

BSBI Gazette

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Editorial



Professor Dr. Kyriakos Kouveliotis FRSA
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For this week’s Editorial I want to post a short but amazing poem by Langston Hughes.

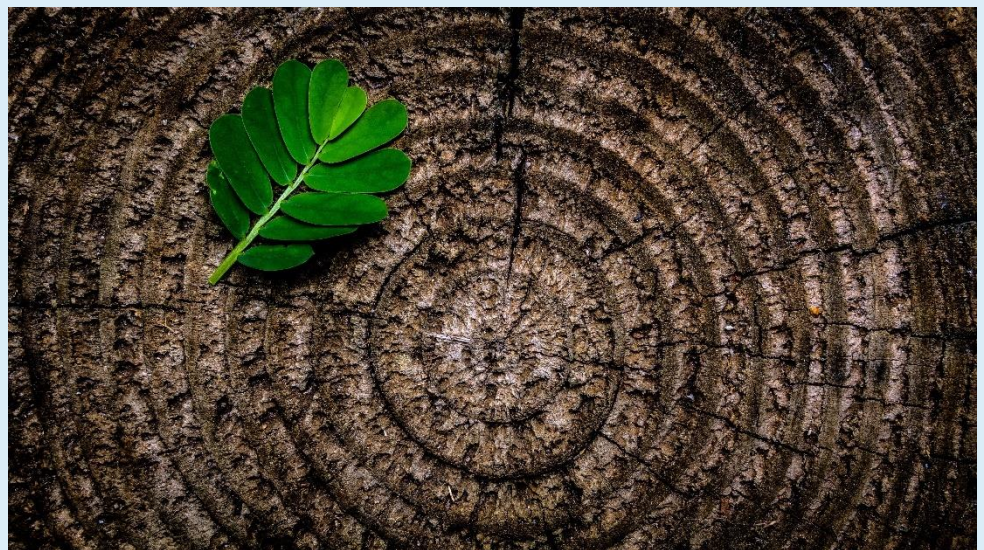
It is called “Dreams” and it is also related to our recent BSBI Graduation:

Hold fast to dreams
 For if dreams die
 Life is a broken-winged bird
 That cannot fly.

Hold fast to dreams
 For when dreams go
 Life is a barren field
 Frozen with snow.



Photo of the Week



Inspirational Quotes

Education is the passport to the future, for tomorrow belongs to those who prepare for it today.

— **Malcolm X**

Don’t let what you cannot do interfere with what you can do.

— **John Wooden**

Life loves the liver of it. You must live and life will be good to you.

— **Maya Angelou**

Is life worth living? It all depends on the liver.

— **William James**



The beautiful thing about learning is that no one can take it away from you.

— **B.B. King**

Article of the Week



Dr. Anna Rostomyan
Lecturer

Areas of expertise:

Neuropsychology of Emotions, Emotional Intelligence, Emotion Management, Neuroleadership

The Role of Emotions in Decision Making and Problem Solving



In our everyday life we are constantly faced with different situations that require drastic critical thinking and decision-making and problem-solving skills, especially in the business sector.

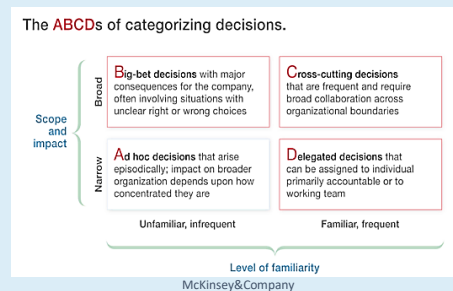
Decision making refers to the process of selecting an option from among a set of alternatives according to its probability of leading to best outcomes in terms of the survival chances of the organism, including the fight-or-flight paradigm. Individuals, teams, and leaders within organizations make dozens of decisions each day. These decisions may be small or large scale and many challenges, even those unseen, may arise from variability and weakness in this process. In terms of their nature, there can be *individual*, *team-based* and *hierarchical* decision-making types.

