What the Art World Can Learn From Luxury's Return to Intimacy and Cultural Depth

Luxury brands are awakening to a sense of privacy, exclusivity and personal connection that collectors may need to do the same to survive in a changing market.

By Ed Vulliamy

Pablo Picasso's Le Rêve, now in Steve Cohen's collection, which sold for a record-breaking $155 million in 2013. Courtesy Sotheby's

The global luxury customer base has declined from around 400 million in 2012 to 340 million in 2025, according to the BCG Magazine. Four a Luxury Global Consumer Insights survey, an aspirational prize-winner, combined with shifting perceptions of value, have pushed many aspirational shoppers away. The luxury industry's significant contraction has been further accelerated by the slowdown in consumption in the Gulf and China, the rise of dupes and the boom in secondhand sales. Bain & Company's 2025 State of Luxury Report, the world's most-quoted yearly luxury report, has pinned the blame of falling clientele, and even megabrands such as Dagoretti and Paul Rose recently closing their doors, on Gen Z/Millennial shoppers, who prefer to "broker" and "collect" differently.

Luxury brands, the luxury industry expanded through ready-to-wear, beauty, global flagships and social media, scaling rapidly by targeting aspirational consumers. In the 2000s, luxury was defined by status, scale and visibility, with brands selling the promise of the symbols that had originally defined luxury. That growth model is now reversing. Its fragility, aspirational consumers have lost 13 percentage points of market share since 2019, while ultra-high-net-worth consumers have increased their share by 10 percentage points, underscoring how the industry's growth has become fragile, aspirational and dependent on a few hundred thousand people. As a result, luxury brands whose client bases are more than 50 percent aspirational have seen their revenues decline over the last three years. Brands, while those that remained focused on core top-tier clients have proved significantly more resilient, with revenues up 3 percent. The lesson is clear: luxury's future is not in chasing more customers, but in deepening relationships with the right customers and in a deeper knowledge of the individuals rather than relying on scale and relentless brand communication.

Louis Vuitton's Tambour Horizon watch, a collaboration with Tyler, the Creator, is part of a wider trend of luxury brands appealing to a younger, more aspirational audience. Courtesy Louis Vuitton

The art market, in some ways, shares a similar fragility. During the ultra-compressed boom of the pandemic years, the market became dominated by ultra-wealthy aspirational consumers since footed luxury's growth. But once pandemic enthusiasm and speculation cooled, the market's fragility became apparent. Much of the market's performance is again increasingly reliant on a smaller group of serious collectors, whose spending is concentrated largely at the top end, while lower price bars have softened. Auction houses and officials first blame buyers or engage a broader generalist or younger collector.

The same luring brands identified in the luxury sector appear to apply especially to younger art collectors, defined by Gen Z in particular as a desire for more intimate and better equipped to make considered purchases, not only do they have more time, but they also have a much greater access to the information needed to be informed decisions. Many have begun adopting strong moral principles to navigate this complex landscape, prioritizing ethical sourcing, sustainability, transparency and discretion above all else in what has been described as "quiet" luxury.

Once again, this could also apply to an art world in which the rat-platoon is not only over-financialized and saturated, but also exponentially more. The lesson for collectors offer be to a loss of purpose and the true center that once gave the system meaning.

In a recent article on this Dazed, Jenny's wrote about the rise of so-called "analogue luxury," which is not simply about quiet aesthetics, but a deliberate shift toward curated centers on a notion of absolute exclusivity pushed to the point of being out of the reach of the mass market. Brands such as Hermès, Rolex and Patek Philippe have actively disconnected from mass marketing and social media, instead cultivating a reputation for rebuilding around experiences that cannot be bought off the shelf: private, slow, and deeply personal. The result is a luxury that feels rare not because it is simply contested on the personal rather than a "bargain chain."

Earlier this year, Hermès transformed the Grand Palais into an aquarium arena for the Paris Fashion Week, providing different to top clients was access to one of the most dedicated seats for a unique experience. Louis Vuitton invited clients to Marrakech for a private tour of its Fondation Louis Vuitton, while Rolex offered a Swiss Alps tour and exclusive fashion show, while Brunello Cucinelli commissioned a film celebrating Umbria's region of Solomeo for an immersive in craftsmanship and heritage.

These events are in a sense, a little intimate, meaningful connections with our clients, offering them a space to engage with our designs and to delve in a setting that reflects the essence of our brand. Commitment to craftsmanship, Tiffany's Jean-Marie Lemarchand said following a two-day event in Beverly Hills. These gatherings, she argues, are more than just showcases. They are immersive experiences that foster genuine relationships."

