CAREERS

MAJORING IN LA DOLCE VITA

B-school training in luxury retailing is part brand management, part finishing school

FIELD TRIP MBAs get a feel for the goods

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BY CAROL MATLACK

VIRGINIA WRIGHT, A self-described fashion junkie from Atlanta, would be the first to admit that she had a blast attending a week of runway shows in Paris last fall. Not that it was all pleasure, mind you. Wright is pursuing an MBA in luxury brand management at ESSEC, a business school outside Paris, and the shows were part of her course work. "I'm getting all the benefits of a general MBA with this amazing extra layer," Wright says.

Savoir faire in selling expensive stuff is the newest Old World export. To position themselves as gateways to the $90 billion global luxury goods trade, European business schools are blending traditional fare such as finance and accounting with specialized courses in luxury retailing and brand management. In class, students complete case studies on industry heavyweights, learning, for instance, the importance of an aura of exclusivity after concluding that Polo Ralph Lauren lost cachet by opening too many outlet stores. That sort of work is topped off with field trips to, say, Italian leather goods factories or Swiss watchmakers' workshops. Students even learn to evaluate gemstones under a loupe, and to taste and serve fine wines. "If you're going to manage a luxury brand, you have to have a certain level of culture," says Alice Riese Rolley, a student from Germany.

Fashion shows, fine wine, but lower starting salaries

Sounds like fun, but these programs fill an urgent need. With sales growing 11% annually, the industry is hungry for talent. "In China alone, we will hire probably 1,000 managers in the next five years," says Concetta Lanciaux, human resources chief of Paris-based LVMH Moët Hennessy Louis Vuitton. Traditionally, most luxury houses were family-run. Today, though, the business is increasingly dominated by conglomerates such as LVMH and Gucci Group. "There's a real need for people with an international profile who understand the luxury world from inside," says Floriane de St. Pierre, a headhunter in Paris.

PERKS, NOT PAY

MOST GRADUATES OF ESSEC's program, now in its 11th year, quickly land jobs at companies ranging from Christian Dior Couture to diamond seller DeBeers to penmaker Montblanc. Initially, most students came from Europe and Japan. But as growth has shifted to developing Asia and the U.S., more than two-thirds now hail from those regions. ESSEC says it accepts only a third of applicants for the 30 or so slots in its 11-month program.

Rival schools want a piece of the action. The International University of Monaco and French B-school HEC both launched luxury management programs in September. HEC even holds its classes in Beijing, to meet strong demand there. About half the faculty members commute from France, and students spend eight days in Paris for a cultural immersion crash course. "I'm learning how to create a product strategy, how to communicate," says Wendy Hao, a student in HEC's Beijing program who hopes to launch her own fashion brand.

Many students are looking for a career change. ESSEC alumni include a former Ford Motor Co. engineer who now works for Prada, and a research manager from Nestlé who joined Bulgari. Students rave about the contacts they develop with luxury company executives, who give guest lectures and volunteer as mentors. Such access makes ESSEC's $36,000 tuition "a great deal," says Wright, a former public-relations executive who hopes to land a fashion marketing job in the U.S.

A year in Paris, living the champagne-and-caviar lifestyle, hobnobbing with makers of chic bags, shoes, and watches—is there a catch? Well, starting salaries in luxury are usually lower than in finance, consulting, and other areas that recruit MBAs. But, says Ketty Maisonrouge, a New York-based luxury goods consultant: "Students are willing to take a pay cut to enter this field." ■