On all the aforementioned levels, emotions can come into play, especially in individual decisions. Therefore, when making important decisions, it is more plausible to take them in teams after some ground brainstorming and critical thinking activities, since in that case many different perspectives will be put onto the table and will accordingly be taken into consideration in the final decision-making stage. As for hierarchical decisions, here too the different positive and/or negative emotions of the individuals may interplay on the background and make up a “noise” throughout the decision-making and

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problem-solving processes. According to McKinsey & Company, one of the current leading management consulting companies, different decision types layer even more complexity as illustrated by the ABCDs of categorizing various decisions types (de Smet et al., 2021, online)¹, presented below that illustrate the mostly frequently applied decision making types, namely a) *big bet* decisions, b) *cross cutting* decisions, c) *ad hoc* decisions, d) *delegated* decisions, and the level of their frequency.

The illustration of the infographic below (de Smet et al, 2021) well-depicts the main types of decisions made in big organizations alongside the explanations of their nature and essence used within organizations¹.



Let us go through them one by one:

1) Big-bet decisions: these are major decisions that are higher in stake and may resultantly bring with them major consequences for and in the companies.

2) Cross-cutting: these are lower in stake than big-bet decisions but still bigger than delegated decisions and require collaboration in terms of coming up with a final decision for the benefit of the whole company at hand.

3) Ad-hoc decisions: these are spontaneous decisions that arise episodically and can also be taken both by the top management and have an impact on the whole organization.

4) Delegated decisions: these are taken up by various individuals in the company when they come up with day-to-day decisions themselves without engaging the management (de Smet et al, 2021)¹.

When speaking about the last type, it is noteworthy that in this case we should take into consideration the emotions of the employees responsible for the taken decisions, since here we deal with the human factor, and as Dale Carnegie, the well-known human relations connoisseur stated, “*When dealing with people, remember, you are not dealing with creatures of logic, but with creatures of emotion.*”

Thereinafter, we can conclude that though emotions are mostly apparent in the type of delegated decisions, they may also arise in the other decision-making types, since we usually cannot extract ourselves from our very different emotions and feelings while taking decisions, which may overtake and influence the actual decision-making processes.⁵

In this connection, it is noteworthy that, as mentioned above, our emotions may play on the background of decision-making processes,

sometimes highly influencing them, and in order to be able not to get drifted away by them we have to be equipped with strong EQ skills (Rostomyan, 2022)⁶.

This brings us also further to the newly coined notion of “WeQ” put forward by Peter Spiegel (2015), who rebutted the importance of IQ & EQ in business and in life, instead proposing the concept of WeQ⁷, where many different participants cooperate in decision-making, problem-solving, brainstorming, mind-mapping and critical thinking activities. The author is convinced that we should bid farewell to the “I-Culture” and instead introduce and implement the “WE-Culture”. In fact, WeQ stands for and indicates to the collective intelligence, which is more than IQ or EQ. Thinking and acting in the new collaborative togetherness requires thinking in a WeQ culture, i.e. thinking and acting away from an ego culture, which should also include the detection, perseverance and application of emotions both in communication and interpersonal interaction, as well as in decision-making and problem-solving. This means that a paradigm shift that stringently continues the development from IQ to EQ, resulting in WeQ, which comprises the both.⁷ In this case, both the companies and all the involved parties will have a better chance of looking at the problems from different perspectives through the dragon-fly eye, by means of also considering all the interrelated consequences and choosing the right option for the benefit of all.

To conclude with, decision-making and problem-solving are very tightly interrelated processes, where a number of external and internal factors should be taken into consideration. Bearing this in mind, it goes without saying that emotions also partake in the aforementioned processes. To diminish their negative impact on the effective action plans, the concept of WeQ and collective decision-making can be applied, which can result in successful problem-solving. Thence, the more people become aware of the participation of emotions in these processes, the better they can handle them, which will bring to the efficiency of the overall labour output of the company as a whole entity.

