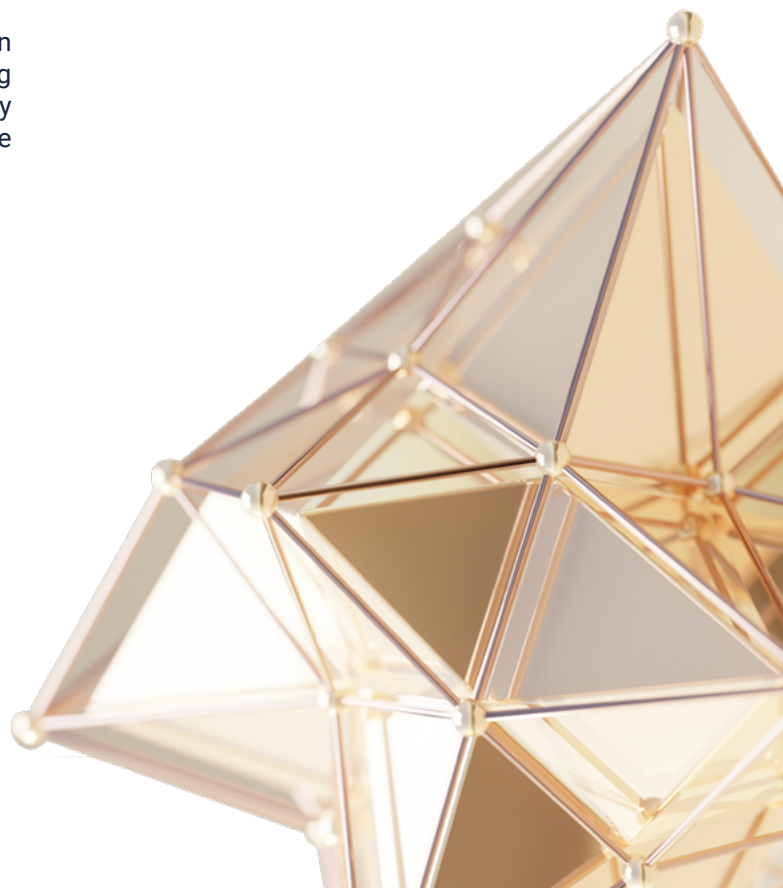
**A true Customer 360
powered by a CDP is an
invaluable resource for brands.**

Leverage Behavioral Data as Indication of Purchase Willingness.

