








Key Global Luxury Trends

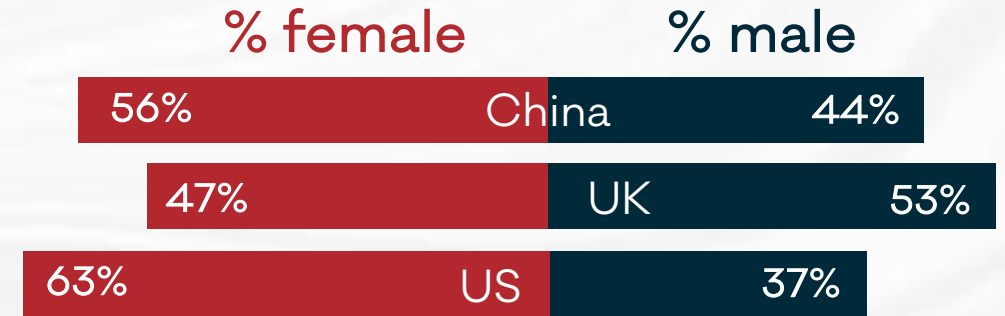
September 2018

Agenda

- Altiant & Luxury Opinions
- The Luxury Shopping Experience: Online vs Offline
- Creating an Emotional Connection
- Sustainability and Ethics

About The Sample

	 CN	 US	 GB
n	205	208	201
<i>Verified panellists with the equivalent of at least £5,000 spent on hard or soft luxury within the past year</i>			
 Median HHI	RMB 1.47	\$977,000	£380,000
 Spend > £10K	72%	67%	47%