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Websites of the Week

- 🔗 [What is Research Data Management?](#)
- 🔗 [Cognitive Development in Teen Years](#)
- 🔗 [Critical Thinking Development: A Stage Theory](#)
- 🔗 [Financial Management: Meaning, Scope, Objectives & Functions](#)
- 🔗 [15 Best Project Management Conferences in 2023](#)

Books of the Week

Videos of the Week



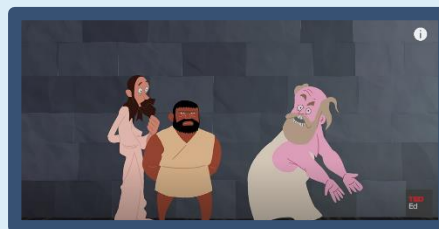
Managers: Stop Squelching Creativity -- Thinking in New Boxes



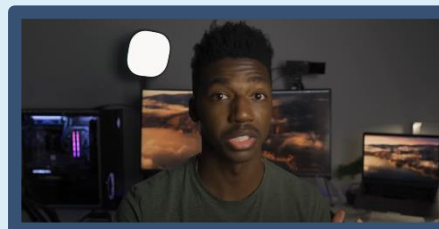
It's Not Manipulation, It's Strategic Communication



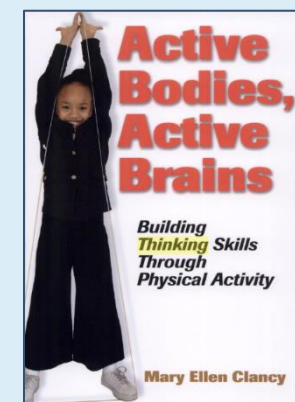
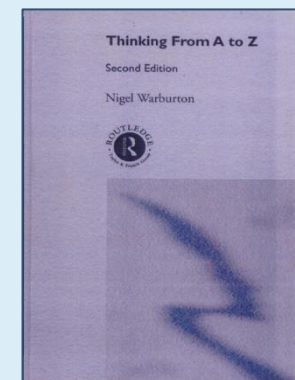
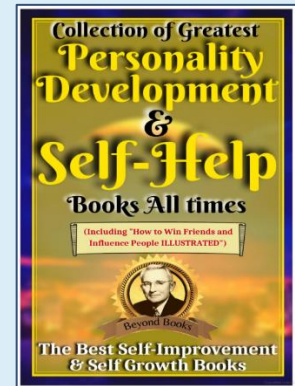
RESET Your MINDSET



This Tool will help Improve Your Critical Thinking



What I Wish I Knew Before Becoming a Software Developer



BERLIN SCHOOL OF BUSINESS & INNOVATION

Week in Review

All you need to know about everything that matters



Dr. Niloufar Aminpour

Lecturer

Areas of expertise:

Gender Studies, 20th Century American Drama, Literary Criticism

EXISTENTIALISM/PSYCHOLOGICAL HEALTH

Existentialism posits that the meaning of life is not embedded in us but is created by the individual. This can create a sense of purpose and direction that is vital for emotional balance and psychological stability. If we recognize that it is up to us to make meaning of our lives, we can actively engage in life-enriching activities and build positive social connections, which greatly improves our emotional health. In addition, an existential preoccupation with death enhances our appreciation and prioritization of life. When we accept the impermanence of life, we live more fully and authentically, which supports emotional maturity and resilience. In summary, existentialism emphasizes authenticity, personal freedom, acceptance of uncertainty, emotional awareness, self-designed meaning, and recognition of mortality. These principles can contribute significantly to spiritual and emotional well-being. They offer a concept that encourages individuals to accept their existence, face the uncertainties of life, and find personal meaning in life. This contributes to overall psychological well-being and emotional constancy. The existential philosophical approach focuses on individual existence, freedom, and decision-making. It can contribute significantly to mental and emotional security by helping us to recognize our inherent freedom and responsibility.

This helps us find meaning in a world often characterized by uncertainty and disorientation. At the heart of existentialism is the notion of authentic existence. This implies that we have the power to shape our own destiny through our choices and actions. This allows us to see ourselves as the authors of our own lives rather than being ruled by external

conditions. By honouring individual agency and rejecting passive acceptance, existentialism promotes resilience, adaptability, and emotional stability. Moreover, existentialism encourages us to accept the natural uncertainties and ambiguities of life. Realizing that life is uncertain and that this is a fundamental aspect of our humanity can contribute to improved mental health. We learn to live with uncertainty rather than constantly trying to eliminate it. This can reduce anxiety and promote emotional balance. Existentialism, also encourages us to embrace the indeterminate and ambiguous aspects of life. When we understand that life is inherently uncertain and that this is a fundamental part of our human existence, we can achieve a healthier mental state. In addition, existentialism promotes the recognition and understanding of our emotions. It assumes that emotions, including negative emotions, are an essential part of our existence. Acknowledging them is essential to our mental health. Existential therapy motivates people to face their fears, worries, and cravings. This leads to increased emotional awareness and healthier coping mechanisms.