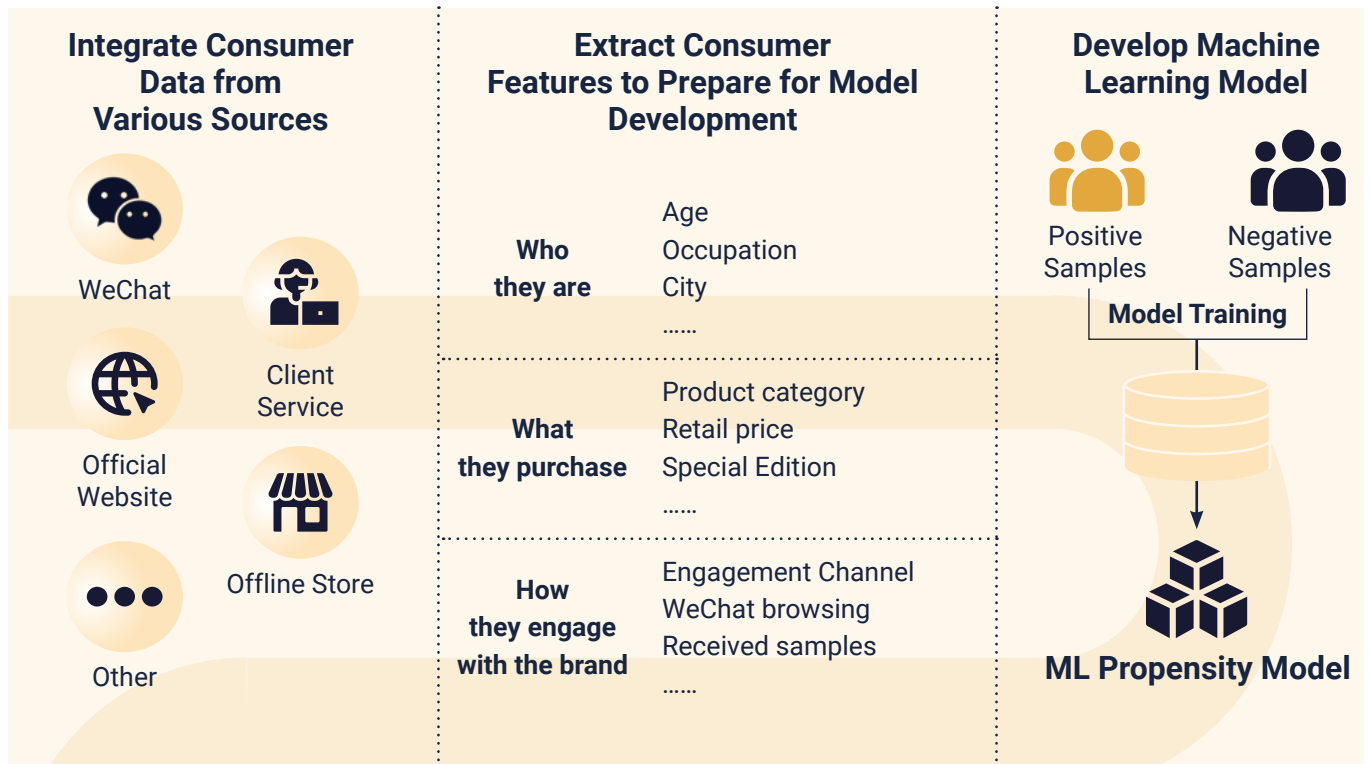


Enhance with AI Propensity models to upgrade from pure rule-based to algorithm based

Artefact has successfully helped brands in the luxury fashion and cosmetics industry build first-party propensity scoring models based on 360 consumer data. The results are highly effective, demonstrating a 2~3x increase in conversion rate when activated, compared to organic conversion.



Develop Machine Learning Model to Score Clients' Purchase Propensity.

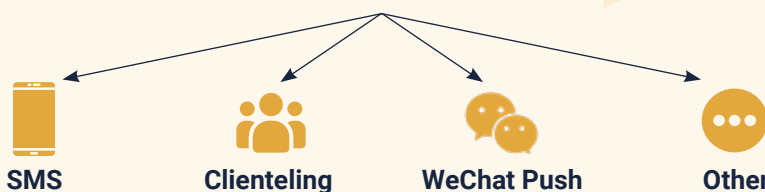


Model selects high purchase willingness customers and push to activation channel

A score is computed for each user and associated with the most likely product they are to convert

Propensity Score	Towards
0.89	Product A
0.82	Product B
0.64	Product C
0.53	Product D

Customers would be activated at their most often used channel



Model makes significant business impact

>2x Conversion Uplift with Model vs. Organic

2~3x Uplift for Model performance with Behavioral Data



"The increasing demand for highly personalized services and experiences from consumers, coupled with the rapid shift in omnichannel consumer buying patterns, is forcing luxury brands to put first-party data at the center of their growth strategy. A deeper and more granular understanding of their customers, especially through customer behavioral or transactional data, is becoming a competitive advantage."

