



**Brand Of Luxury**  
Africa's luxury  
designs are more  
than ready for the  
world stage.



# Africa Luxe

Burgeoning African economies are seeing a rise in aspirational consumers with spending power, causing international luxury brands to pay attention. But what impact will this new influx of high-end labels have on the homegrown luxury market?

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Africa has traditionally been a source of raw material. Diamonds have been taken out of Africa, sent to London, and brought back as a luxury item, the most desirable of brands," says Thebe Ikalafeng, regarded as one of Africa's foremost brand authorities and founder of the Brand Leadership Group and Brand Leadership Academy based in South Africa. "However, we are now beginning to give the raw material the status it deserves." What Ikalafeng is referring to is the fact that in 2012, the centre for sorting rough diamonds was moved from London to Botswana by De Beers, the world's leading diamond producer, after 80 years of being based in Europe. Moving a major part of the company's operations to the capital, Gaborone will see Botswana become a major international player with over \$5billion worth of diamonds flowing through its economy.

De Beers is not the only company going to Africa. Well-known luxury brands like British label Burberry opened a flagship store in Johannesburg in 2011, after its first store opened in Cape Town in 2008. Luxe brands like Louis Vuitton (The world's biggest luxury brand), Fendi, Gucci, Prada, and Miu Miu have retail outlets in Casablanca's first luxury mall, and Porsche has a dealership in Nigeria. So how do African luxury brands fit into this development of the market on the continent, that was once reserved for foreign expats and tourists?

## Reclaiming luxury

African brands are not sitting idle. They are equally vying for a share of this new spending power, and nowhere is this more evident than on the continent's vibrant fashion landscape. Gone are the days when Western-based designers sourced African leather, beads or local fabrics to create clothes, handbags, and accessories and Africans rushed to buy them. Promoting this growth is Omoyemi Akerele, Creative Director and Founder of Style House Files, a fashion creative development agency in Nigeria. Akerele explains that the goal of her company is to "to use fashion as a tool of communication, empowerment and a catalyst, so we can begin to use the business of fashion to establish fashion for the Nigerian economy." She recently masterminded Ndani – The Nigerian Fashion Project at British

department store Selfridges, featuring the work of Nigerian luxury designers, including Lisa Folawiyo with her label Jewel by Lisa, Lanre Da Silva Ajayi, Eki Orleans, Odio Mimonet and Tiffany Amber.

For Akerele, a luxury fashion brand is anything that has been touched by the hand because "when you think of all the work, detail and craftsmanship that go into the designer's work, then you begin to get a true sense of what luxury can be and is." Ikalafeng, on the other hand, gives a different perspective and says "All luxury means, is a brand that is representative of the highest order or aspired to or used by the leading people who can afford it. Africans are beginning to aspire to higher order brands. They have gone beyond the idea of brands which just fulfil the basic function to brands that begin to describe where they are in life. Luxury brands speak to where you are in society, and your social economic standard."

Adiat Disu is the director of African Fashion Week, New York and president of Adirée TM, a communications and branding firm focused on fashion, home decor and beauty, and has focused on re-branding Africa as a destination for luxury brands. She describes the current state of the African luxury market as one that is still "in development. It will take innovators, brand movers and shakers, and those not limited by 'impossibilities,' to create brands from Africa that will transcend across seas and resonate with consumers worldwide." She goes on to reiterate Ikalafeng's point that Africa is more known for extraction of raw materials and not for finished luxury goods but adds

that "economically empowering individuals and focusing on infrastructure will go a long way in changing this reality."

In spite of the push to get established and emerging luxury African brands into the public consciousness, challenges of visibility on the global stage and the 'ingrained attitude of Africans desiring Western brands' over locally produced ones – which sees them jetting off to the western hemisphere to acquire >

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those products – contribute to the factors that hinder the growth of African luxury. The consumers with the ability to pay for such brands sometimes question the price of such products, yet they will not question that of the foreign brands they willingly buy into.