Dr. Kamyar EsmailiNasrabadi

Lecturer

Areas of expertise:

Human Resource Management, Business Management, Tourism, Customs

EMPLOYEE SUSTAINABILITY

Optimism: Cultivating Resilience for Sustainable Employee Well-being

In the realm of Emotional Intelligence (EQ), one crucial component that plays a pivotal role in fostering employee sustainability is Optimism. Optimism can be described as the ability to maintain a positive outlook and hopeful attitude, even in the face of challenges or adversity.

This essential aspect of EQ not only impacts an individual's personal well-being but also significantly influences their performance and interactions in the workplace. An optimistic mindset allows employees to approach tasks with enthusiasm and resilience. When faced with obstacles, optimistic individuals are more likely to view them as temporary setbacks rather than insurmountable roadblocks. This perspective encourages employees to persevere, maintain motivation, and seek innovative solutions to problems. Consequently, a workforce that embraces optimism tends to be more productive and adaptable, contributing positively to the overall sustainability of the organization. Furthermore, optimism plays a crucial role in improving employee mental health. Optimistic individuals tend to cope better with stress and exhibit higher levels of psychological well-being. By cultivating a positive and hopeful environment, organizations can support their employees' mental health, reducing absenteeism, and increasing overall job satisfaction.

Promoting optimism in the workplace is not an elusive task. Here are some strategies to help improve this vital EQ component:

1. **Encourage a Growth Mindset:** Help employees understand that failures and challenges are opportunities for growth, not indicators of incompetence.
2. **Recognize and Celebrate Success:** Celebrating success boosts morale and reinforces an optimistic outlook.
3. **Provide Support:** Feeling supported and valued increases optimism.
4. **Lead by Example:** Leaders should demonstrate optimism and resilience in their actions and communication. Their behaviour sets the tone for the organizational culture.
5. **Offer Training and Development:** Implement EQ training programs that focus on fostering optimism among employees.

Optimism is a vital component of Emotional

Intelligence that significantly contributes to employee sustainability. By cultivating an optimistic mindset in the workplace, organizations can enhance productivity, boost employee well-being, and create a more resilient and adaptable workforce. Remember, building optimism is a continuous process that requires commitment and effort, but the rewards in terms of employee satisfaction and organizational success are well worth it.

Links: [Link1](#), [Link2](#), [Link3](#)



Mostafa Gaballa
Lecturer

Areas of expertise:

Tourism, Hospitality, Travel

TOURISM

The World Travel & Tourism Council's (WTTC) 2023 Economic Impact Research (EIR) today reveals the EU Travel & Tourism sector is forecast to reach 98% of the 2019 peak. The sector is set to contribute €1.44BN to the economy this year, edging close to the 2019 pre-pandemic high of €1.47BN.

Last year, the Travel & Tourism sector's GDP contribution grew by 40.5% to reach more than €1.37BN, representing 8.7% of the Bloc's economy, edging closer to the 2019 high of 9.6% of the economy. Last year the sector also created 2MN more jobs from the previous year to reach 21.8MN jobs – one in ten across the EU. for more information visit this [link](#).

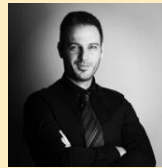
According to the global tourism body's annual research, the sector has now recovered 3.1MN of the 3.6MN jobs lost during the pandemic. Last year also saw the return of international travellers heading to the EU with spending from overseas visitors growing 81% year on year, to reach almost €385BN. Domestic visitors spend fully recovered in 2022, exceeding the pre-pandemic high of €809BN, to reach €814BN.