Jeff Koons's balloon sculpture, Rabbit, is pictured in the Gagosian Paris show. Image courtesy Gagosian

A few weeks ago, I attended a private launch hosted by the storied British perfume house Penhaligon's to celebrate the 20th anniversary of its Portrait collection. What I thought might be some kind of artist collaboration celebrating "a decade of creative partnerships" turned out to be a deeply personal and immersive event that felt more like a luxurious private dinner party, with artisan engraving and perfumers' tasting units limited edition perfume bottles. The brand could easily have treated it in a Soho House-style "members only" event, but it chose instead to invite a small number of artists and influencers to a dinner for exclusively.

The BCG Magazine survey found that 65 percent of luxury consumers today feel increasingly brand-conscious and are in search of personalization, creating a growing fatigue and impatience disengagement. What they now value in response is a sense of belonging, a connection, trust, and shared. Brands that can deliver that sense of clear preference for privacy, direction and controlled environments. Having access to a brand's inner circle, whether through a private dinner, a limited-edition product or a dedicated artisan, is "exactly what luxury customers want and what brands should deliver. The key here is how these salons private and invitation-only experiences turn private shopping into a deeper expression of intimacy and belonging.

In an era when everything can be so easily emulated, simulated and reproduced by AI, the value of human connection becomes the rare, irreplaceable commodity. Luxury buyers, particularly younger ones, are looking for meaningful in personal experiences defined by prolonged and non-replicable insights, as well as human connection and understanding.

The new luxury is undergoing a deliberate recalibration, scaling back the proliferation of boutiques and flagships to offer more dedicated private experiences with one-on-one, conference and one-collective. These personalized and private luxury experiences, Bain & Company's report, are being delivered through boutiques, private appointments, and dedicated spaces are returning to a more intimate relationship rather than mass personalization: an experience built around precisely who they are, not what they can afford. The report calls this "hyper-personalization" and it is the end of luxury's single entry point, a strategy that offers clients each other, and a more intellectual and relational. Its knowledge, its comfort and its the people who preserve it.

Penhaligon's Portrait collection, launched in 2005, celebrates its 20th anniversary this year. Courtesy Penhaligon's

In depth access to stories, human connections and a mission or purpose worth supporting, once shared through consumption, has long been central to the art world. Today, luxury brands are increasingly using the same tools that artists and galleries because they were fascinated not only by their creations but also by their personalities, to the point that artists were invited to live with them. But it has also been a dangerous game, as many artists have found, and it has been increasingly fraught. What legendary figures from Paul Gauguin to Jean-Michel Basquiat to Carl Andre and Tony Smith, and Sidney Janis, and more recently, Larry Gagosian, Marian Goodman, Pace, Hauser & Wirth, Zwirner, Perrotin, Lisson and others have managed by strong personalities capable of creating a circle around themselves, sustaining it and supporting the artists they chose to represent.

Sotheby's collection connections with Tim Schneider's recent Grey Market commentary on "upskilling the Experience Economy." The operative question for art collectors, he argues, is not how to be prepared, to recognize the "right" work, but how to people who are mainly interested to grow by remarkable, positive experiences? "It's about how do I make people or clients feel the part of a memorable, positive experience?"

Tim Schneider, Sotheby's Head of Strategy and Partnerships, speaks at a recent Sotheby's event. Courtesy Sotheby's

As Schneider noted, this is not an offshoot from the question some dealers have been asking for decades: how do I make people feel the most special? Sotheby's since at least the middle of the 20th Century have built their businesses around creating a lively, welcoming, and, yes, exclusive environment. Sotheby's has long been a place where people feel they are "supporting the entire social and cultural circumstances that influenced the production of those objects," he wrote, describing this as buying "accounts of immersive experiences."

I would add that collecting from and supporting a gallery is also more like buying membership in one of the secretive, exclusive clubs, where clues that are becoming so popular today, particularly in large cities. According to Bright Hunt, more than 1,000 "members only" clubs have opened in New York City in the last three years, with a similar number in London and Paris (1,000), while Singapore's membership market reached roughly 270,000 in 2025. Asia-enabled membership communities and social clubs are growing at a rate of 15 percent annually, while Gen Z and Millennials are projected to drive the sector's growth, with an additional 68 million new members in 2025 for its U.S. expansion, while Pastor Social Club now hosts roughly 500 members in Los Angeles, Miami and Nashville, with waitlists for opportunities ranging from events to dining, to Los Angeles, Miami, Chicago and Nashville.

