

# HONG KONG WANTS TO BECOME THE NEW MECCA OF LUXURY SHOPPING TOURISM



Hong Kong was once Asia's most prominent luxury shopping destination, but the pandemic significantly impacted its economy due to strict containment measures. The local government has implemented a series of measures to revive Hong Kong's trade. However, instead of relying on local influencers as usual, the government has sought the assistance of one of Asia's wealthiest families to return luxury shopping to the region.

Hong Kong is on the tightrope. The stringent health measures implemented as part of the zero-tolerance policy towards COVID-19 have hurt the local economy. As per the data released by Bloomberg, by 2023, only 37% of the tourist visits have bounced back to the pre-pandemic levels in this region. In contrast, the neighboring canton of Macau has seen a 57% recovery in tourist visits.

**The Chengs: millionaires become influencers.** The Cheng family is one of Southeast Asia's wealthiest and most prominent families. According to Bloomberg, its patriarch, Henry Cheng, has an estimated net worth of \$21.6 billion.

The source of his fortune is diversified, but a significant part comes from a successful chain of Chow Tai jewelry stores that has been in the family for generations as well as a real estate business. The Rosewood Hotel Group is the flagship of the family's hotel sector, while New World Development is responsible for large shopping malls. Henry Cheng's son Adrian and daughter Sonia are also part of the leadership team, holding management positions in both branches of the family business.

## **Benidorm for millionaires.**

Over the past few months, the Hong Kong government has been working closely with hoteliers, owners of large shopping malls, and leisure entrepreneurs to promote the area as an attractive tourist destination. They are offering various incentives like free flights, drinks, and night markets to attract tourists to visit the area.

The Cheng family, renowned for their dedication and hard work, is leading the charge to encourage the return of tourists, particularly the affluent ones, to boost sales in their shopping centers and hotels. One of the measures they have taken is to organize Pharrell Williams' first show as a designer for Louis Vuitton in Hong Kong.

Bernard Arnault, the French luxury tycoon who owns LVMH, has been facing challenges due to a slump in sales of his luxury brands in recent months. He has decided to expand his business in Asia to recover his fortune. The Cheng family in Hong Kong has offered their support to him, and he has accepted it.

To attract the Asian market to his luxury products, Bernard Arnault has developed an exclusive strategy. He will present the new men's collection designed by singer Pharrell Williams, who has joined the Louis Vuitton brand as a designer.

## **Hong Kong's new Walk of Fame needs celebrities.**

The parade will occur in one of New World Development's urban developments, which Adrian Cheng directed. This new area has been designed as a new facade for Hong Kong Harbour, inspired by the Hollywood Walk of Fame. It runs along Victoria Harbour and features the footprints of famous Asian figures. However, to succeed, the Walk of Fame must be famous. That's why the Louis Vuitton event, featuring the recently released designer Pharrell Williams, will be a great lure to attract celebrities like Beyoncé, Kim Kardashian, Rihanna, or Lewis Hamilton, who usually attend the fashion shows of this luxury brand. This event will also serve as a showcase for Hong Kong to regain its shining reputation as a luxury shopping destination for tourists.

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