### 'Made in Africa' on the global stage

Akerele, whose project Ndani has been a success at Selfridges recently spoke at the International Herald Tribune's Luxury Conference in Rome, where the theme was 'The Promise of Africa' with a focus on African luxury brands. She said: "The main problem is that a lot of people really lack understanding and that is why initiatives like Ndani at Selfridges will help to shape and reposition their minds. A lot of people still don't understand why we need to build our own industry." Her stance is that it is the responsibility of Africans to help build the continent's luxe industry is understandable, given that In November 2012, Francesco Trapani, head of jewellery and watches division at LVMH Moët Hennessy (LVMH) was quoted by the South African-based business news website, fin24 in an article titled Luxury Brands Snub Africa, as saying that Africa is "still a very small market for us." Akerele says this is why: "Africans have to support African brands, so they can grow. No one is saying that one foreign luxury brand needs to die for the other to exist. They can co-exist. That's what we are trying to educate people. We are not disillusioned. We know that money is in Nigeria and Africa to be made for these brands. Selfridges is a confidence-building and awareness exercise for people to know that these brands exist."

Appreciation by the local consumer market is vital to the success of luxury brands. Ikalafeng says the backlash in getting local consumers to first appreciate the brands stems from the reality that "Africans have got one challenge, which we need to overcome – we haven't always appreciated Made in Africa."



Ikalafeng uses the example of the Ghana-Must-Go bag, which Louis Vuitton used in one of its collections in 2007 to illustrate the point. "The Nigerians gave this bag to the Ghanaians when they were asked to leave their country in 1983. Now this bag represents hardship, but Louis Vuitton took that bag and reimagined it and put the Louis Vuitton label on it. Then Africans said, 'Oh, now I can use it and be proud.' It could have been rebranded and repositioned as a brand from Africa." He goes on to say: "Africans have got one challenge which we need to overcome. 'Made in Africa' to us has always meant poor quality and something that's undesirable. We need to reimagine the whole concept. That is what China did and 'Made in China' is no longer a cheap brand, it is moving up there on the luxury ladder."



Cup Of Nations  
Luxury tea brand  
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products are  
known globally.





**"When you think of all the work, detail and craftsmanship that go into the designer's work, then you begin to get a true sense of what luxury can be."** *Omoyemi Akerele*

Recent discoveries of natural resources on the continent from Ghana to Tanzania and Nigeria to Angola, in addition to the diversification of economies are expected to help build a more vibrant middle class, though it remains to be seen if the wealth will trickle down to the poorest. In spite of the reality about the wealth gap, this has not stopped publications like the Economist from defining those who hold the key to Africa's spending power. According to the London-based current affairs magazine in an article in its August 2012 edition, "Africa already has a \$1.8trillion economy and its attraction stems from its new middle class, loosely defined by the African Development Bank as anyone who spends between \$2 and \$20 a day in purchasing-power parity terms. The bank estimates that more than 34 percent of Africans (326 million people) fit this description, up from 27 percent in 2000." It is predicted by Euromonitor, which monitors the growth of global luxury brand trends that Africa's emerging middle class and the consumer confidence that comes with that means spending is set to experience an upsurge of over 50 percent between 2012 and 2020 in Morocco, which has the largest mega-mall on the continent. While in South Africa, 420,000 households will have a disposable income that tops £100,000 according to Bain and Company. This in turn means that "retail value of luxury goods sold in the country will swell by 20 percent to \$816 million annually by 2015."

Countries like Nigeria have tried to rebrand their national image and there are those who have argued the case of rebranding the continent. Does Africa need rebranding when it can boast of luxury brands with the potential to change the perception of its maligned image? Ikafeng said: "There can't be anybody who says Africa does not need rebranding, because the reputation of Africa throughout its history has been a continent that has been reliant on the outside world for help rather than helping itself, and a continent that spent 50 years and trillions of dollars in aid money. Brands are in many ways going to be the vehicle to help us because we are creating brands that are desired by Africans and the world. What we need to do is we need to reposition Africa as a continent that is self-reliant, innovative and is rising."



