

# **WGSN: Cultural Capital: The Subtle Signals of Wealth**

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Top earners are more likely to invest in red diamonds and invisible tech than yachts, and consider wellness to be as valuable to them as currency.

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# Analysis



The Sartorialist

Status symbols used to simply be a physical display of economic prowess, but years of austerity and shifts in the political landscape have changed the conversation about what signals status for Gen X – and Millennials as they hit financial maturity – and this is impacting their view of what luxury is, and how they communicate status to their peers.

Of course, luxury goods have never really been about product. Creativity, craftsmanship and high-quality materials are all important ingredients, but luxury consumers are paying for something more. It's a subtle way of communicating taste, insider access and wealth. But high status is increasingly suggested in the language of inconspicuous consumption – luxury purchases that signal conscious consumerism and mark you as part of the cultural elite.

While much inconspicuous consumption can be expensive, it shows itself through less expensive but equally pronounced signalling to those in the know – for example, subscribing to the right magazine or listening to the right podcast.

For this group, status is conveyed by how you spend your time. The rich used to show how much they could spend on things they didn't need – today, a public display of productivity, whether working 18-hour days or making leisure time "productive", is the new symbol of status and power.

Paradoxically, socially conscious behaviour and signalling that you work hard also serve to justify wealth – an issue that is a little uncomfortable for this liberally-minded group.

# Obvious understatement



Kinfolk



Christies

Everything from Marie Kondo's minimalism to magazines like Kinfolk, with its pared-down lifestyle, are aspirational for the well-off because they promote spending that is intelligent and self-purifying. Fashion labels like Permanent Collection, which offers "pieces defined by timeless value, whose currency as art and design will endure", tap into this mood. London label Per/se, launches just one coat design every two months. "They value the purity of the product," co-founder Hardeep Kaur said in a recent interview. "It's about adding value to singular products, moments and ideas - imbuing them with meaning."

Slick electric car brands like Tesla and Lucid are carefully marketed to promote both economic prowess and an intelligent and socially conscious attitude, thus expertly tapping into the ego of the cultured elite.

Other traditional luxury sectors are seeing this shift towards inconspicuous status symbols. Sameer Lilani, the director for Europe and the Middle East for high-end

jeweller Amrapali, notes a spike in interest amongst his ultra-wealthy clients for coloured diamonds. A red diamond costs about £1.7 million per carat - around ten times more than a flawless grade white diamond. He describes the trend as "obvious understatement" - only people in the know will recognise that a small red diamond costs the price of a central London flat. As he puts it: "Either you're part of the club and you get it, or you don't recognise it... and if you're not part of our group, we don't want to show off to you anyway".

Invisible tech is another area that appeals to this group: showy tech like big screen TVs are abhorrent to the new wealthy elite. Companies like Panasonic and LG have created TV prototypes could be the tech's ultimate endgame for this group. When not in use, the television is completely transparent and becomes invisible.

# Enriching hospitality



High-end hotels and resorts are moving away from showy luxury to offering guests unique experiences that educate and enrich. This was evident at the AHFAD Asia 2017 awards, which took place May 2017, and celebrated the best in hospitality design and architecture across the continent.

The biggest winner was Azuma Architects' Hoshinoya, a new 17-storey hotel in Tokyo, which won the Urban Hotel category, as well as Best New Concept of the Year and the Asia Hotel Design of the Year award. The hotel offers guests a modern take on the Japanese traditional rural ryokan.

"Luxury used to be about gold, marble and chandeliers, big lobbies and glitzy hotels," judge Guy Heywood told Dezeen, chief operating officer at Alila Hotels and Resorts. "It's about what am I as a guest getting out of this from an educational point of view and an emotive point of view."

# Leisure time and status



It is not just about working hard – leisure time must be given value for the cultured elite. “The thin, toned body expresses this class’s worldview: even leisure must be productive,” writes Simon Kuper. One way is to turn your leisure into something productive by “working on yourself”.

The most obvious examples are exercise, diet and well-being, which have replaced other leisure activities for the urban professional classes, thanks to fitness studios such as SoulCycle, luxury gyms such as Equinox and the rise of the amateur cyclist. These pursuits demonstrate self-improvement and self-purification. They also exist alongside a world of inconspicuous spending – cold-pressed juice bars, £2,000 bikes, Whole Foods and Lululemon yoga pants.

The wellness industry provides the perfect example of how luxury is about self-optimisation and signalling this to those in the know. Wellness centres, or lifestyle brands like Goop and Moon Juice, provide status symbols for a wealthy clientele.

Traditional luxury brands have the same client base as these wellness concepts – which is why Net-a-Porter sells Goop’s organic night cream and Matches Fashion recently organised an event with Moon Juice’s shamanic founder Amanda Chantal Bacon. Wellness pop-ups and specialist departments have appeared at upscale stores including Selfridges, Neiman Marcus and Saks Fifth Avenue.

These are the status symbols that convey the productivity (and value) of the self. “You can typically estimate a person’s tax bracket by their physique,” observes Tarnoff. “Class is literally inscribed on the body.”