Pastor Social Club, a membership-only social club with locations in Los Angeles, Miami and Nashville, is one of many such clubs that have opened in recent years. Courtesy Pastor Social Club

Art galleries and art spaces have, in fact, always offered this dimension a social circle and a social scene in which people can participate in different capacities. In this sense, the art world has been, and still is, a kind of club, with its own rules and boundaries, a storied commitment that younger collectors and patrons repeatedly cite in interviews today as one of their principal motivations for engaging with the art world.

Clearly, not every gallery can embrace to the level of cross-industry expansion developed by Marmottan and Jean Brillo, where millionaire empire spaces galleries, a fashion house, a restaurant, a boutique, a cinema, a publishing house, a cultural centre, a library, a dance school, and a performance and destination economy. You can visit a gallery enter the fandom and "totalling" space through cute artist designed merchandise, and, and, and, as well as a cinema, a restaurant, and a library. Some have 600 visitors that particularly in Asia, operate somewhere between art lifestyle and cold concept retail.

Gallery Gallery, a Marmottan and Jean Brillo collaboration, is a multi-purpose space that includes a gallery, a restaurant, a library, a dance school, and a cinema. Courtesy Marmottan and Jean Brillo

Gallery's digital presence in London and Abu Dhabi, where the gallery flexibility, while the cultural institution's ability to host concerts, dance, yoga, offers crescendo which it sees in London on an ordinary day.

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Looking at the future of the contemporary art market, and the gallery business in particular, it is clear that the relationship between the artist and the client, the gallery and its patrons is a process that is not simply a transaction, but a long-term, kind of connection or a different way of experiencing art, a shift toward more personalized, relational models that prioritize trust, access, and shared experience. Luxury brands have long understood that they sell more than products, that they sell dreams of dollars or beach clubs, dinners and nightlifts. Things enjoyed in the moment and then forgotten. The art world, by contrast, has long been a place where people go to be in a community and to feel, even if they don't, that they belong to something that is bigger and kind. We are confronted with a highly fetishistic and immediate demand for instantaneous, visible, and easily consumable results, a culture that increasingly rewards spectacle and surface. Relationships and experiences are what people want, and what people they are there, which makes others desire that lifestyle. There is an emotional presence attached to personality and lifestyle."

Still, if museum blockbusters routinely sell out, for argues, we have proof that broad audiences crave engage in experience art. Yet many of those same people do not realize that they can under commercial galleries for free. Ironically, the traditional gallery model, rooted in exclusivity, has long been a place where people can engage with ideas, culture, and relationships for free. "I know other galleries are like that dilution and the idea of 'us and them.' They feel accessible to the intimidated. But the landscape is changing. Many galleries are now adopting more open, welcoming models, underscored that Zwirner model and expanding in number. Something has to shift," Pace, argues.

One way Gallerying has been able to break down many of these barriers is by building a program that catalogs with different ways of encountering art, often extending beyond the isolated object toward performances, music and social analysis. There is a known party inspired element to it. "I'd like, Christie's Eric, one of the gallery's top artists, to have a dance party in the gallery. I'd like to have a performance piece. I'd like Christie's first practice encounters both visual art and a substantial cover as it's bringing different audiences and cultural forms together. "We Gallery is at back as a place where people can come and feel that he art center is outstanding, the interactive is very interesting."

Eric Christie, SOMETIMES Gallery's curator, with artwork of Pablo Picasso's Le Rêve. Courtesy SOMETIMES Gallery

At the same time, galleries are starting to understand the importance of refocusing on the artists, who, despite how often the industry forgets, remain at the very core of the ecosystem. Many galleries are now prioritizing long-term relationships with artists, supporting their creative vision and commitment to artistic freedom, collaborating on projects that extend beyond the traditional gallery framework, museum and social analysis. There is a known party inspired element to it. Christie's Eric, one of the gallery's top artists, "I'd like to have a dance party in the gallery. I'd like to have a performance piece. I'd like Christie's first practice encounters both visual art and a substantial cover as it's bringing different audiences and cultural forms together. "We Gallery is at back as a place where people can come and feel that he art center is outstanding, the interactive is very interesting."

organization should understand as important when it comes to human resources.

With this thinking, GRIMM Gallery launched a new artist residency this summer at Château Val Croissant, an 18th-century estate in Provence, hosting as many as five artists and their families at once, alongside invited writers, curators and other cultural practitioners. Part of GRIMM's broader 20th-anniversary expansion, the initiative comes as the gallery prepares to move into a larger Amsterdam flagship in September 2026, following the relocation of its London operation to Duke Street in St. James's last year. The new South of France initiative aims to create a gathering platform that acknowledges and fosters the community the gallery has built over the years, maintaining an artist-centered strategy that has been largely responsible for its sustainable growth.