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Nigeria's  
fashion industry  
is redefining  
notions of 'Made  
in Africa'.

## More to luxury than meets the eye

At a time when individual nations are positioning themselves as centres of excellence, from South Africa leading in the financial services sector to Kenya as the hub for technology and telecommunications, and Nigeria as the melting pot for entrepreneurship, the big question remains: how can African-produced luxury brands gain their share of the consumer market base on the continent, make a profit, and find a foothold on the international scene? According to Ikalafeng, "what makes international brands successful is clear in terms of what they stand for – they are consistent in delivery, their quality is unmatched, and they have a reputation on how they deliver on their brand." His view is shared by Akerele and Disu. Akerele said: "It takes time to retain your value as a brand. If you look at luxury brands that have existed for years, they are still working on it. It doesn't happen overnight. It takes years of consistency and not just pricing." While Disu adds: "At every point of product delivery, quality assurance, and brand experience should be 100 percent. If all areas mentioned are executed properly, you will never have to enter into price wars or explain the high price tag, irrespective of the economy."

John Obayuwana, Managing Director of Polo, Nigeria's leading luxury goods company, operating in the country since 1987, and representing prestigious brands such as Rolex, Piaget, Cartier, and Frank Muller, confirms their point. He told Wings that the appeal of the brand is the satisfaction and integrity maintained over the years. It keeps the customers coming back. "They come to us because they are sure of what they are getting. They know the authenticity of what they have bought is not in doubt because we are manufacturers' representatives, representing the various factories that produce these items abroad. So its customer satisfaction and service, and you have to have integrity especially in our kind of business – the integrity of the product, the integrity of our word, the integrity of the service is very important. We cannot afford to cut corners; we cannot afford to compromise integrity."

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## Building the brand story

It is no longer enough to be a designer or a manufacturer of luxury products. You also have to tell your story, according to Akerele. This is one factor that will enable the ability of these brands to help reposition the image of the continent on the global stage. "Over the years, the only thing coming out of Africa was poverty, disease, violence, HIV/Aids and conflict. If you go on the news today, you will hear more about the negative than the positive. It's what we have been communicating with the rest of the world about ourselves. However, there has been a shift, predominantly because the population in Africa can no longer be ignored. The time has come for us to tell our story, and for people to share our story with us."

"Africans are people, we have stories to tell about ourselves but guess what, we don't tell our story. Other people tell our story for us."



The only way is to tell our stories, not just fashion but the back story, and that's the first tool we can use because a story makes your brand authentic."

Ikalafeng shares her viewpoint and believes the way to circumvent the lack of storytelling that comes with the brands is the realisation that the "most important thing we need is media. You need to own your own channels of communication, and many of those channels have not been African-owned. Now, we are getting African-owned media and we have fashion weeks in Nigeria and South Africa showcasing 'Made in Africa'. We

can only tell our story if we are in control or can afford the channels."

Building and sustaining a brand is essential to the brand's longevity. In Disu's opinion, "Brands from the continent must understand that luxury is not only in price or quality (although extremely important), but in emotional value. The consumer must be inspired, drawn, and feel as though they cannot 'live without' or 'be seen without' the brand. Diversifying your aesthetic and your marketing initiatives (not limiting it to the continent), will also help you to compete globally and appeal to a broader audience. Not limiting your brand as an 'African Brand' but understanding what differentiates your brand from those inspired by Africa. Your brand has raw edge and a sense of knowing to your aesthetic. Couple this notion with tailored tastes of your consumer and 'whala' you have a competitive edge over those inspired by Africa but not indigenous (who are not from the continent, including western companies)." For this to take root, Ikalafeng says Africans must realise the value of self-love. "It's that element that we have not always had but we are getting there. We've always thought in order for us to be celebrated and recognised, we need to get away from home. We are now learning that home is the source of distinction. What we love about Italy is that they are Italians. What we love about France is that they are French. We need to be proudly African. We need to understand that Africa represents our distinction, our origin and our location and that's what is going to make us stand out in the world."