



## High stakes for high fashion: brands bet on luxury revival on the catwalk

Summary Companies Luxury brands embark on high-stakes reboots New designers at Chanel, Dior, Gucci aim to revive consumer interest High-end industry struggles amid prolonged economic slump

PARIS, Sept 8 (Reuters) - Chanel and Dior are among a record number of top fashion brands that will introduce new designers' collections on the catwalk in the coming weeks, aiming to reignite shoppers' interest in a bruised luxury industry that lost one of its greats, Giorgio Armani, last week.

The stakes are high for the \$400 billion sector which kicks off a month of fashion shows in New York, London, Milan and Paris on September 10. Brands have struggled to revamp sales since the post-pandemic boom wound down two years ago.

After averaging annual growth of 10% for nearly a decade, the sector slumped last year, triggering a flurry of changes at the leadership and creative level.

"The industry is facing troubled waters," said Jonathan Siboni, CEO of consultancy Luxurysight.

The Chinese economy has remained hobbled by a property crisis while U.S. President Donald Trump's trade war is weighing on U.S. consumer confidence and threatening margins at European high-end brands.

The slump has prompted sweeping change across the sector, with new CEOs arriving at companies including Gucci-owner Kering

(PRTP.PA), opens new tab and Italian brand Valentino, as well as high-level management reshuffles at the world's biggest luxury conglomerate LVMH.

A new generation of designers is taking command at three of fashion's biggest global brands, Chanel, Dior and Gucci.

The death of Italian fashion icon Giorgio Armani on September 4 is raising questions on the future of the Italian label.

The industry-wide designer shakeup has also reached smaller labels: LVMH's (LVMH.PA), opens new tab Celine, Loewe and Givenchy; Kering brands Bottega Veneta and Alexander McQueen; Prada's recently acquired Versace; Puig labels Dries Van Noten and Jean Paul Gaultier and OTB's Maison Margiela.

The pressure on the new crop of creative directors is especially high this season. The task traditionally is to introduce new styles that bring excitement to historic labels without diluting brand image - but here they also need to spark enough interest to win back inflation-weary shoppers who are no longer interested in splashing out on handbags.

"Fundamentally, this season will indicate whether or not luxury brands will be able to reconnect with the consumers," said Christian Kurtzke, CEO of Together Group, a global collective of luxury-focused creative consultancies, immersive technology, marketing and production studios. Catwalk presentations are no longer just industrial showcases, but also serve to generate excitement around a brand.

"What's next probably will be more a revolution than an evolution," said Siboni.

### LOSING TOUCH

Brands like Chanel, Dior and Louis Vuitton relied heavily on hefty price hikes to drive profit during the post-pandemic boom. But as prices rose, shoppers began to turn away.



The sector lost 50 million customers last year, according to consultancy Bain, as economic pressures and price fatigue dampened appetite for designer clothing and handbags.

To get noticed, fashion brands need to "set themselves apart, be more and more spectacular, while at the same time, given budget cuts and the economic crisis, also have to be more 'quiet'", said Stephane Galienni, associate of creative agency Balistik Art.

The challenge is particularly acute at Gucci, which missed out on the post-pandemic boom and has struggled since the departure of designer Alessandro Michele in 2024. The designer's baroque styles, which had fallen out of favor with shoppers, were replaced by a minimalist approach steered by successor **Sabato de Sarno**, but those, too, failed to reignite sales.

It is now up to Demna - who created buzz at smaller Kering label Balenciaga and is known for applying high-end tailoring techniques to make oversize suits, streetwear and couture - to revive the storied Italian brand, which accounts for the bulk of the group's sales and profits. Initial designs from Demna will be shown at a presentation in Milan on September 23, but the designer's first fashion show for the brand will be in March.

Chanel, which reported a rare decline in sales last year, recruited Matthieu Blazy to refresh the French fashion house's tweed looks that for decades were designed by Karl Lagerfeld, who was succeeded by longtime collaborator Virginie Viard after his death in 2019. Blazy, who is credited with climbing sales at Kering's Bottega Veneta, makes his debut with an evening show on October 6 at Lagerfeld's favored venue, the Grand Palais in Paris.

LVMH's second largest label, Dior, which has lagged its stablemate Louis Vuitton, brought on Jonathan Anderson to replace both menswear designer Kim Jones and womenswear designer Maria Grazia Chiuri. Anderson, who showed menswear in July, debuts womenswear on October 1.

A number of labels have shown looks from their new designers on celebrities on the red carpet of the Venice Film Festival, with Versace's new designer Dario Vitale dressing Julia Roberts, for example, in a slender dark gown that swept the floor.

But showing a sneak peek ahead of the important debuts in Paris and Milan - without a runway event's special setting, music and lineup of dozens of looks - carries risks, said brand advisor Fabio Becheri.

"When you just throw one out in the midst of the red carpet you lose the magic touch to it - it's super risky," said Becheri, noting this exposed brands to negative comments on social media.

"That's the worst way to start a new creative direction."