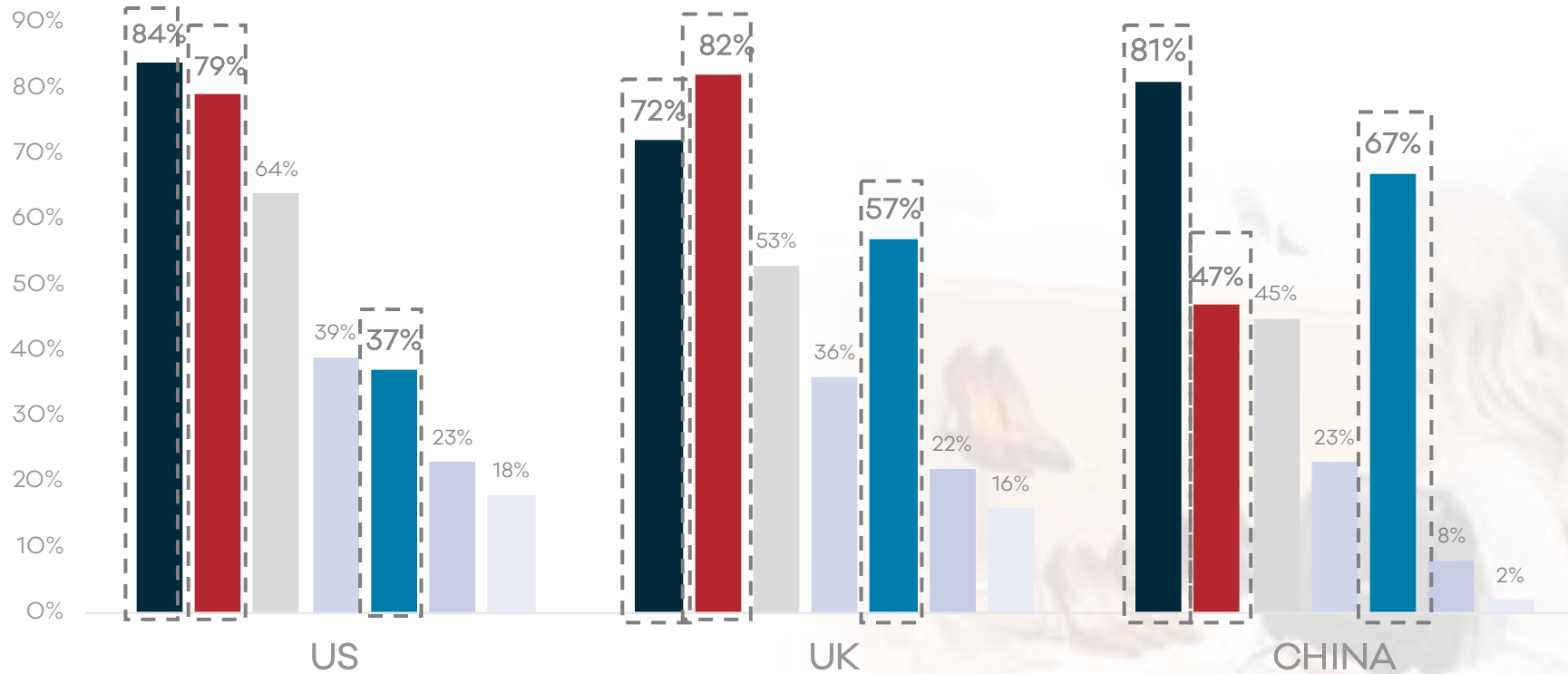


Luxury Shopping: In-store vs Online

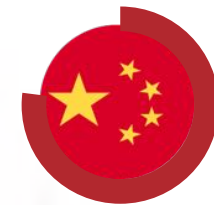
A L T I A N T

Stores remain popular venues to buy luxury goods

"In which of the following locations have you purchased luxury products within the past year?"



Luxury shoppers who only use 1-3 channels



77%



55%



52%

Base: All luxury shoppers in country
Source: LuxuryOpinions®/Altiant

Chinese most likely to see luxury shopping as a social experience

“When buying luxury goods in stores, who do you typically shop with?”

