

# LUXURY AI PRINCIPLES

Emil Kotomin, June 2025

# THE LUXURY CODE

HOW DOES ONE CREATE EXCLUSIVITY IN A WORLD OF INFINITE DIGITAL REPRODUCTION?  
BUILD LASTING VALUE WHEN COMPETITORS CAN  
COPY INTERFACE,  
MIMIC FEATURES,  
UNDERCUT PRICES?

BENEATH THE MARKETING NOISE AND ARTIFICIAL SCARCITY,  
LUXURY OPERATES ON IMMUTABLE PRINCIPLES,  
AS APPLICABLE TO AI SERVICES AS THEY ARE TO TOURBILLON  
WATCHES AND VICUÑA SUITS.

# PURPOSE

PURPOSE PROVIDES THE FRAMEWORK FOR MAKING DIFFICULT DECISIONS ABOUT WHAT TO INCLUDE, EXCLUDE, OR PRIORITISE. IT HELPS RESIST SHORT-TERM PRESSURES.

Luxury brands don't just make **products**, they represent **worldviews** that customers want to be associated with. This emotional alignment generates loyalty that survives changes in fashion, technology, or personal circumstances.

Purpose provides the framework for making difficult decisions about what to include, exclude, or prioritise. It helps brands maintain consistency across products and marketing channels, and resist short-term pressures that might dilute their identity.

# WHAT IT MEANS FOR AI

IT MEANS BEING WILLING TO SAY “NO” TO FEATURES OR USE CASES THAT DON’T ALIGN WITH YOUR CORE PURPOSE, EVEN IF THEY MIGHT BE HIGHLY PROFITABLE.

This means making deliberate choices about what your product will and won't do, based on a coherent worldview rather than market opportunities. It means having opinions about how technology should contribute to a better human experience.

Ultimately, it means being willing to say “no” to features or use cases that don't align with those principles, even if they might be highly profitable.

## INTELLECTUAL & ARTISTIC MERIT

LUXURY PRODUCTS OFFER SUBSTANCE BEYOND IMMEDIATE FUNCTION – SOMETHING TO THINK ABOUT, DISCUSS, AND APPRECIATE MORE DEEPLY OVER TIME.

Luxury products offer layers of meaning that reveal themselves gradually to engaged owners. This intellectual dimension transforms ownership from simple consumption into ongoing discovery. The complexity might manifest as innovative engineering, historical significance, artistic achievement, or cultural resonance.

What matters is that the product offers substance beyond its immediate function – something to think about and appreciate more deeply over time. As customers understand more about the complexity, history, or innovation behind their purchases, their connection to the product strengthens rather than fades.

## WHAT IT MEANS FOR AI

NOVEL APPROACHES, CAPABILITIES THAT EMERGE FROM THE INTERSECTION WITH SPECIALISED DOMAINS LIKE ART, PHILOSOPHY, OR PROFESSIONAL EXPERTISE.

For AI products, this principle demands genuine innovation rather than incremental improvements to existing capabilities. This might mean algorithms developed using novel approaches, or capabilities that emerge from the intersection of artificial intelligence with specialised domains like art, philosophy, or professional expertise.

The key is offering something genuinely distinctive rather than a functionally better version of widely available tools. This could include AI that has been trained by masters of particular crafts or disciplines. Thus, the product becomes a conduit for human expertise rather than a replacement for it.

# DELIGHT

QUALITY PRODUCTS ELIMINATE PROBLEMS,  
LUXURY PRODUCTS CREATE MOMENTS OF  
UNEXPECTED PLEASURE.

Quality products eliminate problems, luxury products create moments of unexpected pleasure that linger in memory long after the initial function has been served.

The delight factor requires understanding the emotional and social context of product use and creating moments that feel almost magical in their execution.

The creation of delight often involves obsessive attention to details that most customers will never consciously notice. While functional benefits can be measured and compared, the emotional resonance of perfectly orchestrated delight exists in the realm of feeling rather than analysis. The customer feels cared for at a level they cannot quite articulate but definitely perceive. It creates customer attachment that transcends rational evaluation.

# WHAT IT MEANS FOR AI

ANTICIPATE NEEDS, SURFACE INSIGHTS USERS DIDN'T KNOW THEY WANTED, UNDERSTAND THE EMOTIONAL CONTEXT & GO BEYOND PROBLEM SOLVING TO HAPPINESS INDUCTION.

Delightful AI anticipates needs in genuinely helpful ways and surfaces insights users did not know they wanted.

Luxury consumers expect products to work well; the goal is to surprise users, with experience that goes beyond solving problems, towards making them happier people.

