



# Luxury's New Outpost



A raft of new openings, including Louis Vuitton's newest store, reflect Chennai's transforming mores from a conservative society to one seeking to indulge

Carnatic music, Bharatnatyam performances, filter coffee, silk saris and soaring temple *gopurams*: Chennai has traditionally been the cultural bastion of the south. Though educated and well-read, Chennai denizens have always been conservative and cautious spenders, preferring old-world charms like gold jewellery rather than experiences like travel, fine dining and trips to the spa. The winds of change have, however, blown over the city in the

past few years. According to the CII-AT Kearney *India Luxury Review 2011* report, "luxury has gone beyond New Delhi, Mumbai and Bangalore to Chennai, Hyderabad and Pune."

It is common knowledge that the slowdown of the luxury industry in the West has encouraged European brands to expand their presence in the BRIC countries. India has been an important link in this expansion plan. The country's past lineage with luxury and the status of having a

By **Kalpna Sunder**

population with one of the highest disposable incomes in the world has been attracting brands to make inroads into newer cities each year. However, it's not just the brands, Indian consumers in every corner of the country are quickly lapping up everything that they are offered. A recent study by The Wharton School quoted Sanjiv Gupta, former President and CEO, Coca-Cola South Asia, "Indians, after having been deprived of everything for so long, are in this great frenzy to consume luxury brands and pamper their senses. The mindset has changed from being frugal and living within their means to 'let's have a life.'"

So, why is Chennai emerging as the next luxury destination? The city has a strong economic base diversified into various industrial sectors comprising mainly of financial services, automobile and hardware manufacturing, and software services. In fact, with one of the largest ports in South Asia, over the

last few years Chennai has emerged as the automobile hub of India with many international manufacturers like BMW, Ford, Hyundai, Mitsubishi and Renault having set-up their plants in and around the city. These, along with other multinational corporations that are based in the city, attract a large number of young professionals from across the country and expats from various Southeast Asian countries. The influx has boosted Chennai's propensity to spend with a rising demand for high-end watches, designer fashion, sports cars, fancy villas and even experiential luxury.

### The Lust List

One of the first signs that the population of the city has disposable income and a desire to spend was the launch of Tina and Atul Malhotra's multi-designer store, *Evolutione*. Set-up almost 10 years ago, the store, then, was a 2,000 sq ft space housing a handful of designers who focused more on fabrics and structure of the garment rather than elaborate embellishments. In the year 2009, the store moved to a larger 7,000 sq ft space on Khader



Nawaz Khan Road. Today, it stocks some of the best names in Indian fashion and also home accessories from international design houses. Such is the success of the store that many designers consider it as their best performing retailer in the country. "The concept of saving and being hard on yourself has now been replaced by 'be good to yourself, enjoy life and live well,'" says Sharan Apparao, Owner, Apparao Galleries, the city's premier art gallery. Over the years, the exposure that Chennaites have had to new trends has encouraged them to buy expensive art and other luxury products. Apparao attributes this to a range of things, from easy availability of high-end and premium brands to exposure through the many international lifestyle magazines that have an Indian edition. "Gone are the days when you read about a lipstick in a foreign magazine and waited eagerly to travel abroad to be able to buy it. Today, I see the same brands in *Elle* or *Vogue* and walk across to Khader Nawaz Khan Road to buy them," she says.

While the luxury car industry has zoomed ahead in sixth gear and entered cities like Coimbatore, Indore and Bhopal, it is the cautious international luxury fashion brands are beginning to believe in Chennai as the next destination after Mumbai, New Delhi and Bangalore. This month, Louis Vuitton launched a store in the city's upmarket Khader

Nawaz Khan Road, housed within Bergamo, Chennai's first luxury mall. Modelled on the lines of DLF Emporio in New Delhi, the 40,000 sq ft mall will house high-end European brands and offer facilities like meet-and-greet and concierge services. "It's the coming-of-age decade for Chennai as far as fashion and luxury is concerned. The locals were always conservative towards lavish spends, but in recent times the well-travelled and well-heeled denizens of the city looking at buying luxury that gives them value for money," says Sunita Suresh who runs Red Consulting, a PR firm that helps luxury and premium brands launch in the city.

