Chapter 22

Infusing New Technologies and Luxury:
A Literature Review and Current Issues on Luxury Fashion, Food, and Tourism

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ABSTRACT

The technology integration of luxury is a promising business opportunity. New technologies such as the internet of things, smart objects, artificial intelligence, the pervasive digitization of business processes, together with the shift of several business activities online are enabling unprecedented opportunities for luxury marketers and managers. Through qualitative research designs, this chapter would systematize knowledge about this topic with the means of a literature review. An amount of 224 contributions published in the last two decades (2010-2020) have been examined. Findings show current issues and opportunities on four promising topics: luxury hospitality, luxury fashion, luxury tourism, and luxury foods. Opportunities for scholars, marketers, and managers are examined together with implications for consumers' behavior studies.

INTRODUCTION

In twenty years, the luxury market has profoundly evolved. The few exclusive channels for customers changed into numerous and diversified to attract different consumers' categories, who are increasingly sophisticated (Coste-Manière et al., 2012). In 2018, there was growth in the luxury market, along with the beauty care market, estimated at €451 billion and is expected to grow by 5% annually by 2022. However, in 2019 there was a slowdown in the number of transactions in the luxury sector, which is around 80 million compared to 304 million in 2017, while the "beauty" industry is strongly growing with a trend that has increased from 31% to 43% in just one year. Over the 2015-2019 period, the Personal Luxury Goods market grew annually by 5.7%, while in 2020, due to the Covid-19 pandemic, the luxury sectors declined 70% in tourism and up to 45% in hospitality. However, in 2022 growth levels are expected to match pre-Covid levels in a two-year period, especially in sectors such as accessories-manufacturing, cosmetics, accessories-retail and furniture going to reverse the negative trend of the past two years (Gerosa, 2021). It is interesting to note that at a global level, estimates are more than positive, but when analyzing individual markets, the market of the BRICs countries is most flourishing and thriving, unlike the European, Japanese, or North American markets which, although with growing trends, are going slowly. Online shopping helped by allowing growth from 2017 to 2018 of 22%, while the weight of the younger generation influenced the increase in luxury sales with 100%, up from 85% in 2017. Thanks to the advent of the digital era, technology has helped the luxury market, especially in sectors such as hospitality, tourism and fashion that are green and environmentally sustainable. In fact, technology can contaminate luxury, making it more desirable to consumers and state-of-the-art for new generations: for example, think of smart objects in hotels, voice assistants in stores, smart technologies in museums, technological appliances in sports centers.

By considering these premises we would like to systematize the most relevant literature concerning luxury and technology, by means of a literature review, to answer the following research questions:

- **RQ1:** What are the essential topics dealt with in current literature concerning the technology influence in luxury markets?
- **RQ2:** What are the most promising current issues and strands of research, which require further investigation?

METHODOLOGY

To answer the research questions, we implemented a qualitative research design by the means of a literature review. Following Guido et al. (2018), and Sestino et al. (2018), we assessed our qualitative analysis to shed light on promising research topics and business opportunities together with relevant implications for marketers and managers, through six phases (see Figure 1).

We firstly began our database mining by defining a list of 7 keywords and specifically "luxury", "marketing", "management", "digitalization", "technology", "new technologies" "business process re-engineering", as the most recurring in scholarly articles on luxury and technology research, published in the most important marketing and management journals. Once the keywords have been selected, we use these keywords and their combinations mining business databases (i.e., Google Scholar; Business Source Premiere and EconLit). However, to assess a complete review and include possible relevant contribu-

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