As with any other product, this requires a deep understanding of the emotional context of product use, customer workflows and pain points, extensive testing and refinement.

## LONGEVITY

UNLIKE MASS-MARKET PRODUCTS, DESIGNED FOR RAPID REPLACEMENT, LUXURY ITEMS ARE BUILT TO LAST AND OFTEN IMPROVE WITH AGE.

Unlike mass-market products, designed for rapid replacement, luxury items are built to last and often improve with age. This durability isn't just physical – it encompasses style, relevance, and emotional connection over time.

This longevity creates a different relationship between customer and product. Luxury products improve in ways that matter to their owners. Instead of disposable consumption, luxury purchases become long-term investments that customers maintain, cherish, and sometimes pass down to future generations.

## WHAT IT MEANS FOR AI

FIND NICHES HIGHLY RELEVANT TO A NARROW AUDIENCE, FOCUS ON REFINING CORE EXPERIENCES, EMPHASISE MODULARITY, EXTENSIBILITY AND BACKWARDS COMPATIBILITY.

Instead of chasing the latest trends or rushing to implement every new capability, luxury AI products should focus on deepening and refining core experiences in market niches that are both – highly relevant to their narrow target audience, and not reliant on the cutting-edge tech breakthroughs.

This doesn't mean avoiding innovation, but being selective about which innovations serve your users' long-term interests versus which ones are just technological novelty. While most digital products are designed for rapid obsolescence, luxury AI systems emphasise modularity, extensibility, and backwards compatibility.

## TASTE

LUXURY PRODUCTS OFTEN FEEL SLIGHTLY STRANGE AT FIRST BECAUSE THEY'RE DOING SOMETHING GENUINELY DIFFERENT RATHER THAN EXECUTING FAMILIAR PATTERNS MORE ELEGANTLY.

Taste – the ability to make aesthetic and functional decisions that feel both distinctive and sophisticated – can't be purchased or reverse-engineered from market research or A/B tests.

It requires human judgment, cultural understanding, and often a willingness to challenge conventional wisdom.

The most distinctive luxury products often feel slightly strange at first because they're doing something genuinely different rather than executing familiar patterns more elegantly.

Taste often involves saying "no" to obvious choices and popular trends. It requires confidence to pursue a distinctive vision even when it might not appeal to the broadest possible audience.

## WHAT IT MEANS FOR AI

HAVE A DISTINCT VOICE, AESTHETIC, AND APPROACH THAT DON'T CONFORM TO BEST PRACTICES, VYING FOR MASS-MARKET APPEAL.

The Apple aesthetic has been so prevalent over the past twenty-five years that thoughtful design has been largely supplanted by minimalist conventions.

Luxury products are expected to have a distinct voice, aesthetic, and approach that don't conform to best practices, vying for mass-market appeal.

Luxury products are not for everyone because they're designed specifically for someone.

## EXCLUSIVITY OF ACCESS

USE SCARCITY STRATEGICALLY RATHER THAN ARBITRARILY –  
THE LIMITATIONS EXIST BECAUSE REMOVING THEM WOULD  
COMPROMISE THE PRODUCT'S ESSENTIAL CHARACTER.

Luxury inherently serves limited audiences, but successful brands use scarcity strategically rather than arbitrarily – the limitations exist because removing them would compromise the product's essential character. Effective exclusivity feels natural and justified rather than manufactured.

Customers should understand why access is limited and feel that the limitation serves their interests rather than just the company's pricing strategy. It could be that, at a level expected, the service can only be provided to a limited number of customers. Or that a fast expansion would devalue the product or bring it to consumers the core audience would not want to be associated with.

## WHAT IT MEANS FOR AI

MEMBERSHIP THROUGH INVITATIONS OR REFERRALS,  
OFFERING COMMUNITY & ATTENTION FROM HUMAN EXPERTS,  
PARTNERSHIP WITH LIKE-MINDED BRANDS & SERVICES.

Limited access can become a strategic advantage rather than a scaling limitation. Luxury AI may operate like a private membership club, curating customer base by requiring invitations or referrals for access. Users would pay not just for access to algorithms, but for belonging to a community and for guaranteed attention from expert human curators who understand their specific needs and contexts.

This scarcity wouldn't be artificial – human advisors can only serve a limited number of clients at a time well. A high fee doesn't need to be a barrier either – in fact, tiered access could be occasionally subsidised in line with users' value for the community – e.g. their expertise, and / or contribution. The initial growth may also stem from a partnership with complementary, like-minded luxury brands or premium services.