What the city actually lacked is high-end and premium retail infrastructure. Last year, Genesis Luxury launched their first multi-brand store, Luxxe Box in Chennai's Express Avenue mall, bringing together menswear from brands like Paul Smith, Canali, Etro and Tumi. Although Express Avenue promised to be the city's first premium retail space, it failed to bring in a good mix of brands apart from a few like Luxxe Box and Volvo. However, that is all set to change in the coming few years. Starting with Bergamo, Chennai will see many more premium shopping destinations, hopefully ones that will have a good mix of brands.

In January this year, Gayatri Ruia, Director, The Phoenix Mills Ltd, in an interview with *BlackBook* spoke

about their upcoming project in Chennai. "The mall will have a large courtyard with a lot of F&B and family entertainment, and a tucked away zone for luxury," she had said. This upcoming mall, occupying an area of two million sq ft in Velachery, will be one of the largest in the city. Of the one million sq ft of retail space, almost 60 to 80,000 will be dedicated to luxury.

Apart from luxury malls, Chennai will also see the opening of The Leela Palace with 8,000 sq ft of retail space. "Despite all the other brands there, like the Park Hyatt, the upcoming 600-room ITC, the JW Marriott, among others, we are very confident about the city as a market for us. Unlike Bangalore or Pune, which are IT-driven cities, Chennai has some very heavy capital-intensive industries like automobiles, which are not going to pack up and move to another city just because rentals are cheaper there," said Amruda Nair, Head — Corporate Asset Management, The Leela Palaces, Hotels and Resorts, in an interview earlier this year. Launching almost two years after the group's swanky New Delhi property, the hotel is just one of the many hospitality brands that have Chennai as their target destination. In October, the city will also boast its first seven-star hotel, the ITC Grand Chola. The 600-room hotel complex with a built up area of 1.5 million sq ft aims to be a luxury destination for both

travellers and local residents. It will house 78 serviced apartments, two presidential suites, 14 suites, 48 ITC One suites, and 10 dining options, which includes the brand's signature restaurants Peshawri and Pan Asian in addition to two debutants, Royal Vega and Ottimo. "The hospitality industry in Chennai has the least number of five-star rooms compared to other major metros in the country. The ITC Grand Chola is located close to key business districts of Chennai" says Simona Terron, PR Manager, ITC Grand Chola, explaining the opportunity that the hospitality industry has in the city.

One of the indicators of a luxury destination is the presence of upmarket residential blocks. Fancy villas and plush apartments with gyms, walking tracks, security systems, green landscaping, central air conditioning, electronic access, event spaces and swimming pools can be seen dotted around Chennai. The New Delhi-based luxury real estate developer DLF's Commander's Court is a much sought-after project. Located on Commander-in-chief Road in Egmore, the 354 apartments are housed within five towers with facilities like a clubhouse, squash courts, smart card access and video surveillance. Not too far away, on East Coast Road, Rajeshwari Foundations' first project in the city is the extremely high-end Tropicana. The 14-villa project, set on an 80,000 sq ft area, has been designed by Malaysian architectural firm Veritas Architects. Each luxury villa comes with its own plunge pool and costs ₹47.5 million. As though in a bid to up the scale, Vijay Shanthi Builders is soon launching a limited-edition super luxury residential complex on Kothari Road, in the heart of the city. The lavish apartment block will have a foyer studded with precious stones and a theme that is based on Pablo Picasso's paintings. It doesn't get more opulent than that, does it? •



**Top:** The newly launched Louis Vuitton store; Bergamo mall (inset)  
**Left:** Volvo launched a dealership in Chennai earlier this year



**Top (left to right):** The ITC Grand Chola, Chennai's first seven-star hotel; Genesis Luxury's Luxxe Box  
**Left:** The Leela Palace, Chennai