

## PEOPLE

# S'pore a top luxury market: LV chief

That's why Louis Vuitton chose Republic to launch its high jewellery collection

By CHERYL FAITH WEE

SINGAPORE is one of the world's top luxury markets - no matter what happens elsewhere.

Louis Vuitton's chairman and chief executive, Mr Michael Burke, told The Straits Times that this was one of the reasons why the fashion chain chose the Republic to launch its Acte V high jewellery collection.

"China can boom and tomorrow Africa will boom," he said. "But Singapore will always be a top market... It has great governance, geographic location, people, urban planning. All the ingredients for it to remain a top destination, regardless of what happens in the rest of the world."

The five-day showcase of 117 jewellery pieces was held here last month. It included 36 from the Acte V collection which was premiering for the first time outside of the brand's home ground, Paris.

The company declined to comment on the number of pieces sold, but Mr Burke said last month's event was "successful" and there is definitely potential for growth in the high jewellery business here.

According to market research firm Euromonitor International, sales of luxury jewellery and timepieces in Singapore grew in value by 11 per cent from 2012 to last year. Sales are forecasted to grow in value by 48 per cent from 2013 to 2018. Last year, sales of luxury jewellery and timepieces here were valued at \$2.14 billion.

The concentration of high-net-worth individuals here is one of the reasons for Mr Burke's confidence in the local market.

He explained: "You have this nomadic wealthy clientele that are calling Singapore home although they might also have a place somewhere else. It is these people who are the best luxury customers."

While this demographic of shoppers seems to be on the rise here, the numbers of another group of big luxury spenders - tourists from China - have taken a dip recently.

Figures released by the Singapore Tourism Board last month showed that the numbers declined by 14 per cent for the first quarter of this year compared to the same period last year.

Although Louis Vuitton declined to reveal whether its sales have taken a hit, Mr Burke said that "overall business with the Chinese is up".

While the brand hopes to offer such services here eventually, it will not do so in the near future as the company is focusing on bigger countries for the moment.

Mr Burke said: "Online retail is extremely practical for countries the size of Australia where you have a low-density market and big land mass. But the need is not as pressing here."

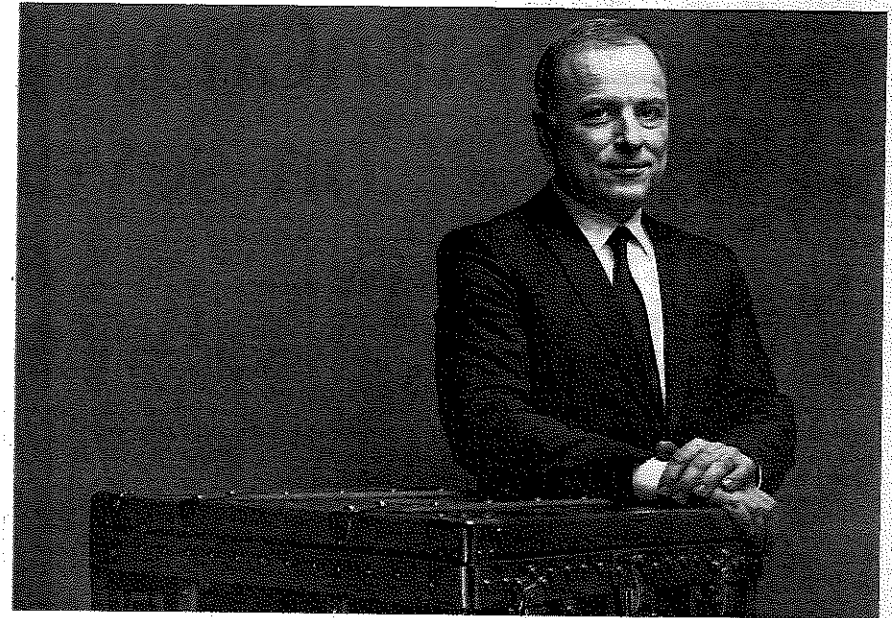
More than 80 per cent of Louis Vuitton's customers research the brand online before visiting its stores.

Mr Burke predicts that, in five years, digital sales channels will be as important as physical stores.

He added: "We will not be talking in terms of online or offline any more, it will be just one experience with different aspects to it."

"If you want to be successful in the long term, you need all aspects."

✉ cherylw@sp.com.sg



Louis Vuitton chief executive Michael Burke says Singapore has all the ingredients for it to remain a top luxury market destination. The country is home to a nomadic wealthy clientele who are the best luxury customers. PHOTO: DENIS ROUVRE

## PHASE 2

NEW Jurong Lake District Master Plan  
Model available for Viewing!

## Acquire a Distinct Office Asset in the Heart of Jurong Gateway

Offices from 441 sqft  
Medical Suites from 484 sqft  
F&B Units from 517 sqft

### Direct link

to Jurong East MRT & Bus Interchange  
and International Business Park

### Close proximity

to major shopping malls and upcoming  
Ng Teng Fong General Hospital

### Recreational facilities

VISION  
EXCHANGE