## EXCLUSIVE CRAFTSMANSHIP

CRAFTSMANSHIP CREATES VALUE THAT CAN'T BE REPLICATED THROUGH AUTOMATION OR COST-CUTTING.

At the heart of a luxury product lies superior craftsmanship. This isn't about hand-made versus machine-made, but about the depth of expertise, attention to detail, and uncompromising commitment to quality of materials and tools required for its creation.

Craftsmanship creates value that can't be replicated through automation or cost-cutting. It represents human endeavour at its highest, which inherently carries rarity and authenticity. The understanding of the commitment required to create the product, spawns respect, emotional attachment and loyalty.

## WHAT IT MEANS FOR AI

EMBODY TRANSPARENCY AND PREDICTABILITY, OFFER ACCESS TO UNIQUE HUMAN EXPERTISE AND / OR UNIQUE DATA COLLECTION / CURATION.

In an era when even AI researchers cannot fully explain their models' decision-making processes, luxury AI must embody transparency and predictability. That means code that can be precisely adjusted without unintended consequences – every algorithm, training decision and user interaction deliberately crafted rather than hastily assembled.

Unique craftsmanship in AI products can manifest through access to unique human expertise – connecting users with world-class specialists across a range of fields. Also, exclusive partnerships with data providers may allow access to proprietary datasets, or create unique data collection and curation processes that cannot be easily replicated by competitors.

# STATUS

CUSTOMERS FEEL PROUD OF THEIR ASSOCIATION WITH THE BRAND BECAUSE IT REFLECTS SOMETHING MEANINGFUL ABOUT THEIR IDENTITY OR ACCOMPLISHMENTS.

Luxury products provide recognition and status that customers value.

This isn't just about showing off, but belonging to communities that share values, interests, or achievements.

Customers feel proud of their association with a successful luxury brand because it reflects something meaningful about their own identity or accomplishments.

# WHAT IT MEANS FOR AI

MAY BE GAINED THROUGH ASSOCIATION WITH RESPECTED FELLOW MEMBERS OR INSTITUTIONS, CAN MANIFEST IN PHYSICAL ARTEFACTS OR EXCLUSIVE ACCESS POINTS.

Status may be gained simply through association with respected fellow members of the community or supporting institutions or through access to exclusive knowledge or expertise.

The physical manifestation presents a unique challenge for digital products, but also unique opportunity.

Luxury AI may come with physical artefacts – custom hardware, beautifully designed symbolic markers or

exclusive access points that signal membership in an

elite group.

The products may be designed to work exclusively with other premium services, accessible only through high-end locations or devices, or marketed through partnerships with established luxury brands.

## ETHICS

WHEN CUSTOMERS INVEST SIGNIFICANT RESOURCES AND ASSOCIATE THEIR IDENTITY WITH A BRAND, UNETHICAL BEHAVIOUR BECOMES PERSONALLY EMBARRASSING.

Consumers may accept corner-cutting from mass-market brands engaged in highly competitive survival races, but luxury products that command higher margins face different expectations. When customers invest significant resources and associate their identity with a brand, unethical behaviour becomes personally embarrassing.

While ethical branding often serves as an expensive form of guilt mitigation rather than genuine moral commitment, with purchasing patterns consistently revealing a disconnect between consumers' stated values and their actual spending behaviour, brands with deep, genuine commitment are rare and may arouse long-term loyalty, provided their offer satisfies customers' other requirements.

## WHAT IT MEANS FOR AI

EXCEPTIONAL STANDARDS FOR DATA PRIVACY, ALGORITHMIC FAIRNESS, ENVIRONMENTAL IMPACT AND LABOUR PRACTICES.

Elevated expectations for data privacy, algorithmic fairness, environmental impact, labour practices and transparency about the product's limitations.

Luxury customers will not tolerate the cavalier approach to responsibility that characterises much of the current AI industry.

Premium pricing and severely limited pool of potential customers and partners, create premium expectations for ethical development and deployment.

The social contract of luxury requires brands to justify customers' investment and trust through consistently superior behaviour.

## RELIABILITY

LUXURY COMPANIES INVEST IN PREVENTING FAILURES THAT MAY NEVER OCCUR.

Reliability in luxury contexts extends far beyond basic functionality into the realm of psychological comfort and encompasses every aspect of the experience. Predictable excellence across all touch points creates a cocoon of certainty in an uncertain world.

This level of reliability requires redundant excellence – multiple backup mechanisms, extensive testing, and human oversight at every critical juncture. Luxury companies invest in preventing failures that may never occur, because the mere possibility of failure undermines the psychological contract with customers who expect perfection.