Luxury shoppers who only shop alone



30%



25%

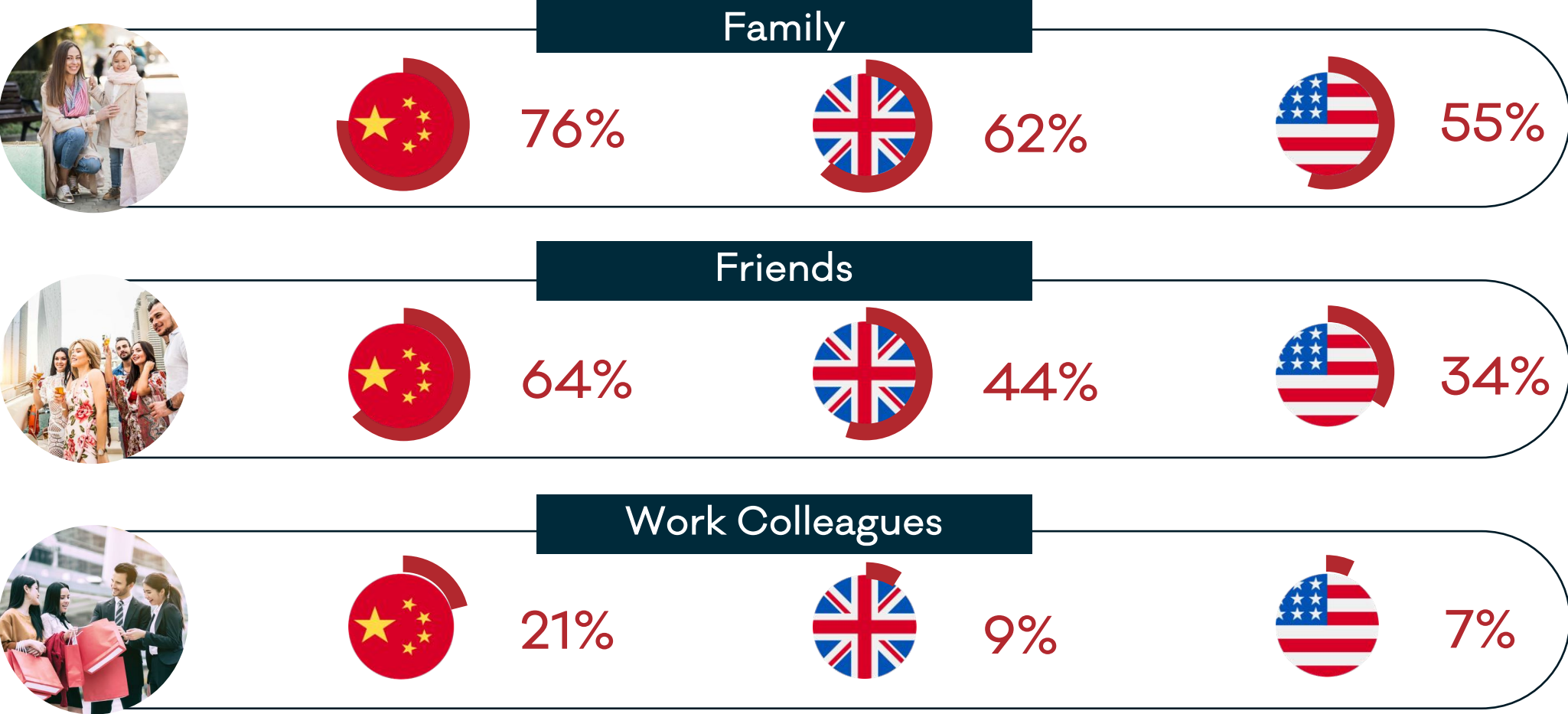


5%



Chinese most likely to see luxury shopping as a social experience

“When buying luxury goods in stores, who do you typically shop with?”



The allure of online

"Which of the following statements about shopping for luxury goods/services online do you agree with?"

Any online luxury shoppers



74%



67%



53%

It is more convenient

67%

I'm interested in creating a saved style profile online to find suitable clothes...

66%

It's easier to find what I want

66%

I think I am more likely to get a special offer

63%

I think it's cheaper

49%

0% 20% 40% 60% 80%

Base: All luxury shoppers in country
Source: LuxuryOpinions®/Altiant

Nearer stores would entice many luxury shoppers

"Would you be more likely to visit luxury stores, or visit them more often, if they were located closer to your home?" [any response of 'definitely' or 'probably']



93%



86%



66%

Over 4 in 5

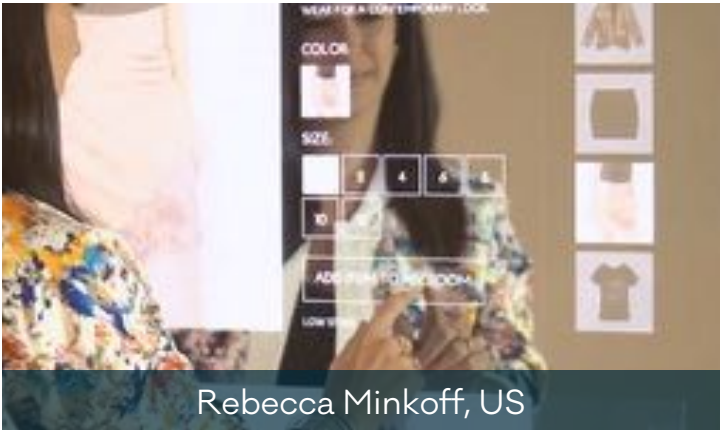
luxury shoppers either do **lots of, or some**, research of a brand or a product **before shopping** in stores...

And agree that it is important to **try** luxury goods **before buying** them

Creating Luxury Experiences

9/10

luxury shoppers think that it is important for a luxury brand/service to have its **own shops** where people can view and **buy products in person**