Claire Sauvage, Director, Data Consulting, ARTEFACT



Success factor #2: “Prescribe” the right product offerings

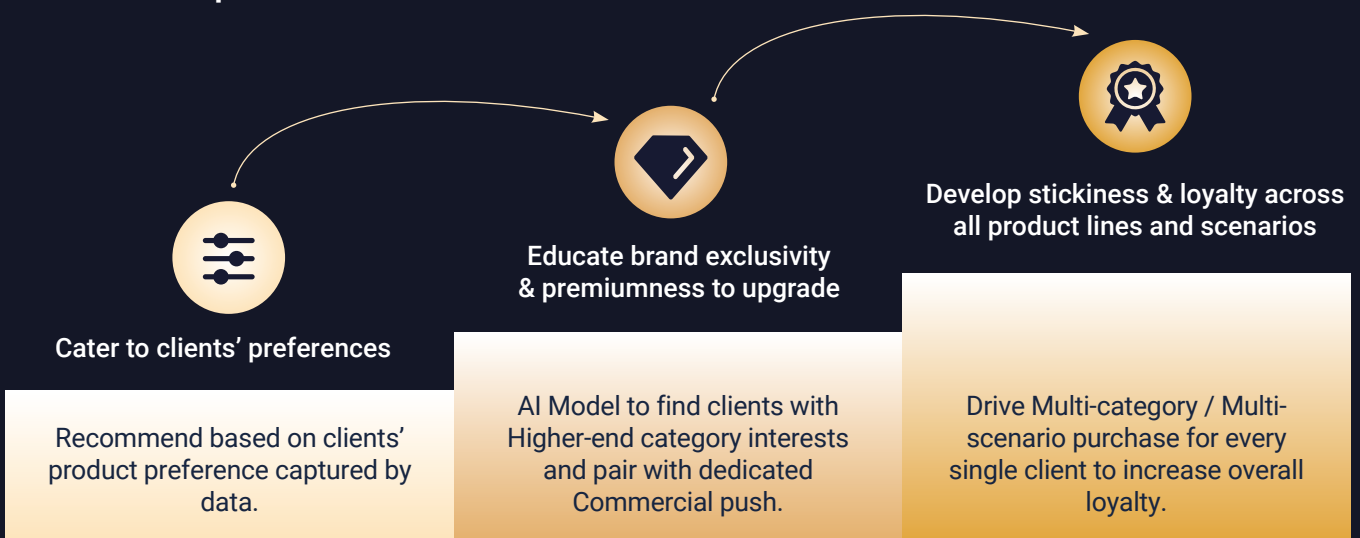


AI-powered recommendation systems are no longer mysterious black boxes. We see AI recommendations everywhere, from the familiar "you may also like" suggestions everyone's seen on e-commerce platforms like Tmall, to the hyper-personalized content feeds delivered by TikTok's proprietary algorithm that learns users' preferences.

But can and should this level of personalization be applied to the luxury industry? By leveraging customers' online behaviors and purchase records (typically obtained by unifying all touch points thanks to a CDP environment to enrich first party data), luxury brands can develop sophisticated AI models to identify the products customers are most likely to be interested in for their next purchase. These results can then be shared with the offline sales team, equipping them with insights to initiate sales conversations with existing customers.

However, from a product perspective, luxury brands face two unique challenges.

AI recommendations are prevalent, but luxury brands require a distinctive approaches in implementing personalized systems due to their uniqueness and customer expectations.



Manage scarcity and balance demand & supply

Strategic considerations

Luxury brands must take the unique preferences of each customer into account while respecting the brand's overall strategies. Merely selling customers the products they want isn't nearly enough to consistently improve customer satisfaction. That's where AI and data play a critical role, enabling brands to go beyond simply suggesting products based on past patterns. They also help integrate brand strategies that focus on upselling, cross-category selling and, ultimately, increasing customer lifetime value (CLV).

In terms of data, machine learning models can be used to predict the customer's propensity for higher-priced, high-end categories, or by identifying cross-brand interests to increase overall affinity at the group level.

Machine learning models can be used to predict a customer's propensity for higher-priced, high-end categories, or by identifying cross-brand interests to increase overall affinity at the group level.

Recently, we supported a luxury jewelry house in converting first-time buyers of generic commercial lines into high jewelry customers. Using advanced analytics and segmentation techniques, we identified a group of customers who showed strong interest in high jewelry and invited them to exclusive offline private events. This approach can be scaled up from a smaller proof of concept to an always-on brand operations tactic to cultivate Very Important Customers (VICs), fostering a higher level of customer value.

Similarly, we helped a luxury brand build a data-driven elevated purchase approach. This approach aims at identifying customers who are most likely to buy in the highly strategic Ready to Wear category. This category has demonstrated a higher contribution to total sales



AI and data enable brands to focus on strategies that increase customer lifetime value.