The artist-first approach came naturally, Jorg Grimm told Observer, as the gallery works with most of its artists from the start of their careers. "The market comes later since there isn't one, at first," he admits, recalling how he discovered some of his top artists today through Rhizome Residencies and De Ateliers, two major postgraduate programs where international artists pass through for two-year stays. That is where Grimm discovered Claudia Martínez Garay and Arturo Kameya, two artists who are now well established in the biennial circuit, as well as Louise Giovanelli, whom he first met while she was at the Städelschule. Others come to the program through word of mouth, curated shows and recommendations, he adds. Artists are often the best at suggesting other artists through whom the gallery can expand its roster, or, more precisely, its community.

For Grimm, institutional support reflects recognition of the gallery's role in shaping careers. "There is strong mutual loyalty," he acknowledges. At the same time, he admits, truly managing someone's career also means finding partner galleries to co-represent the artist when the time is right. With other galleries hosted regularly at dinners, GRIMM is known for hosting artists' dinners that celebrate their work and foster a sense of belonging and connection. Additionally, GRIMM is one of the few galleries to share profits with its artists if a work comes up for resale. "A lot of collectors appreciate this and consign secondary works to us on the premise the artist also benefits properly," Grimm says.

The South of France residency is an extension of this ethos. His goal was to create a place where multiple artists could stay at the same time, bring their families and remain flexible about timing, the possibility of visiting and returning, which is not always the case. Beyond its proximity to many museums and foundations in the South of France, the property offers a chance to slow down, Grimm adds. At the same time, the location offers collectors, as well as curators and writers, a way to connect with the gallery and its artists on a different level. "I believe facilitating experiences like this will become more and more valued."

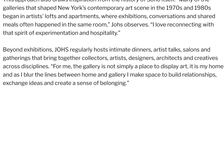
Now, it is particularly among younger galleries that we are seeing a return to more personal, community-based formats and events. Salons, studio visits, gallery dinners, private parties and other activations that keep people engaged with a gallery not only when a potential transaction is on the horizon but also through something larger and more meaningful are proliferating across the main art centers. Dealers are returning to cultivating a solid base of people who can support the gallery consistently over time, rather than constantly chasing new buyers through an endless succession of art fairs around the world.

Installation view: "Eva Clak" at JOHS in 2026. Courtesy JOHS

Since founding JOHS in 2021, Elisabeth Johs has always run the gallery from her own home. The gallery began in a renovated 1970s modernist house in Mexico City that functioned simultaneously as her home, exhibition space and artist residency. "Rather than separating life from art, I wanted to create an environment where artists could live, work and exhibit under one roof, fostering slower, more meaningful encounters between artists, collectors and the wider community," she tells Observer. Today, JOHS operates from her loft on Crosby Street in Soho, continuing this domestic model. "Instead of the traditional white cube, the gallery exists within a lived-in environment where artworks are experienced alongside books, furniture, design and everyday life," Johs argues. The intimacy of the space naturally encourages conversation, she notes, allowing each visitor to engage with the work in a personal way rather than moving anonymously through a commercial gallery.

This approach also draws inspiration from the history of Soho itself. "Many of the galleries that shaped New York's contemporary art scene in the 1970s and 1980s began in artists' lofts and apartments, where exhibitions, conversations and shared meals often happened in the same room," Johs observes. "I love reconnecting with that spirit of experimentation and hospitality."

Beyond exhibitions, JOHS regularly hosts intimate dinners, artist talks, salons and gatherings that bring together collectors, artists, designers, architects and creatives across disciplines. "For me, the gallery is not simply a place to display art. It is my home and as I blur the lines between home and gallery I make space to build relationships, exchange ideas and create a sense of belonging."



Installation view: "Primitive Romantics" at Iarts Art in 2026. Courtesy Iarts Art | Photo Wilhelm Tuesker

JarsArt, another young venture by longtime advisor and former Arsenale Contemporary director Lindsay Jarvis, has also opened a more private second-floor space, prioritizing the cultivation of direct connections and relationships rather than pursuing the fair circus. Monthly activations in its private, buzzy openings followed by dinners are parties, and a program of often sold-out shows have created a vibrant community of people who gravitate toward the gallery.

"I think the core of gallery work has always been personal, long-term relationships with artists and clients," Jarvis told Observer. "For me, it's about spending time in person and talking on the phone regularly, which is how trust is created and good ideas often develop. It's rewarding to place a work after a client has viewed it in person and becomes very excited."