Julia Simpson, WTTC President & CEO, said: "The Travel & Tourism sector in the EU is recovering strongly with high visitor demand. The number of jobs created by Travel & Tourism stands at 21.8MN, but by the end of this year it will reach nearly 22.5MN jobs, just 2% behind 2019 numbers.

"Travel & Tourism is a key economic growth sector and driver of jobs in the EU due to the importance of the sector in so many countries

such as Germany, Italy, Spain, and France. Our most recent Cities Economic Impact Report revealed that Paris remains the world's most popular tourist destination." Simpson added.

The global tourism body is forecasting that the sector will grow its GDP contribution to almost €1.9BN by 2033, more than 10% of the EU economy and will employ over 26.3MN people across the region, with one in eight EU residents working in the sector.



Dr. Konstantinos Kiouis
Lecturer

Areas of expertise:

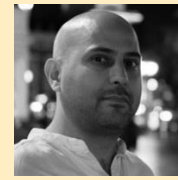
Human Resource Management, Leadership, Counselling & Career Guidance, Modern Educational Approaches

PUBLISHING INDUSTRY / AI

Writers demand payment from AI companies for use of copyrighted work

More than 8000 published authors including some of the world's most celebrated writers (i.e. Margaret Atwood, Dan Brown, James Patterson and many others), accused AI companies of unfairly profiting from their work. The writers requested payment for the use of their copyrighted work in training AI tools marking in this way the latest intellectual property critique to target AI development.

In an open letter, posted by the Authors Guild on Tuesday 18th of July and addressed to the CEOs of ChatGPT-maker OpenAI, Facebook-parent Meta, Google, Stability AI, IBM and Microsoft, the writers say that millions of copyrighted books, articles, essays and poetry provide 'food' for AI systems. Most of the companies didn't respond to a request for comment, while Microsoft declined to comment. In addition to demanding compensation for the past and ongoing use of their work, the authors called on AI companies to seek permission before using their copyrighted material. Moreover, they urged the companies to pay writers when their work is featured in the results of generative AI. For more information regarding this topic, you can visit [Link1](#) and [Link2](#).



Dr. Mahmoud Manafi
Lecturer

Areas of expertise:

Human Resources Management, Marketing Management, Economics, Mathematics

CINEMA

"Voyage to Cythera" is a thought-provoking and introspective film directed by Theo Angelopoulos. The movie follows the journey of an elderly Greek political exile, Spyros, who returns to his homeland, only to find himself lost in a world that has changed drastically. The film delves into themes of identity, memory, and the search for belonging as Spyros grapples with the disorientation and disillusionment of returning to a place he once called home. Angelopoulos's signature visual style and poetic storytelling create a captivating atmosphere, immersing the audience in the emotional and philosophical journey of the protagonist. See [here](#)

With its allegorical narrative, "Voyage to Cythera" explores the complexities of personal and national history. As Spyros traverses through the changing landscapes of Greece, the film becomes a metaphorical reflection on the challenges of confronting one's past and the struggle to reconcile personal memories with the collective memory of a nation. Angelopoulos's masterful direction and the powerful performances of the cast bring to life the inner turmoil and existential quest of the protagonist, inviting viewers to contemplate their own sense of identity, the fleeting nature of time, and the profound impact of history on individual lives. "Voyage to Cythera" is a visually stunning and intellectually stimulating film that leaves a lasting impression, resonating with audiences long after the credits roll. See [here](#)



Dr. Noah Mutai
Lecturer

Areas of expertise:

Applied Statistics, Econometrics, Business Analytics

RULE MINING / MARKET ANALYTICS

Association Rule Mining in Market Basket Analysis

Association rule mining is a highly influential methodology employed in market basket

analysis, aimed at unveiling concealed patterns and connections among items within a dataset pertaining to transactions. Through the identification of the simultaneous occurrence of items in customer transactions, enterprises can acquire significant perceptions into customer conduct and make well-informed determinations regarding the arrangement of products, cross-selling approaches, and strategies for promotions. This article endeavors to delve into the notion of association rule mining and its various implementations within the domain of market basket analysis.