(higher average unit price), higher frequency and higher unit per ticket. We developed an ML-based propensity model that identified these high-potential repeat buyers and designed an end-to-end customer experience around ready-to-wear, resulting in a much higher retention rate and customer lifetime value.

We also assisted a prominent luxury beauty and cosmetics group execute cross-brand activations. By deploying a machine learning model enriched with business rules, we were able to identify customers who had previously purchased from one brand within the Group (Brand A) and were highly likely to engage and purchase from another brand within the Group (Brand B). When exposed to Brand B's ads on the social platform, these customers showed more than a 3x higher click-through rate than other customers targeted by media tags. By harnessing this valuable customer intelligence, we enabled the Group to create cross-brand synergies and increase overall affinity.

Balancing supply and demand

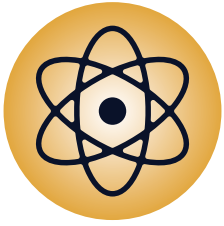
Luxury players face very different challenges depending on their supply strategy. In both cases, AI comes in handy to augment retail merchandisers and supply planners. Players dealing with scarcity goods (high-end jewelry and watches, haute couture, rare leather products, etc.) must intelligently allocate their inventory in order to avoid supply disruptions on the local market (and consequently customer frustration, sales staff dissatisfaction), while at the same time optimizing margin levels. The new generation of problem solvers helps them radically improve stock allocation optimization (products under

scarcity or with slow rotation) with massive margin gains. On the other hand, players who offer a much wider assortment (fashion houses, premium accessories, beauty players, etc.) need to accurately predict demand - including at the level of size or color variation - in order to adjust production volumes and intelligently allocate stocks of finished goods to balance product availability and sales probability. Machine learning models are up to 15 points more accurate and less biased than business experts or statistical models embedded in off-the-shelf planning solutions.



“In the luxury sector, data is not only elevating the customer experience, but revolutionizing retail operations. Traditionally, luxury brands have had to balance product scarcity and customer demand. By leveraging data, we can dive into store-level customer preferences and stock availability across multiple timeframes, allowing us to design optimal solutions that guarantee the availability of desired products for targeted customers.”

Benjamin NAERT, Director, Data Consulting, ARTEFACT



Success factor #3: Make sure each euro is wisely spent through immediate AB testing on incrementality

Brand & Marketing leaders may feel they are in a difficult dead end. They face sharp budget cuts and when it comes to wisely allocating budget, they are left answerless by inefficient measurement tools.

Some turn to Mix-Marketing Modeling. Yet, in practice, we see a number of them fail with that option.

We observe three main reasons for that: limited adoption of top-down insights by operational, leaving organizations stuck in politics; late MMM answers improper for allocating yearly budgets (if launched beginning of the year, MMM reports arrive by June); a rear-mirror approach that does not predict the efficiency of “never-seen-before” campaigns (new channels, new formats, etc.)

We see two key ingredients to quickly address the simple yet tricky question: “where should be the budget cuts?”: a rigorous incrementality measurement protocol and an end-to-end marketing measurement suite.

Incrementality measurement helps determine operationally how a budget cut on a given lever impacts the sales and brand equity. The first step consists in building a learning agenda, prioritizing on the biggest budget pockets and adopting a russian doll logic (from channel to campaign type/targeting/format, etc.). Second consists in testing campaigns on two similar

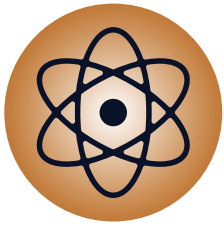
catchment areas, one with a full budget cut, the other keeping business as-usual.

Strengths of this approach are its simplicity and sustainability. The mathematical heavy lifting is limited to the selection of similar catchment areas. The rest consists in an operational deployment, which secures both the adoption of the test insights and the team upskilling for future test & learn.

Also, once budgets are cleaned from inefficient budget lines, marketers may build a new learning agenda to test and learn on new campaign set-ups (variations of channels, formats, audiences, targeting & bidding, etc.).