During the pandemic, he admits, this might have changed, with more interactions taking place online, but Jarvis now sees a clear desire to return to in-person engagement. The last few years have also brought greater reflection on the cyclical nature of the art market, he notes, as a seasoned insider who, as an advisor, has closely followed the ups and downs of the ultra-contemporary in particular. As a result, Jarvis argues, galleries are refocusing on the central components of success: strong relationships with their local artists and clients. "These relationships can often provide more truthful collaboration over a longer period of time." The formula seems to have worked so far: both recent shows, the New York debut solo show of Greek, London-based Konstantina Kritzioni in May and the current exhibition, which stages a playful interpenetration of dialogue on the contemporary idyll and "Primitive Romantics" between emerging painter Ana Cristina and 20th-century works by Louis Ellshemius, sold out.

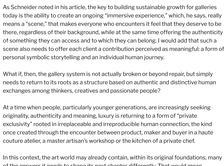
Installation view: "Primitive Romantics" at Iarts Art in 2026. Courtesy Iarts Art | Photo Wilhelm Tuesker

Nuno Fine Art has similarly long prioritized building engagement within the local communities surrounding its Taipei and New York locations rather than falling into the trap of the relentless international art world calendar. "Forming deep relationships and having community ties centered around artists' creativity have always been key to my work as a dealer," founder Nuno Ming tells Observer. She grew up in Taiwan, a country that highly values interpersonal relationships, she explains. "When I opened my first gallery in Taipei, connecting patrons to the work of international artists began with establishing relationships based on curiosity and education and then slowly developed into introducing them to work that was unfamiliar and ultimately rewarding."

When she opened her New York gallery in 2023, Hung brought that community-centered approach with her. For Hung, each exhibition and its programming extend well beyond the opening reception, encompassing artist walkthroughs as well as performances by local writers, poets, musicians and other creatives who interpret and augment the work on view. "These events unite artists with new and established audiences for their work and bring together people from many backgrounds based on their shared interest in art and ideas," Hung says. The gallery has also expanded to support other forms of creativity and cultural production, as with its periodic "Writers Series," where, in the spirit of literary salons, the artists provide novelists, poets and playwrights to share recent work or new pieces written in response to the exhibition.

While Hung still fervently believes in the kind of global connections represented by art fairs, her first hope remains to provide an accessible avenue for interested visitors from local communities and inspire greater engagement with the arts.

Marsha Plotnitsky, founder of The Merchant House in Amsterdam, also decided to invest in making the gallery itself the destination, creating a model centered on repeat local engagement rather than periodic international visibility that dissipates resources and energy within the international fair system. The gallery's philosophy intentionally extends well beyond exhibitions, developing a program of performative and participatory dinners that are open not only to collectors but also to the wider public. "These are not networking events or VIP hospitality but carefully structured evenings where guests genuinely curious about art first encounter artworks without interpretation before participating in conversations that transform dinner into an extension of the exhibition itself," Plotnitsky told Observer.



A dinner at The Merchant House in Amsterdam. Courtesy The Merchant House

This diverse, multilevel program has become one of the gallery's most effective audience-building tools, encouraging visitors to return repeatedly and creating a sustained cultural community around the space that engages all their senses.

As Schneider noted in his article, the key to building sustainable growth for galleries today is the ability to create an ongoing "immersive experience," which, he says, really means a "scene," that makes everyone who encounters it feel that they deserve to be there, regardless of their background, while at the same time offering the authenticity of something they can access and to which they can belong. I would add that such a scene also needs to offer each client a contribution perceived as meaningful: a form of personal symbolic storytelling and an individual human journey.

What if, then, the gallery system is not actually broken or beyond repair, but simply needs to return to its roots as a structure based on authentic and distinctive human relationships among fellow collectors and passionate people?

At a time when people, particularly younger generations, are increasingly seeking originality, authenticity and meaning, luxury is returning to a form of "private exclusivity," rooted in irreplaceable and irreproducible human connection, the kind once created through the exchange between product, maker and buyer in a haute couture atelier, a master artisan's workshop or the kitchen of a private chef.

In this context, the art world may already contain, within its original foundations, many of the answers it needs to shape its next chapter differently. That would mean returning to the heart of the business: the artists, the art and the human connections formed through them. The necessary "scaling down" could, therefore, be more about restoring closer relationships and more intimate gatherings, valuing conversation over the relentless pursuit of global visibility.

Ultimately, what appears broken, in art as in the broader luxury industry, may be less the business itself than the empire-building model that prioritized scale, constant expansion and the endless circuit of fairs over cultural and human depth. Reclaiming that depth is precisely what could restore art's irreducible value, what has made it unlike any other product and, for much of human history, effectively priceless.

Alice Nancy Bowen hosting a walkthrough of her show at Nuno Fine Art. Courtesy Nuno Fine Art