Market basket analysis operates on the premise that customers who buy a specific product are inclined to purchase other associated items. For instance, if a customer acquires a loaf of bread, it is probable that they will also procure butter and jam. Through the examination of substantial quantities of transactional data, algorithms for association rule mining can systematically identify these patterns and produce practical rules.

Association rule mining encompasses three primary elements, namely support, confidence, and lift. Support pertains to the occurrence frequency of a specific set of items or the amalgamation of items within the dataset, representing the frequency at which said itemset appears in transactions. Confidence, on the other hand, gauges the dependability of the rule and is determined by dividing the support of both the antecedent and consequent of the rule by the support of the antecedent in isolation. Lift serves as an indicator of the potency of the association between the antecedent and consequent of a rule and is computed by dividing the confidence of the rule by the support of the consequent.

Let us consider a straightforward illustration to elucidate the concept. Suppose we possess a dataset encompassing customer transactions from a grocery store, which provides information regarding the items bought in each transaction. Through the application of association rule mining, we can discern relationships among items and generate meaningful rules. For instance, we may uncover a rule that asserts, "If a customer acquires milk and eggs, it is probable that they will also purchase bread." This rule would possess a substantial level of support, indicating that the occurrence of the combination of milk, eggs, and bread is frequent in the transactions. The confidence metric would gauge the frequency at which customers who purchased milk and eggs also acquired bread. Lastly, the lift value would quantify the strength of the association, signifying whether the purchase of bread is significantly influenced by the presence of milk and eggs in the customer's shopping basket. There are numerous and diverse applications of association rule mining in market basket

analysis. Retailers can leverage these findings to optimize store layouts through strategically placing related items in proximity, thereby enhancing the probability of cross-selling. Furthermore, it aids in the creation of effective promotional campaigns, including discount offerings on complementary products and the development of personalized recommendations for customers based on their purchase history.

In addition, the utilization of association rule mining has the potential to provide valuable insights for inventory management and supply chain optimization. By comprehending the connections between various items, organizations can effectively manage stock levels, minimize waste, and ensure the consistent availability of popular products to meet customer demands. Consequently, this enhances operational efficiency and enhances customer satisfaction. Moreover, recent advancements in association rule mining, such as frequent pattern mining, have enabled the identification of more intricate and nuanced relationships. Furthermore, the integration of machine learning algorithms and data visualization techniques has empowered businesses to effectively utilize association rule mining for making strategic decisions.

Nevertheless, it is crucial to acknowledge that association rule mining does not establish causal connections between items; instead, it solely recognizes statistical associations. The existence of an association does not inherently imply a cause-and-effect correlation between the items.

In summary, association rule mining plays a significant role in market basket analysis as it facilitates the identification of concealed patterns and associations within customer transaction data. This technique allows organizations to extract valuable insights into customer behavior, optimize store layouts, refine promotional strategies, and enhance inventory management. As businesses increasingly embrace the potential of data analytics, association rule mining remains an indispensable tool for comprehending and capitalizing on customer purchasing patterns.



Dr. Anna Rostomyan
Lecturer

Areas of expertise:

Neuropsychology of Emotions, Emotional Intelligence, Emotion Management, Neuroleadership

EMOTION / MEMORY / EDUCATION

The Impact of Emotions on Working Memory and its Effects in Education

Working memory is a cognitive system with a limited capacity that can hold information temporarily. It is important for reasoning and the guidance of decision-making and behavior. Working memory is often used synonymously with short-term memory, but some theorists consider the two forms of memory distinct, assuming that working memory allows for the manipulation of stored information, whereas short-term memory only refers to the short-term storage of information. Working memory is a theoretical concept central to cognitive psychology, neuropsychology, and neuroscience.

Emotions are mental states brought on by neurophysiological changes, variously associated with thoughts, feelings, behavioral responses, and a degree of pleasure or displeasure. There is currently no scientific consensus on a definition. Emotions are often intertwined with mood, personality, disposition and/or creativity. When emotions overwhelm concentration, what is being swamped is the mental capacity cognitive scientists call "working memory", the ability to hold in mind all information relevant to a certain task at hand. This holds true also for examinations and tests in university settings.