Rebecca Minkoff, US



Sneakerboy, Melbourne



Pradasphere, Harrods, London

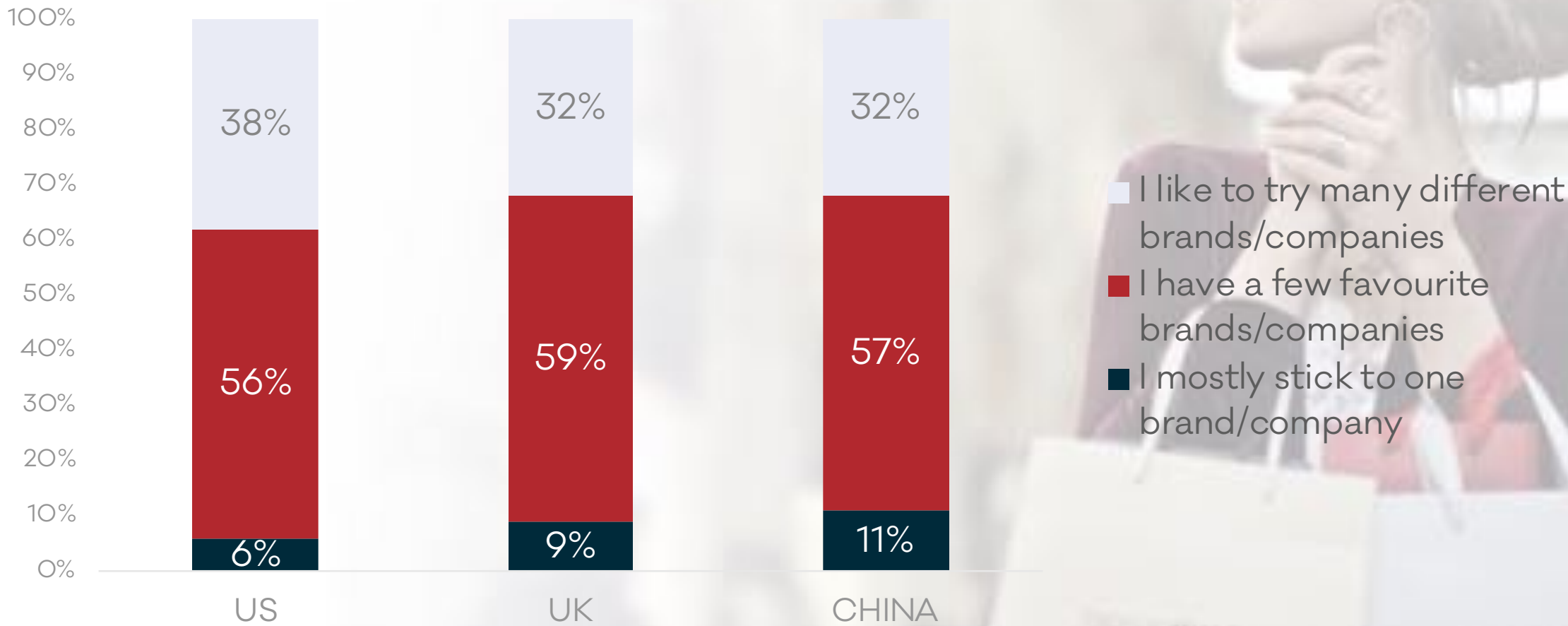
A woman with long dark hair is seen in profile, looking out of a large window. The window offers a view of a cityscape with buildings and hills. The entire image is overlaid with a semi-transparent red filter. A single white dot is positioned in the upper center of the frame.

Creating an Emotional Connection

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Most luxury shoppers have a brand repertoire

"Which one of the following statements is most applicable to you when buying luxury goods or services?"



Luxury goods brands resonate most often

“We would now like to ask you about how connected you feel to luxury brands. Are there any luxury brands which you feel particularly strongly connected or loyal to?”

 **GUCCI**
Top brand 

 **LOUIS VUITTON**
Top brand 

 **CHANEL**
Top brand 

Other cited brands

PRADA
GIORGIO ARMANI

 **ROLEX**

 **MULBERRY**

 **OMEGA**

 **PATEK PHILIPPE**
GENEVE

 **COACH**
NEW YORK

Cartier

TIFFANY & Co.

Personalisation and exceeding expectations key

"Please tell us about any examples of an especially memorable shopping experience when buying luxury products in stores."

*'...They gave us Champagne and **made us feel** we were the most **important** customers. They were **warm, polite, unrushed**, explained the history of the brand.'*

*'Buying a Chanel bracelet on Sloane Street and we were given a pair of cufflinks **free** for my husband. They knew he was buying an anniversary present and felt he deserved something too. It was a **cute gesture**.'*

*'The staff are always **very attentive and polite** but in this particular instance, I wanted a handbag that was out of stock. Fear not, they sourced it from another branch, sent it over and provided me with a few **refreshments** whilst I was waiting - fantastic!'*




*'When my daughters were in their early teens, Tiffany's in Boston treated them like real customers a brilliant example of **'lifetime view of the customer.'***





Selfridges, London


Different factors resonate with different cultures

"Which of the following factors help to explain your connection to this/these luxury brand(s)?"

