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# Creative liaisons



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**The luxury industry  
and the arts**

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## Twin peaks

The height of luxury: brands like LVMH, Montblanc, BMW, Paul Smith, Laurent-Perrier and Maxmara.

*Art: the pinnacle of human expression.*

Luxury brands have for centuries been closely involved with culture and the arts. It's not surprising. The roots of most luxury goods are to be found in the hands of artisans. Today we more commonly call them designers. Though they could equally be perfumers or master distillers. Whatever we call them, artistry is their preserve.

Artists (musicians, writers, dancers, actors) are individuals with individual vision. They're not corporations; they're not brands. Therein lies the difference: a simple matter of commerce. But like their artisan cousins, artistry is their preserve as well. So it's little wonder that throughout history the commercial cousin has again and again been attracted to the unique, unfettered vision of the individual: a vision that inspires, challenges and illuminates. Such association has heightened their aesthetic and their perceived value.

One of the great rewards of luxury and wealth is being able to put money into such illuminating vision. One of the rewards of outstanding artists is to be feted by leading brands. For over 30 years, Arts & Business has been the UK's leading professional ambassador between these two worlds, initiating and facilitating exchanges that have further enriched both materially and spiritually.

In order to better understand today's welcome resurgence of culture-luxury collaborations, Arts & Business commissioned Ledbury Research to carry out extensive research to explore this relationship. Here are some of the major findings. We hope you find them stimulating and that they will inspire you to even greater, bolder leaps of the imagination.

## What's what in the UK

Whether or not they're in Who's Who there are currently 659,000 High Net Worth individuals in the UK. Some 400,000 of these earn in excess of £100,000 per annum. London has arguably emerged as the wealth capital of the world with more resident foreign billionaires than any other city in the world.

This multitude is the primary market for luxury goods. And art.

A recent survey revealed that the British have the greatest passion for luxury goods in Europe. This appetite accounts for 5 per cent of the global industry, estimated to be worth 180 billion US dollars. That's 9 billion US dollars from Britain.

A lot of these people appreciate culture whether it's film or opera, literature or dance.

According to the British Art Fair, interest in visual art in the UK has never been higher. An estimated 12 per cent of the amount received in bonuses is used by High Earners to purchase fine art. Over 50 per cent of High Earners would like to visit more art galleries if they had more free time. And London is the European capital for the new boom in art, capturing 27 per cent of global revenue from public art sales and 58.7 per cent of European revenue.

What can we take from this? The same people that buy luxury goods buy art – go to the theatre, read books, listen to orchestras. High Earners have high expectations. Just as they appreciate the artistry in a luxury car that pushes the boundaries so they appreciate the daring of any art form that pushes the boundaries that's unexpected, that's fresh, that transforms ordinary life.

By inference they appreciate the intertwining of art and commerce. But their expectations are increasingly being raised. So, this is our gauntlet. We invite you to draw inspiration from these examples here and then challenge you to go one, two or even three steps further. Whether it's further than another company or further than what your own company has already done.

## Ascending the pyramid

This simple model shows varying levels of engagement between brands and culture. At each level there is full commitment to and recognition of the artistic input into the brand. Whether it's the contribution of illustration or fine words in product packaging, or the edgy vision of a cult movie director in advertising commercials, leading brands have always appreciated the value of superior creativity. This is especially true of luxury brands.

But the scale of commitment and leap of faith in the imaginative contribution increases as the collaboration moves beyond mere product enhancement or promotion. Daring sponsorship or the creation of an Art Foundation or Museum represents a massive commitment from the brand. Correspondingly it can help to establish the brand within national or indeed within international culture.

We have chosen an inspiring example from each of these steps up the pyramid to demonstrate some of the fruits of collaboration. There are numerous other great examples of course. The challenge is always there to move beyond the Richter scale: fly from the tip of the pyramid.

With the right artistic partnership and collaboration, the possibilities are endless.



## Down to the detail on the label

### 26 Malts, from the Scotch Malt Whisky Society

The Scotch Malt Whisky Society is a rare gem in LVMH's already glittering crown. It offers its members the best and the most unique Scotch malt whiskies from every distillery in Scotland.

When the Society thought to highlight the uniqueness of each of its whiskies along with its considerable range it entered a creative collaboration with 26, a UK-wide organisation of writers and designers.

26 writers were teamed with 26 designers and each team was given an unidentified malt whisky to sample. The task was to respond to the malt not from a known brand perspective but from the aroma and taste – a sensory response.

26 unique labels were created, each with an individual style of writing and design, underscoring the individuality of the whisky along with the power of language. The project gained extensive press coverage.

*'26 Malts continues to be a project that we refer to as a "best practice" example of a business / arts collaboration.'* Barclay Price, Director Arts & Business Scotland



## From the wonderful world of advertising

### BMW Film Shorts

BMW – an iconic brand, with a story to tell.

How to tell it, stylishly and entertainingly?

