

New York City has benefitted from the trend toward urban living, and this should maintain the demand for housing. High-income households have chosen to reside in New York as evidenced by the sellouts of 15 Central Park West and the Plaza. With resale apartments on the market at these and other luxury properties, the price points that existed one or two years ago have been significantly reduced. Luxury cooperatives and condominiums are seeing price reductions of 10 percent to 40 percent and higher. The average sale price for a studio in ZIP code 10021 (Upper East Side) was \$402,316, \$726,867 for a one-bedroom, \$2,252,022 for a two-bedroom, \$5,922,350 for a three-bedroom, and \$12,650,000 for 4+ bedrooms. The average sale price for all five categories during the fourth quarter of 2008 was \$1,897,430. Properties not priced well in this market are not receiving the attention they need to generate offers.

True Brands: The Heart of Luxury in Experience

Biographical note: LuxuryBoard.com Member Tim Girvin, is the principal of Girvin / Strategic Branding, a marketing consulting and design firm with offices in Seattle and New York City. Girvin has worked with luxury brands such as, Yves Saint Laurent, Estée Lauder, Shiseido, Fairmont Hotels & Resorts, and Jumeirah International for 35 years. His work in entertainment brand development includes classic Oscar winners, such as Braveheart and Unforgiven. Girvin's focus is on emotional, even psychic, levels of experience design: strategy, identity, and packaging. His trend blogs can be found at his personal site and at [corporate brand explorations](#). Email him at girvin@girvin.com. In a special article created for the Luxury Institute, Tim explores the soul of authenticity, in luxury, in a challenging market:

For 35 years, as a brand consultant and designer, I've been looking for the heart of brands. Brands that have heart are special pursuits because these have a richness, a soulfulness that creates lasting legacies. It's more than money in, money out—there is passion, love and fire in their making.

There are simplistic opening layers to commerce fundamentals—making, selling, purchasing. These are perceptions of need in our experience: Items that will help us feel and live better. There are two levels of interaction in the emotional connection with acquisition. Fundamentals—basic objects of survival: salt, sugar, bread, water, milk— or other commitments like a roof over our head, warmth, a place to sleep. And then, to a different index, there are objects that register higher in the spectrum of emotional content as heightened, desired states of being.

Luxury lives here—an elevated level of experience that defines the very edge of rarefied exposure; it intimates that a full life is about sensing objects that are pushed far beyond the normal layer of the conventional encounter. They are craft—detailed in manufacture—that are exquisitely rich. Luxury layering steps beyond the merely functional—instead they are designed to the finest materials, the evidence of the handmade and assured to accrete value in time. In history, luxury polishes its worth.

True brands are engagements of lasting value. They are not the speedy, thoughtless sell, nor the toss-away, the easily forgettable. They are not the absent-minded consumer relationship. In the context of lasting power, luxury thrives in the palace of memory; an

equation that presumes heritage—for both the maker, and the purchaser. It's something that can be held in the mind, the hand, as an object experience that can last—from one to one, and generation to offspring. In this, there is a deepening of connectivity—gluing brand story to maker and purchaser.

To our present market—what's the relevance of the concept of true brands, steeped in the legacy of luxury? The present transitions are nothing that hasn't been experienced before—but this time, with unbridled global growth, all of us are forced to contemplate the very nature of what is meaningful. Back to basics? For many, this isn't the time to be even thinking about luxury. Or is it?

I propose, contrary to a present positioning, that this is less than simply throwing out the idea of luxuriation. Rather: what is, and how can we, experience—selectively—the finer niceties of living fully? The golden rim of luxury is striding past the norm and leaping into contact with the rarest of the rare. One luxuriant moment --holding and experiencing an object or encounter that surprises us—its very connection is forever captivating.

The concept of the true brand is really about telling the true story. It is about integral authority; and it is about the genuine. I go back in time, to look to the heart of language and meaning. Authenticity, in luxury, finds its origin in 1340, "authoritative," from Old French *authentique*, from Medieval Latin *authenticus*, from the Greek *authentikos* "original, genuine, principal," from *authentēs* "one acting on one's own authority," from *autos* "self" + *hentes* "doer, being." And authentic registers that the contents of the element in question correspond to the facts—they are real. Genuine implies that the reputed author, the maker, is the real one. Truth in being. The relevance to our exploration is that luxury, as a true brand—is truth; the value of the brand proposition is authenticity in the telling. History—in the passage of time, there are layers of brand experience—in each generational expansion, offering deepening value.

What that means, in telling the "true story," is that luxury brands must hold to their authentic distinctiveness to support the evolution of their value. And during these challenging financial circumstances—they must hold to the truth. Yes, there can be sales, progressive markdowns and relationship reaches to support the staggering empires that many brands uphold, but there must be, as well, the reality of resilient "right-sizing" to accommodate change. If there's a challenge in the marketing, cost cuts must be made—then that's the truth of the matter. It's happening everywhere, and to everyone. So trying to change the story to simply sell will spell long term dissipation of value. The value of luxury, in truth, purports that the very making of the object of contemplation is more valuable because of the truth of its manufacture, the evolutions of design and the creative brilliance embedded in its history.

What does that mean to the considerations of strategy?

- Think about the character of the human mind in branding strategy and marketing planning. As humans, we learn less by facts, and more in the context of narrative telling. Stories are not forgotten. Hence, the legend of Nordstrom's service and return policy, the visionary DNA of Gabrielle Chanel, or the campaign of Louis Vuitton—with Keith Richards, Sean Connery, Francis Ford and Sofia Coppola—are more memorable as

"stories that can be shared" and extended into community, enveloping relationships. These stories are chants of distinction, better than abstract representations of "inspired visioning." Speaking recently with the Paris-based brand leadership of a luxury fashion empire, she tells me stories; for her, it's less than marketing sales figures, than a way of defining her relationships with customers—in the richness of the human connection. These are held in the mind with greater currency. "Did you hear that story...?"

- Speak the truth. People all over the world are challenged by our current circumstances. Sharing connections that are real, heartfelt and truthful are far better for building relationships. Your brand is selling offerings to a community that would like to have a relationship with you, and not to be off-put by "stories" that are fabricated. We all know when something smells of untruth—being open about understanding your community, your customers, is far better than implying that you, your brand, are untouched. "Yes, surely these are hard times for us all, but above all, we cherish our connection to you—and if now isn't the right time for a purchase, then we'll be there for you when it is! Let's stay in touch."

- Hold to the human brand. Bear in mind that virtually every luxury brand has a person behind it. In my experience, it's crucial to think of this action as reflective. People don't merely have a relationship with the clothes of Karl Lagerfeld, they have a relationship with Karl. Or Nicholas, or the family Guerlain, Monsieur Yves Saint Laurent, or Stefano. There are emerging solutions to reflectively connect: Facebook fan sites, an accessible "sense" of presence, legends, storytelling and sharing "tales," site historical brand stories, community links, blog forums—all of these build on the rich interactive character of shared humanity. Whether it's Steve Jobs, or Tom Ford or Clint Eastwood, recognize the profound power of the person(al) in brand positioning, legacy and evocation; the human brand. And know that this relationship is reflective—it's not only about the foundational genius; but it's about the mirroring of that legacy—purchaser and creator, aligned. Luxury, more than any other category, captivates the sense of dream—a desired state of experience, aspiring to the pursuit of a luxury. Luxury, is a story, is a life.

Evocation, in brand, as the word implies, is the voice of the story. In brands that last, it is the true story that clasps the heart of the beholder.



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Secondary Source:

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