Moving forward, luxury players may want to deploy a best-practice widely adopted in the CPG industry: i.e. centralizing campaign performance measurement in a single cockpit displaying the same measurement framework all over the world. Strategic business users can easily compare and draw conclusion on budget efficiency across geographies, channels, campaigns, formats, etc

In our experience, players that successfully scaled such data-driven marketing approaches have benefited from a 10 to 20% efficiency gains on their budgets.



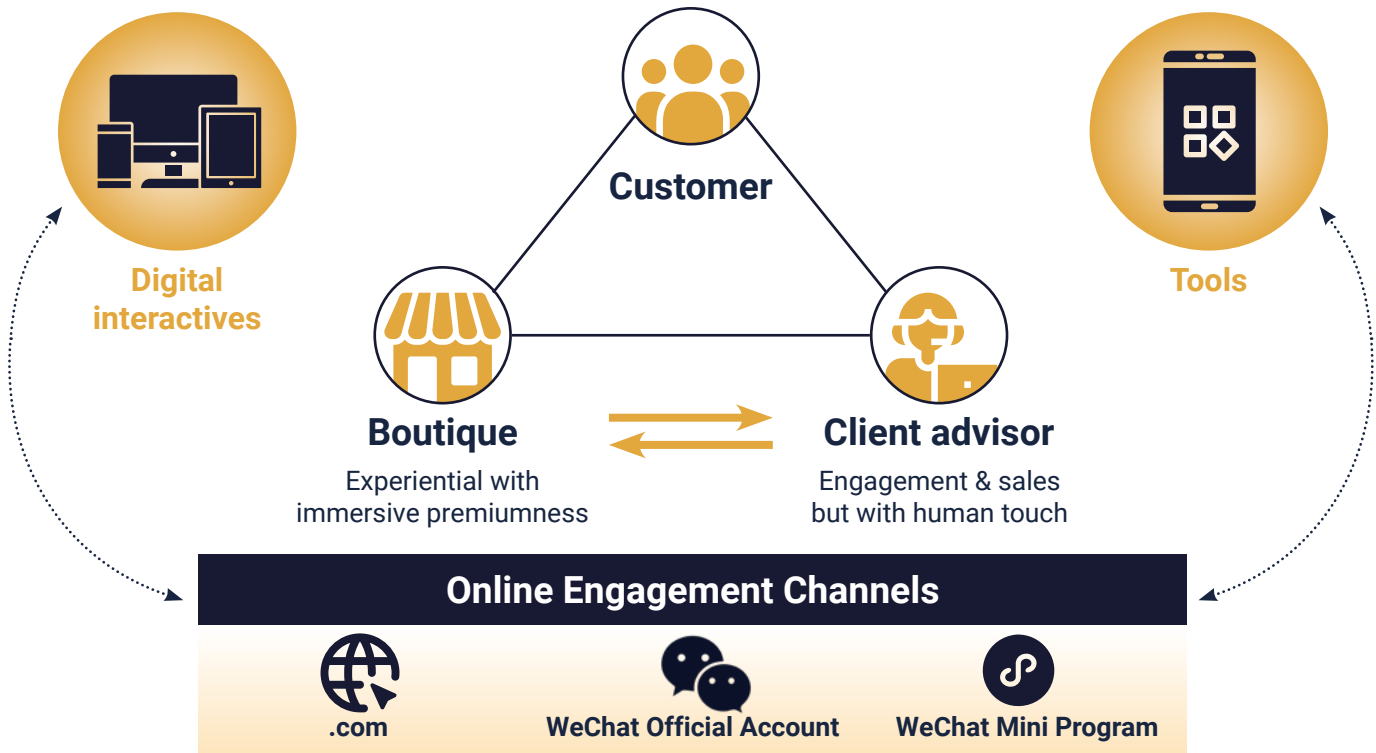
Success factor #4: Create tool-empowered omnichannel experiences with Augmented Customer Advisors

Of the four pillars that comprise the omnichannel customer experience, digital in-store is by far the most critical (also included are CRM, customer service center, and online consumer-facing website, application, and social media).