			
It makes consistently high quality products	66%	82%	81%
It has a strong heritage	48%	62%	61%
It always exceeds my expectations	48%	46%	59%
It is a cool brand	40%	37%	45%
It is a brand which I want to be seen with	39%	62%	58%
It is endorsed by a celebrity I like	33%	7%	4%
It is an innovative brand	32%	29%	48%
Its location of production (eg 'Made in Italy')	31%	22%	34%
My friends/family also own the brand's products	28%	31%	27%
I follow/engage with the brand on social media	24%	16%	19%
It acts sustainably/ethically	22%	10%	20%

 + Sustainability and social media/celebrity
- High quality and brands to be seen with

 + Quality, heritage and image
- Origins, social media and sustainability

 + Quality, heritage, going 'above and beyond', coolness and innovation

Base: All luxury shoppers who stated brand(s) which they have an emotional connection to in country
Source: LuxuryOpinions®/Altiant



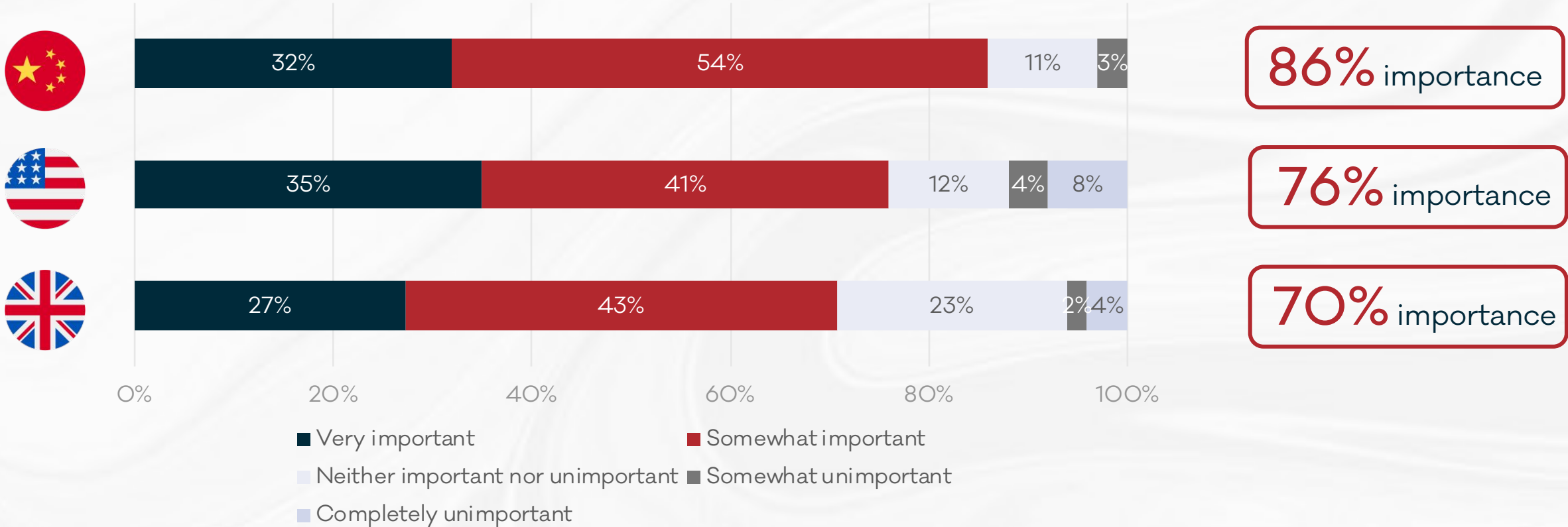
Sustainability and Ethics in Luxury

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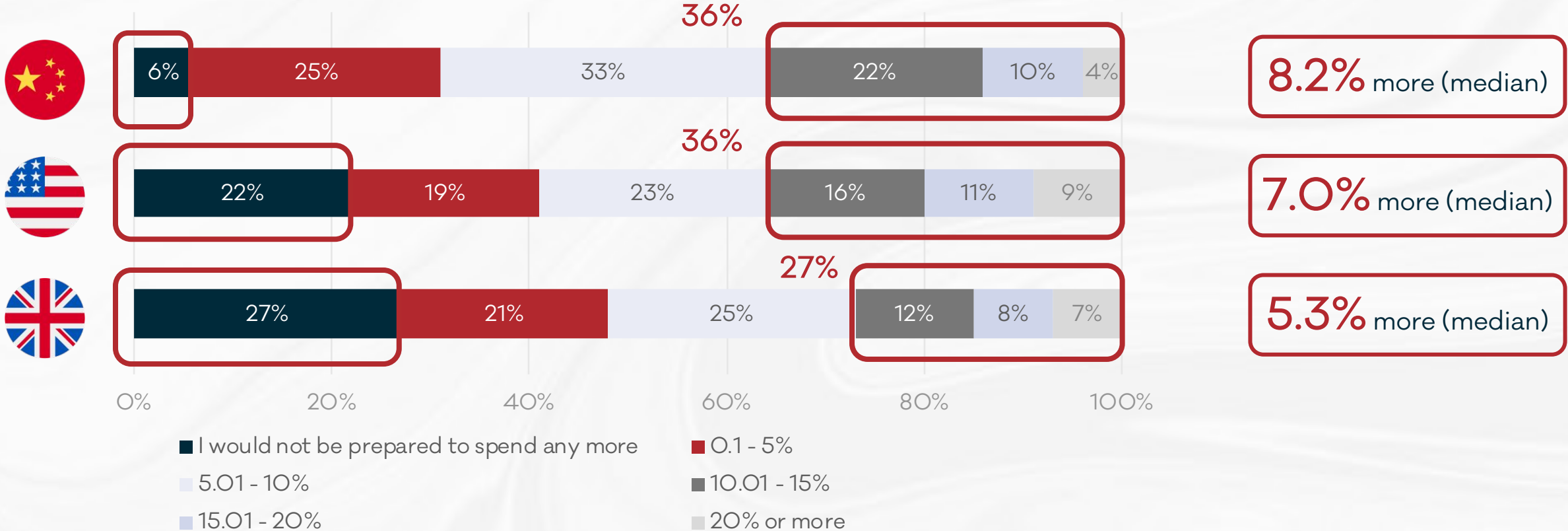
Sustainability is important to many

“How important is it that a brand acts sustainably or ethically when you are buying luxury products/ services (for example, a brand which tackles climate change or makes charitable donations)?”



Chinese are most likely to be willing to pay more for sustainability

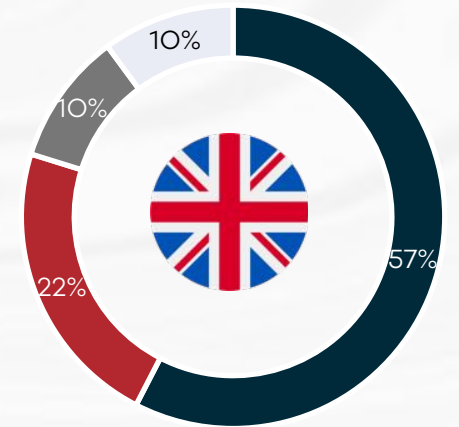
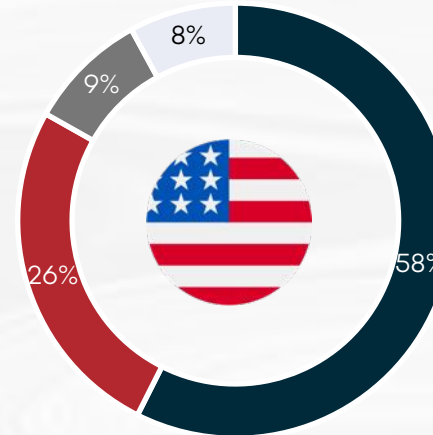
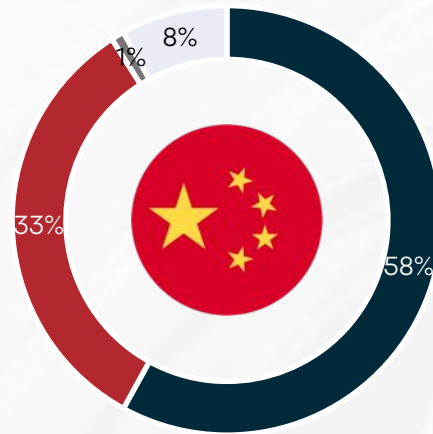
“How much more would you be prepared to pay for the following products if they were made sustainably or ethically?” [average of four categories]



Trust is high in sustainable claims in all three countries

“Which of the following statements do you most agree with in relation to luxury brands’ sustainable and ethical claims?”