Collaborate with five of the world's leading movie directors.

Create a theme.

Get a hero to drive the car.

Show the film. Support the campaign.

Ang Lee, John Frankenheimer Ronin, Wong Kar-wai, Guy Ritchie and Alejandro Inarritu were the directors.

The theme was 'The Hire' told in five cinematic styles.

The actor was superstar Clive Owen.

The clips were premiered on the BMW website then released on a two week cycle supported by press ads, street posters and broadcast teasers. The purpose was to entertain and in doing so reassert the brand's iconic status.

The films received rave reviews and were downloaded over 10 million times from [www.BMWfilms.com](http://www.BMWfilms.com)

*'The campaign considerably improved BMW's profile and image to exactly the elusive, affluent and media-savvy consumers that previously seemed near impossible to reach.'*  
(Brandweek)

## Sponsorship with panache

### Laurent-Perrier and contemporary art

Laurent-Perrier has aligned its prestige champagne – the Grand Siècle - with two of the most dynamic organisations in the contemporary art world; Frieze and Outset. Attracting 68,000 visitors in 2007, Frieze Art Fair is the UK's most important contemporary art event and one of the world's leading international art fairs.

The company's sponsorship of Frieze complements its support of Outset which purchases work from

Frieze and donates it to the Tate's collection, enabling a major institution to show challenging contemporary art which it would otherwise struggle to acquire.

Two very smart partnerships combine to ensure that Grand Siècle by Laurent-Perrier is not only the champagne of choice amongst a sophisticated and discerning audience, but that the impact of Laurent-Perrier's support is noticed on a much wider stage as well.

*'The Frieze Art Fair is just five years old and already it is hard to remember what London in early October was like before it existed. The Frieze effect has moved and spread with such speed that the capital's always rich art scene is transformed, each year at this time, into a full-on jamboree.'* Jan Dalley, The Financial Times, 12 October 2007





## Amazement in-store

### Paul Smith in-store art exhibitions

When you enter a Paul Smith store, whether it's in London, Milan or Hong

Kong, expect to find more than groundbreaking Paul Smith collections. Expect to find the work of contemporary artists. In short, expect to be amazed.

This celebration of contemporary British art and artists springs from Paul's own personal affiliation and admiration.

Two recent shows include:

'Berkoff's East End', which for the first time ever exhibited photographs documenting London's East End in the 1960s and 1970s. It focused on 'real people leading London lives' a theme that fits well with the brand's ethos.

'Great Brits: Ingenious Therapies' was hosted at the Milan store during the 2007 Milan Furniture Fair. The show, which was mounted in partnership with the British Council and Design Museum, gave a superb platform to new British designers.

Quite simply, by choosing to curate such unique, quirky and highly personal exhibitions, Paul Smith is reinforcing his iconic status as a quintessential British brand.



## Surprise Prize

### MaxMara Art Prize for women, in collaboration with the Whitechapel

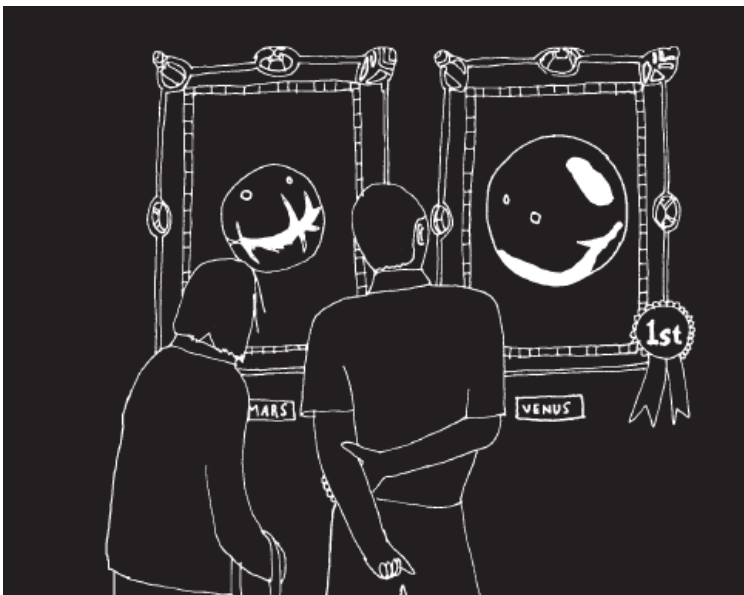
Why an art prize solely for women? And why base it in England when you're an Italian luxury fashion house?

Luigi Maramotti, whose family own one of Italy's largest private art collections, gives the answer: 'Over the past ten years England has become the focal point of contemporary art in Europe. It's dynamic and stimulating. And the money's there.'

But why women? 'Compared with men, women don't have as many opportunities to advance in the art world, which is why we chose to make the prize just for them.'

The Maramotti family have adopted a hands-off stance with regards to the judging of the award. That responsibility falls to Iwona Blazwick, director of the Whitechapel Art Galley and her panel of judges.

