



## *Extreme luxury for the jet set*

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For those who are daring, reckless and steeped in bravado, a session of bungee jumping, mountain scaling or deep-sea diving might be the perfect holiday gift.

But for those not up for "extreme" sports, there is another "ultimate" experience on offer: "extreme" luxury.

This is the new buzzword to describe objects at a tipping point of price, production and quality that places them well above the mere expensive gifts. Put it another way: this season is seeing the return of the elite.

Perhaps it was inevitable that the democratization of luxury had to be challenged by a new tier of aspirational people.

Into the wide sweep of luxury retailing, symbolized by the \$1,000 handbag, has dropped Gucci's large crocodile purse with a price tag of €13,900, or about \$18,000. According to all branded stores, these exceptional items, especially if they are one-offs, are the first to sell.

And not just for women.

Men too are looking for luxury that takes the price — and the pleasure — higher. "I do believe that we have the possibility to go higher — a couture line — not only for clothing but also for luxury sportswear with handmade products that have the idea of an upper class," says Ermenegildo Zegna, who says that his upscale male clients are enthusiastic about the idea of limited editions in both cloth and leather.

François-Henri Pinault, CEO of PPR, outlined the strategy of his Gucci Group brands, from Balenciaga through Bottega Veneta to Gucci itself, as a two-tier operation: a new aspirational category of "high" luxury rebuilding the peak of a pyramid that used to belong to haute couture; and also buttressing the lower levels so that whatever the customer's entry point, there is always something to aspire to.

Speaking at last week's International Herald Tribune Luxury conference in Istanbul, Pinault suggested that aspirational and high luxury customers created two separate driving forces. The first client pool with \$1 million plus in financial assets has been growing globally, especially in emerging markets, for a decade.

Extreme luxury is targeted at another expanding group: individuals of high net worth with more than \$30 million in net financial assets. In 2005 this wealth already represented \$33.3 trillion. As the top clients of the lower level joins those at the pinnacle of wealth, there is a perpetual upward spiral.

The concept of super-high luxury is deliberately aimed at global billionaires and the private jet set, who already do everything they can, from hiring planes to members-only clubs — to get away from the masses. To them, extreme luxury also means exceptional service.

For the male client, there is a strong return to bespoke tailoring. If the Armani off-the-peg suit was the aim of aspirational men for the last generation, now the Italian designer has moved the goal posts. In flagship Giorgio Armani stores, men are offered "Su Misura," made-to-order clothing with a choice of 220 different suit fabrics, another 25 for tuxedos and 120 for shirts. A suit costs between €1,600 and €3,000.

Personalizing your purchase is the ultimate in modern luxury, according to Zegna, who also spoke at the IHT conference. With made-to-measure suits selling across the world and Zegna operating a vertical integration from cloth to coat, the company can even offer personalized fabric with a client's own initials woven in so subtly that it is private pleasure.

Until logo-free Bottega Veneta came up with the phrase "when your own initials are enough," the visible symbols of branding were taken as essentials. But now signage is far less evident (unless you count Louis Vuitton's white mink hobo bags with vivid logos. At €11,000, they are extreme examples of fancy gifts. Yet Vuitton's white gold purse with the LVs worked into the facets is now more typical of upscale elegance.

According to Pinault, extreme luxury is essential if the much-used word "luxury" is to keep its cachet. The elite gravitate towards the top end and each company serves it with special products.

This happens organically with upscale labels, such as Chanel, which showed the exceptional work of its satellite suppliers last week in Monte Carlo.