- I pay close attention to, and believe in, the claims
- I would trust the claims if I noticed them
- I notice the claims but do not trust them
- I have no interest or trust in the claims



91%

84%

79%

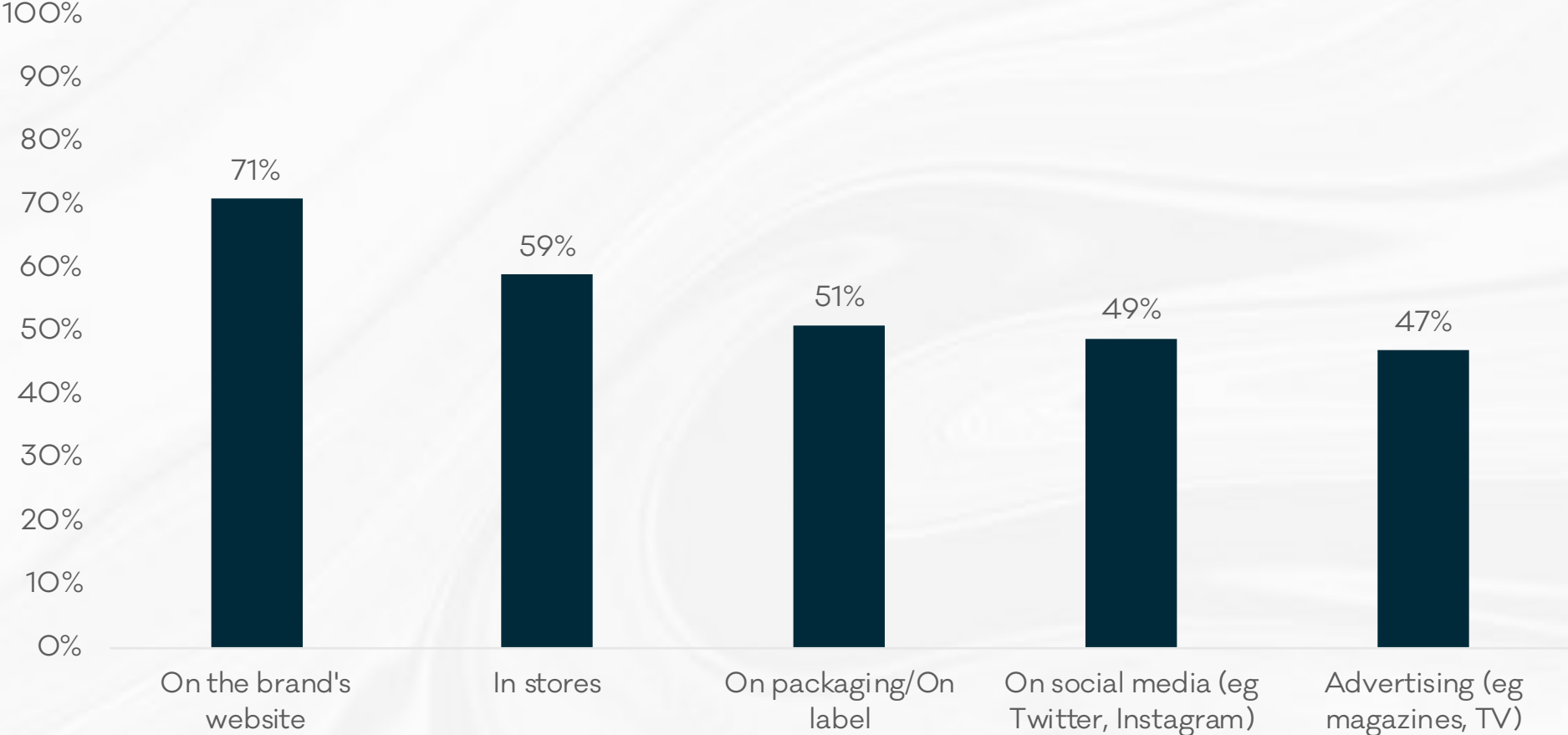
Potential for trust

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Base: All luxury shoppers in country
Source: LuxuryOpinions®/Altiant

Websites and in-store activity are good sustainability platforms

“Finally, how would you like luxury brands and services to inform you about their sustainability commitments and efforts?”



Key takeaways

- 1. Despite the popularity of online, physical stores remain important to many luxury shoppers, particularly the Chinese respondents.
- 2. Stores could tap into many consumers' desire for leisure experiences.
- 3. 9 in 10 luxury shoppers have a repertoire of at least a few luxury brands.
- 4. Quality (78%), heritage (58%) and being a brand to be seen with (55%) are the main ways to build emotional connections with luxury consumers.
- 5. Almost 1/3 of our sample will pay more than 10% more for sustainable products, but claims must be credibly communicated.

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