Working memory is an executive function par excellence in our higher cognitive processes, making all other intellectual processes plausible. Speaking in neuropsychological terms, the prefrontal cortex executes working memory and this is the very place where emotions and feelings are mostly processed.

Therefore, if we experience very strong positive and/or negative emotions, they may have an influence on and impact our working memory, which in its turn may affect our performance, especially in education, where students have to receive, hold, and process different piles of chunks of information which is imperative in taking exams and writing assignments.

It follows from the above that in case educators become aware of the importance of the emotions of the students and the students become aware of the relevance of their very own emotions in a resultant positive production and reproduction of knowledge, they will eventually stand a better chance of having more

enhanced results, which are improved due to better working memory, both the students and the society benefit from it.



Sahar Shekaliu
Lecturer

Areas of expertise:

Communication Science, Social Media, Corporate Sustainability, Circular Economy

MIGRATION / ECONOMIC GROWTH

The War on Talent Worker

Germany deals with a fundamental migration dilemma. It is one of the first destination of the refugees from developing and war-torn countries, looking for a haven while skilled professionals from outside of the European Union—workers the economy critically needs—are not very interested. The global war for talents initiated an overhaul of immigration system in many countries to smooth entry for skilled workers. Germany has been competing with more favourable destinations such as Canada and Australia to lure more skilled migrants, with the surge in demand exacerbated by an ageing population.

According to the very recent survey by Expat Insider, immigrants described Germany as lonely and unfriendly, and they feel that much could be improved about their adopted home. Regardless of Germany's efforts to appear more appealing, a new Organisation for Economic Cooperation and Development report lists the largest economy in Europe as only the 15th most attractive country for foreign workers—just behind Portugal, Denmark, and Ireland and way behind front-runners New Zealand, Sweden, and Switzerland.

Germany is less attractive to top talents due to different social and economic reasons. Language barriers, the recent rise of far right, having a reputation for being bureaucratic, lower income and higher taxes are some grounds to keep qualified workers away. The tug-of-war for talent continues around the world, as economic growth, innovation, and maintaining a competitive edge are key drivers behind this endeavour. By offering enticing

incentives and favourable living conditions, these nations hope to secure the talent needed to thrive in the dynamic and fast-paced global economy. To keep ahead of this fierce competition, Germans and Germany have to rethink the way they perceive the country and themselves as a culturally diverse place, where the language is spoken with accents and mistakes and citizens are every bit equal to native-born Germans.



Dr. Gemma Vallet
Lecturer

Areas of expertise:

Digital Branding & Marketing, Marketing Direction & Strategy, Innovation in Advertising & Media strategy

BRANDING

LUXURY BRANDING IN CHINA

Retail brands are reconfiguring themselves to engage the ultra rich consumer

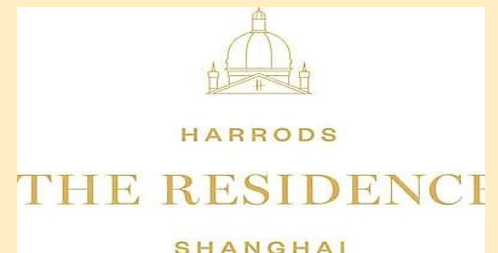
Asia is now the world's largest economy and it's growing fast. And the apparel, fashion, and luxury market in China remains one of the largest and most dynamic in the world. China today is the place for global luxury brands. Despite a challenging economic global situation, China remains really attractive because of its rapid urbanization, expanding upper-middle class, and increase in cosmopolitan cities... and for its growth: in the last decade China has experienced a 10 percent growth rate. The forecast is that in 2030 China would be adding the GDP equivalent of India, Indonesia, and Japan altogether. But, China is a really complex and challenging market, it's today much more competitive than it was 10 to 20 years ago. Local brands are emerging with solid value propositions, stealing the market of traditional global western brands. Innovation is a must for traditional brands to succeed in this landscape. Retail brands such as Harrods are leading the way.

Innovating in hospitality to engage the ultra rich consumers. Harrods's response to China's new market is to recreate a contemporary loyalty club and it is launching at the end of 2023 in Shanghai its first-ever membership. Harrods Club, will provide a Soho House alike experience with the classy luxury imprint of Harrods brand.