The prize winner gets an all-expenses paid six months residency in Italy. Maxmara gets an enviable foothold and high profile in the London art world.



## Excel this

### Montblanc's consistent patronage of the arts

Over the past fifteen years Montblanc has built a truly inspirational reputation as champion of the arts.

In 1992 the company established the Fondation d' Entreprise Montblanc de la Culture. Its purpose is to support and honour modern day patrons of the arts who have given their time, energy and money in order to encourage cultural life to flourish.

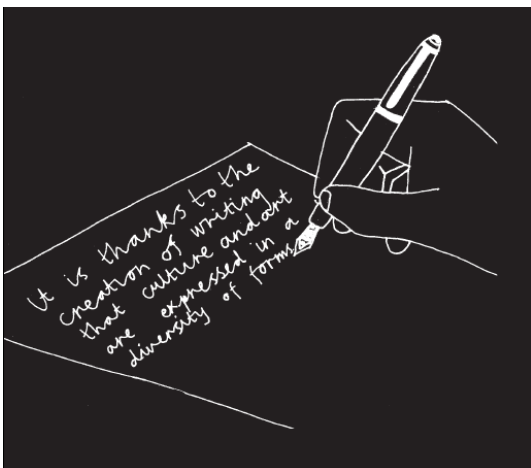
Each year the Montblanc de la Culture Arts Patronage Award is conferred on outstanding art patrons.

In 1998 the Montblanc Cultural Foundation was established to work closely with the Hamburg Gallery of Contemporary Art.

Since 2002 Montblanc has sponsored the Young Directors Project as part of the Salzburg Festival. The project gives timely and invaluable support to young theatre directors who are about to break through internationally.

In 2004 Montblanc created the Montblanc Young Artist World Patronage Award which gives young and upcoming artists the platform to present their name and talent to the public and the international art scene. The concept is hugely ambitious, exhibiting in more than 330 Montblanc boutiques worldwide.

Such consistent patronage gives Montblanc the stature of nobility across the international cultural landscape.



## Research overview

The majority of brands we spoke to had engaged in cultural investments or partnerships, both currently and historically. These covered the full spectrum of engagement, from one-off sponsorships to ongoing long-term partnerships.

There are a number of key reasons for making a cultural investment. For many, it's simply a case that there's a natural fit between their brand and the arts. For others the attraction is that the arts are forward-thinking and mould-breaking.

It is beneficial to be associated with these qualities that commercially translate into the perception of being trend-setting.

Cultural investment is also seen as being helpful for brands that need to reposition, or that are entering a new market and need to establish their identity quickly.

The benefits are diverse too. Cultural investment reflects the brand in the right light. It can help to attract a new sought-after customer profile or it can entertain and maintain the loyalty of existing customers by providing a positive brand experience. It's also widely seen as a great PR vehicle.

The choice of cultural partner is very important. Some partnerships come about due to a brand's links to a specific city or region and/or art form. Often the Chief Executive's personal interests or affiliations largely dictate the choice. Whatever the start point, the partnership needs to be easily understood by the target audience and must reflect the style or values of the brand.

In terms of duration, one-off opportunities are worth seizing if there is a good fit between the brand and the artist/event.

However, ongoing collaborations (e.g. advertising campaigns using same artist/photographer for several years) make the results and impact easier to measure. Those experienced in cultural collaborations have learnt that a minimum of a three-year engagement is recommended to deliver and embed the best results.

## About Arts & Business

At Arts & Business, we believe that life begins at thirty. At thirty years old, we can now call ourselves one of the world's most prolific and successful agencies delivering business solutions through culture.

We are passionate about creativity and the arts and continue to foster some of the most dynamic relationships between the commercial and cultural sectors.

Our intelligence-driven application of culture is unsurpassed in providing truly unique solutions to businesses and individuals. We enable people to experience brands through culture and have unparalleled access to the UK's top creative talents to achieve this.

We know that culture is the key to creative collaborations that can make a real difference to your brand. If you're thinking of embarking on such a collaboration we'd be delighted to work with you and share what we've learnt from the luxury industry and beyond.

Of course every great partnership should be distinctive and special. However, the breadth and depth of our work means that as well as highlighting some of the exemplary projects, as we have done here, we can also spot emerging themes and trends to help businesses be ahead of the curve.

Want to know what's hot? Give us a call, on 020 7378 8143, we're always happy to talk. Alternatively email us at [commercial@AandB.org.uk](mailto:commercial@AandB.org.uk) or visit our website at [www.AandB.org.uk](http://www.AandB.org.uk) where you can find out who we've worked with and what we've achieved together.

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Please contact the marketing department on 020 7378 8143 or email [research@arstandbusiness.org.uk](mailto:research@arstandbusiness.org.uk) or visit [www.artsandbusiness.org.uk](http://www.artsandbusiness.org.uk).



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