We believe omnichannel will reposition the role of boutiques and sales personnel across the retail landscape. As boutiques become more experiential, the transactional nature of offline business will increasingly shift to sales associates, but with an elevated and human approach rather than a hard-sell mentality. In addition, the relationship between salespeople and customers will extend beyond the physical boundaries of the boutique. To achieve these goals, digital tools such as clienteling apps play a crucial role. These tools enable sales associates to enhance customer engagement and provide a personalized and seamless experience, whether the interaction takes place in the physical boutique or through digital channels.

“ Omnichannel
will change the luxury
retail landscape.

Omni-channel in luxury, empowered by digital tools and AI, creates seamless online and offline experiences with blend-in personalized service.



We distinguish three levels of maturity in the Sales Advisor's digital assistant.

1. The first level consists of implementing a clienteling tool for offline sales associates. This is a digital tool that enables sales teams to improve their interactions with customers and streamline their operations within the physical store.

2. The second level focuses on empowering the sales team with data intelligence through the clienteling tool. By leveraging data-driven insights, sales associates can make informed decisions, optimize their business operations, and deliver a personalized and tailored experience to each customer.

3. The highest level of maturity is reached when the clienteling tool evolves into a comprehensive "Personal Assistant" for sales associates. At this level, the tool seamlessly coordinates and integrates all offline and online sales activities. This transformation enables the sales team to boost sales, whether customers are physically in the store or not.

The seamless integration of personalized physical and digital experiences define omnichannel.

There are three requirements to reach the highest level:

1 – Remote payment with omni-stock

Enables offline Sales Associates / Customer Advisors to remotely generate payment or pre-order links, while implementing near real-time stock availability (leveraging an end-to-end view on stock positions) and seamless stock transferability between online and offline channels.

2 – Holistic data intelligence and digitalization

We see three types of assets that are valuable to sales advisors:

- Brand and product visuals for customer inspiration: looks, visuals of color and material options for the same style, packshots, etc.
- Product insights for recommendations: goes-well-with pairings, alternative items in case of product unavailability, etc.
- Pre-designed text messages.

To build such assets, we assist our client in two ways. First, by setting up sustainable product data quality processes

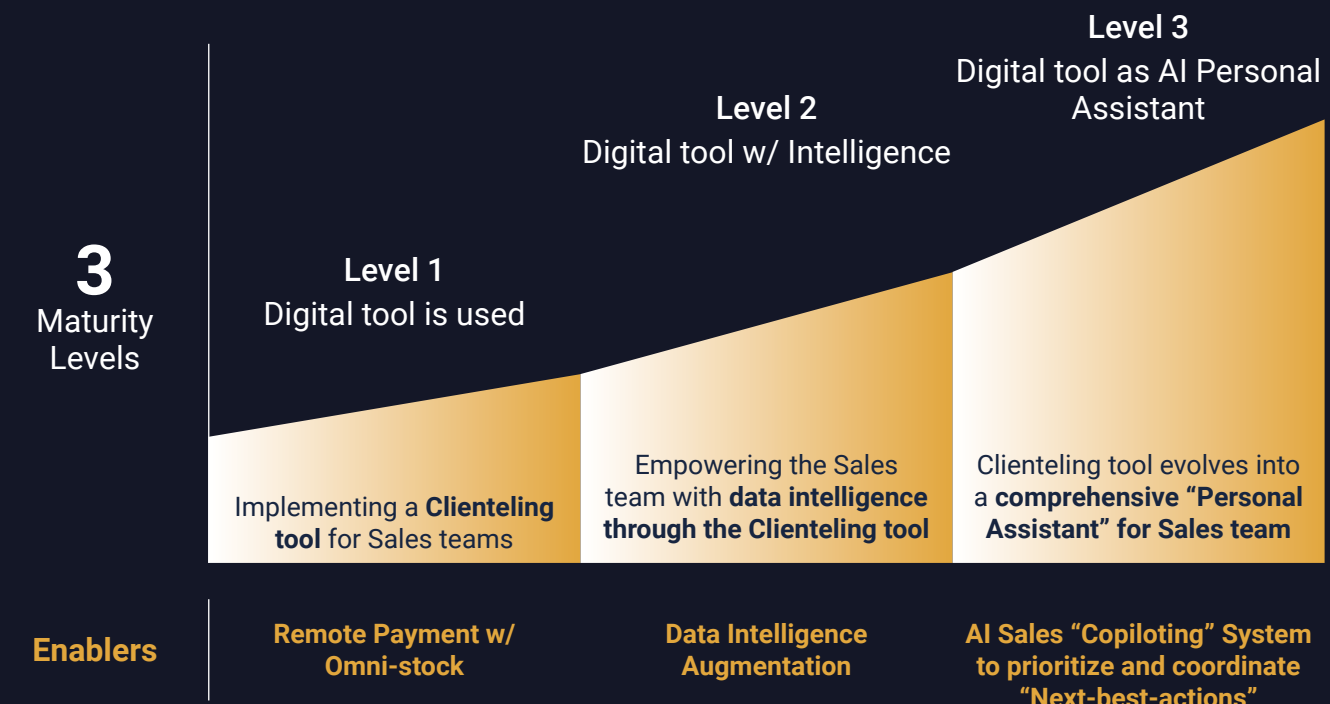
(defining the standard processes for data registration, quality control and remediation, etc.). Second, by building GenAI data enrichment engines.