The branding formula to stay relevant for the ultra rich: refreshing the traditional experience of exclusive British private clubs and leaning into hyper-personalisation

Harrods members club launch comes at a time when luxury retailers are looking for ways to

differentiate in a really competitive scenario, using a contemporary and innovative approach to engage the ultra rich. Retail branding is no longer about selling the latest products to a wealthy client; it's about connecting with communities through shared interests and offering unique experiences. That's the vision of British luxury retailer Harrods, with the launching of its first-ever private members' club at the end of the year in Shanghai, China. If the launch is successful, more openings could follow globally.



A recent press release from Harrods describes the new club as having private dining rooms as well as a bar, lounge and outdoor terrace. Members can taste British chef Gordon Ramsey's first dining experience in Shanghai and some of the world's most sought-after liquors, such as Macallan whisky and Louis XIII cognac. They will also have access to ultra-premium services in aviation, real estate, interior design and personal shopping, as well as private events and masterclasses hosted by brand partners. It's based in Cha House, a municipally protected building spanning over 5,620 square feet in the Jing'an District. There are three membership tiers, with annual fees starting from RMB 150,000 (about £16,000) and going up to RMB 250,000 (about £26,700). Each tier unlocks access to exclusive experiences and benefits. A total of 250 members will be accepted to join at launch. Additional members will be considered further down the line, taking peer nominations into account.

The winner marketing strategy: membership over a loyalty programme

Luxury traditional Harrods competitors such as Selfridges and Browns also have their own version of a members' club. Selfridges new membership scheme, Selfridges Unlocked, offers members access to masterclasses with big beauty names, film releases and supper clubs, as well as other unique curated experiences. Farfetch-owned Browns has The Club, a tier-based membership based on spend per annum or invitation, which provides members with exclusive access to events, products and personal shopping services. A lot of the international well-known luxury brands are using hospitality as a new entry point for consumers. They are heavily investing and innovating in membership private club formulas because traditional loyalty programs are about giving cashback and discounts and this affects their profit margin.



In the image PRADA Caffé, the exclusive coffee shop at Harrods famous Knightsbridge store, London.

Private clubs initiatives such as the one of Harrods can be the formula to repositioning their brand and re-gain margin. Chinese consumers accounted for 23 percent of Harrods's business in 2019. That figure fell to 16 per cent in 2022. In the coming years Harrods has in the Asian market the opportunity to regain its business.

N.B. About Harrods:

The British luxury retail brand Harrods has been serving customers from its Knightsbridge store since 1849 and today the store is probably one of the world's ultimate luxury emporiums. Harrods is home to more than 3,000 curated brands as well as over 20 dining destinations and expert fashion, home, beauty and wellness services. In addition, Harrods also serves customers via harrods.com, with beauty and airport stores and hospitality destinations in China and Qatar. Innovation has been a driven force for Harrods, following its motto: "anything is possible".

Key takeaways for luxury brands repositioning in the competitive and growing Asian market:

- Target audiences. Selectively choosing to focus on segments that are more promising in China than elsewhere like young audiences.
- Product. Diversification in the product portfolio, due to the rapid way that local competitors in many ways are faster adapting products and brands.
- Branding. Brands must tailoring the local tastes and develop true local marketing.
- Consumer Experience. It is all about delivering an exclusive experience.
- Loyalty and Advocacy. Create Clubs Membership instead of loyalty programs. The club is an opportunity to build brand equity and strengthen relationships with customers and stakeholders.

Endnotes

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Areas of expertise:

Tourism Management, Sustainable Tourism,
Socio-cognitive Mindfulness Theory

TOURISM

Accessible Destinations

Making destinations and all the other tourism products and services accessible to all types of tourists has been very important topic. People with disabilities should have the equal opportunities and navigations so that they can feel satisfied with their experiences. Recently, accessible tourism examples have been increasing globally and it is a very pleasant fact. "Photo Route Brighton" can be considered as one of these successful examples. This project is not only useful for visitors with disabilities, but also for the elderly people or companion of visitors with disabilities and visitors with limited English. If you want to read more about the project, you can find the details on this [link](#).



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