## WHAT IT MEANS FOR AI

HUMAN OVERSIGHT MIGHT SEEM LIKE A LIMITATION, BUT MAY ACTUALLY BE A FEATURE: LUXURY HAS ALWAYS BEEN ABOUT HUMAN EXPERTISE AND JUDGMENT.

Luxury customers don't just want something that works most of the time, they want absolute confidence. Currently, achieving this level of reliability in AI requires human oversight.

This might seem like a limitation, but may actually be a feature: luxury has always been about human expertise and judgment, AI just amplifies these capabilities.

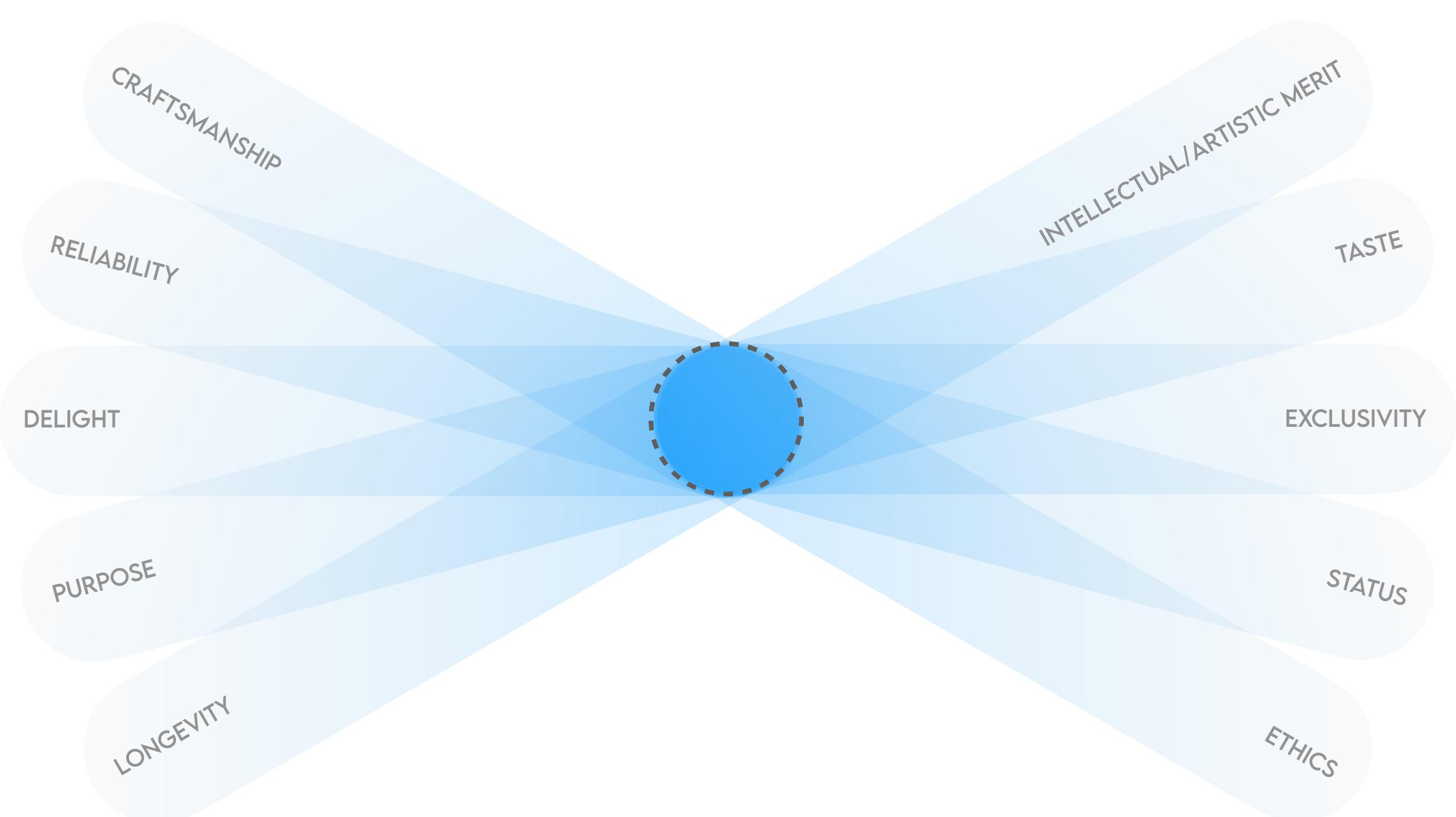
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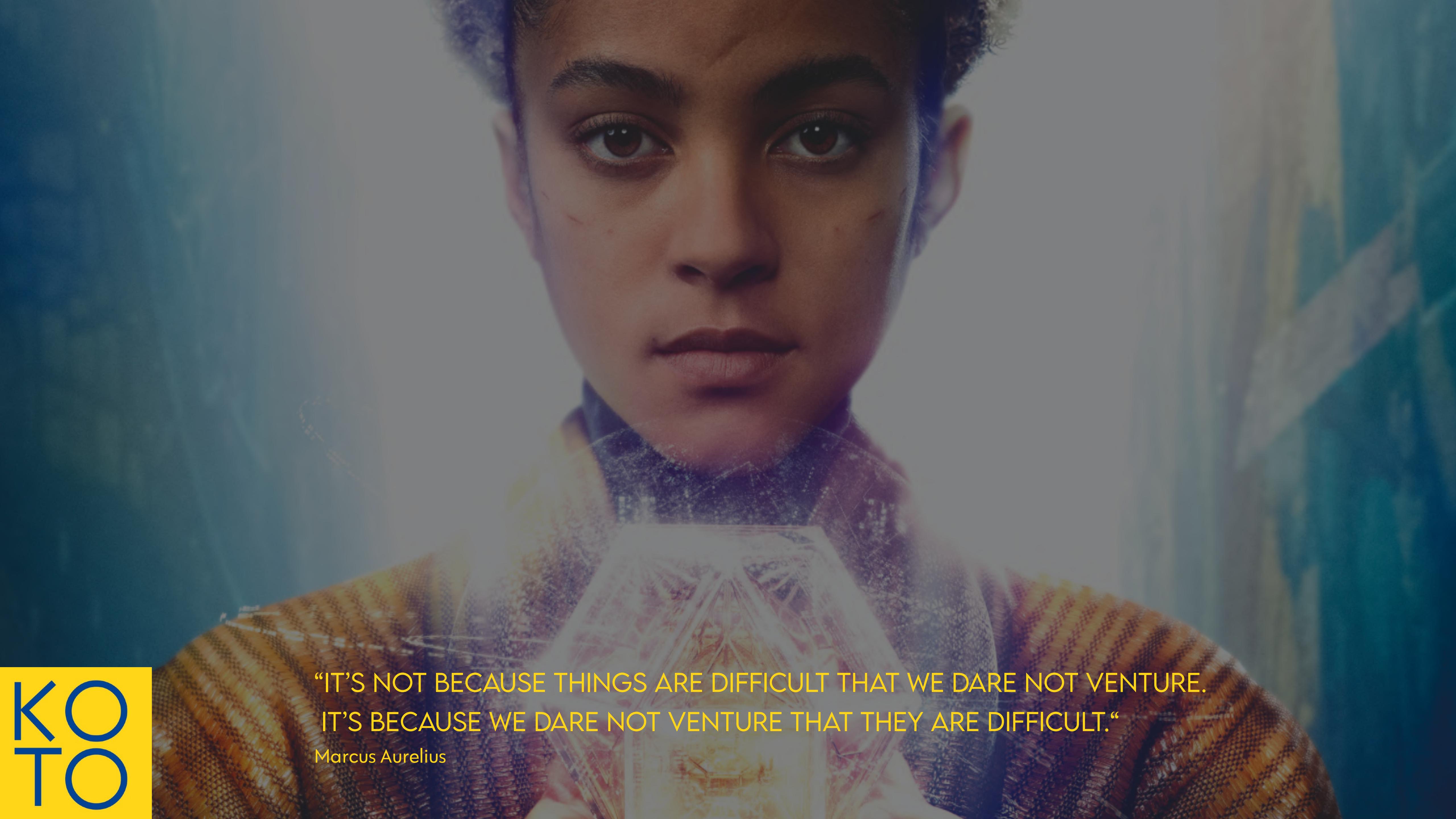
None of these qualities alone are enough. Successful luxury companies excel across multiple dimensions, creating experiences that transcend consumption, offering access to forms of beauty, quality and meaning worth the investment for those, who understand and appreciate the difference.

In a world increasingly dominated by algorithmic optimisation and cost reduction, they preserve spaces for human expertise, aesthetic judgment, and the pursuit of perfection for its own sake.

Quality products eliminate problems, luxury products – create joy.

Planning for long-terms success, luxury AI companies need to identify narrow niches, relevant specifically to their audience, where technology can supplement human expertise to create moments of extraordinary, delightful magic.





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“IT'S NOT BECAUSE THINGS ARE DIFFICULT THAT WE DARE NOT VENTURE.  
IT'S BECAUSE WE DARE NOT VENTURE THAT THEY ARE DIFFICULT.”

Marcus Aurelius