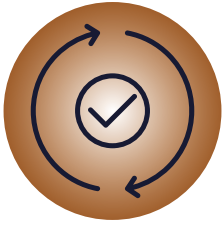
3 – GenAI sales "copiloting" system to intelligently prioritize/coordinate sales associates' actions

At the highest level, an AI-powered intelligence system can be developed for salespeople in the field, providing them with intelligent reminders of the "Next Best Action" to take. For example, based on the sales associate's individual weekly sales target, the sales copiloting system can make recommendations on prioritized actions to hit the target, including which category/products to focus on selling and which customers to target. To do this, the GenAI copiloting system not only draws on vast amounts of historical data to gain valuable insights into successful actions, but also integrates business rules to effectively prioritize these actions.

Sophisticated features, commitments and services don't define retail omnichannel; the seamless integration of personalized physical and digital experiences do. It's this integration that transforms omnichannel from a buzzword into a tangible reality.

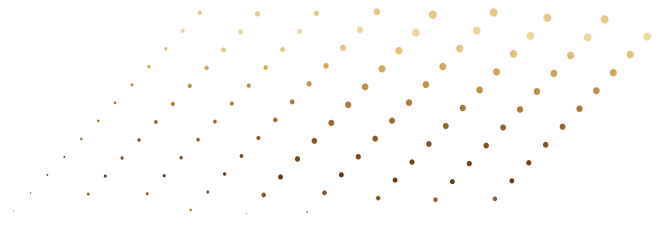
3 Maturity levels indicating how digital tools support the business.





Success factor #5: Adopt a continuous improvement approach to support business excellence (standardization, accessibility, etc.)

The pursuit of excellence is what makes luxury a world apart. From the creation of goods in workshops, fields, cellars and laboratories to the outstanding experiences offered in fashion shows, brand houses, boutiques, etc. Successful groups and houses that have achieved scale have complemented cultural craftsmanship with a data-driven approach to continuous improvement.



Two pillars support this continuous improvement paradigm:

1. Standardizing performance measurement.

The goal is to feed business monitoring routines with actionable KPIs.

The companies we support often face two main challenges when implementing such initiatives.

The first is the proliferation of reports run in silos that end up with inconsistent figures for the same metrics displayed due to divergent sources, calculation rules (related to exchange rate, data freshness, digital-in-store sales integration, full-price, etc.).

The second is the lack of maturity for defining and tracking KPIs with discipline for functions that are not related to retail: manufacturing, supply, customer service centers, etc.

A BI migration from legacy systems to a modern data platform provides an unmissable opportunity to perform comprehensive user discovery by business entity (function times geographic perimeter, e.g., global, zone, market) to standardize the business monitoring suite.

2. The empowerment of business users for autonomous data exploration.

Deep dives are often required to explain and act on business metrics such as a sudden drop in sales or an increasing customer churn rate in a particular department or geography. Answering these questions quickly and efficiently, without the need for scores of data analysts or a bottlenecked BI service center, requires two key ingredients.

