Asians see health as the new wealth, says LVMH regional boss

By Astrid Wendlandt - 13 November 2018

Asians catching up on the West’s obsession with health and wellness is a trend that has created attractive investment opportunities, Ravi Thakran, chairman of private equity firm L Catterton Asia and a regional LVMH boss, told a luxury conference on Tuesday.

“Health, wellness, organic to eat or put on your body have become areas of growth for the future,” Thakran, group chairman of LVMH South Asia, South East Asia, Australia and the Middle East said at the New York Times International Luxury Conference in Hong Kong.

Thakran said Asians had adopted many Western healthy habits such as running.

“Before in the 1990s, nobody ran for health, they would run only to catch a bus or run away from something. Now there are hundreds of marathons in China,” Mr Thakran said. “Same for dogs, before you would never see someone walking a dog, the only place you saw a dog was on the menu.”

Thakran said sustainability was another attractive investment area as consumers in big markets such as China increasingly wanted to know “who made that product, with what and where. They will not buy if they do not get answers to these questions,” he added.

Thakran sought to highlight the importance of Asia for the global economy and cited analysts’ estimates that around 65 percent of world economic growth between now and 2030 was expected to come from Asia.

L Catterton Asia is the product of the 2016 merger between L Capital Asia, which was set up in 2010 by Thakran with investment from LVMH, and US private equity firm Catterton, known for its focus on consumer goods. L Catterton Asia has invested in 22 companies including up-and-coming South Korean eyewear brand Gentle Monster, which opened a shop in Selfridges in London this summer and has plans to expand its footprint in Paris and the Middle East. The private equity firm also owns stakes in fashion brands Ra&sh, Pepe Jeans and Giuseppe
and the Middle East. The private equity firm also owns stakes in fashion brands Balenciaga, Pepe Jeans and Giuseppe Zanotti as well as a wide range of companies including Core Power Yoga that provides yoga classes and the Protein Bar &Kitchen chain that sells protein shakes and salads in the United States.

Thakran said there was a lot of creative talent in Asia in fashion areas such as embroidery and lace to name a few but the best story-telling still came from the West. He said Japanese fashion brands, for example, were very creative but needed to “open up their chest” and tell their story to the world more loudly.

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