First is the availability of data and KPIs - often in a semantic layer accessible to business users in a low-code environment.

The second is the readiness of business users to leverage these self-service BI tools.

To effectively drive adoption of data and digital practices and foster a data-driven culture, it's essential to engage and communicate with employees, especially the sales team, about the benefits of data and digital solutions. When executed successfully, this approach encourages employees to step out of their comfort zones and recognize untapped opportunities.

Three key strategies facilitate cultural transformation:



Organizational communications

Establish effective communication channels that create awareness and convey the appeal of data and digital solutions/programs. Innovative communication formats are needed to create a sense of excitement.



User feedback and co-creation

Curate a democratic and collaborative environment that encourages participation and provides opportunities for end users to contribute feedback on both business operations and data and digital solutions. This inclusive approach allows brand leaders to truly listen to the needs and perspectives of sales teams in the field.



Training and development programs

Conduct comprehensive training and development initiatives that give the sales team new tools and solutions that enable them to do business in a different, yet enriched way. Recognize and reward high-performing individuals and empower them to train their peers to drive knowledge sharing and facilitate the adoption of data and digital practices across the organization.

Artefact has a wealth of experience in instilling mindset and behavioral change at an organizational level, leading to greater acceptance and integration of data and digital initiatives within companies. Through the partnership and acquisition of Startup Inside, a French innovation and "intrapreneurship" company, we introduced an immersive

solution for effective organizational change management called the "Startup Experience". This comprehensive approach includes design thinking, hackathons and co-creation exercises to foster internal ideation of innovative concepts and secure both top-down and bottom-up support for data and digital initiatives.



"Many large companies look outside to find great startups to collaborate with and launch POCs. Most of these are founded by former employees who saw a problem to solve, but didn't have the space or opportunity to propose an answer internally. We believe that in-house talent can make the difference and enable the organization to innovate by acculturating them to new technologies and ways of working. Today, LVMH has more than 1,500 people worldwide living this experience and spreading the entrepreneurial mindset throughout the organization. Seven years and exponential growth later, the company is one of the most advanced data and digital enterprises in the luxury industry!"

Lorenzo CROATI, Co-founder of Startup Inside and Partner, ARTEFACT

CONCLUSION

A THREE-STEP APPROACH TO DATA & AI TRANSFORMATION IN LUXURY

The global luxury industry is facing challenges of stagnant growth, fierce competition, and increasingly demanding consumers. The market's plateau and partial declines among key players have led to a focus on data-driven strategies to increase productivity and market share.

Industry leaders are making significant investments in cutting-edge data and digital solutions, robust IT

infrastructures, and change management to integrate these technologies into their operations. These investments have led to significant successes and returns in brand awareness, customer engagement, and sales.

As a takeaway, we suggest three concrete steps to develop a successful data and AI transformation strategy in the luxury market:



Accurately assess your data and digital maturity

Understand where your organization stands in terms of data and digital capabilities; define a clear vision for your transformation with measurable success metrics.



Identify concrete use cases

Pinpoint specific areas where data and digital solutions can have a significant impact. Prioritize use cases that align with your strategic objectives and can potentially yield strong business uplift in order to create excitement across the organization.



Build robust enablers

Invest in the technical infrastructure you need and ensure you have the right tools, systems, governance and talent to support your data and digital initiatives.

Authors and Acknowledgements:

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We would also like to express our appreciation to Jianxun CHEN, Kenn LIU, Mike ZHU, and Lorenzo CROATI, Partners at ARTEFACT Open Innovation, for providing invaluable insights on Data for Luxury from different business perspectives.

In addition, we want to extend our gratitude to Edouard DE MÉZERAC, Managing Partner, Global Lead Luxury & Beauty at ARTEFACT, Sophie HUSS, Chief Marketing Officer and Astrid CALIPPE, Marketing Manager at ARTEFACT for their guidance and support on this content project.

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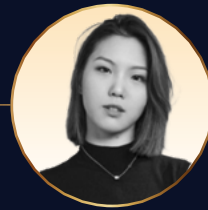
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