

# Getting Wired into the Changing Luxury Consumer

Luxury shoppers have no borders and make purchases in all corners of the world. They're immersed in today's mobile and digital world, and they expect the most from their shopping experience.<sup>1</sup>

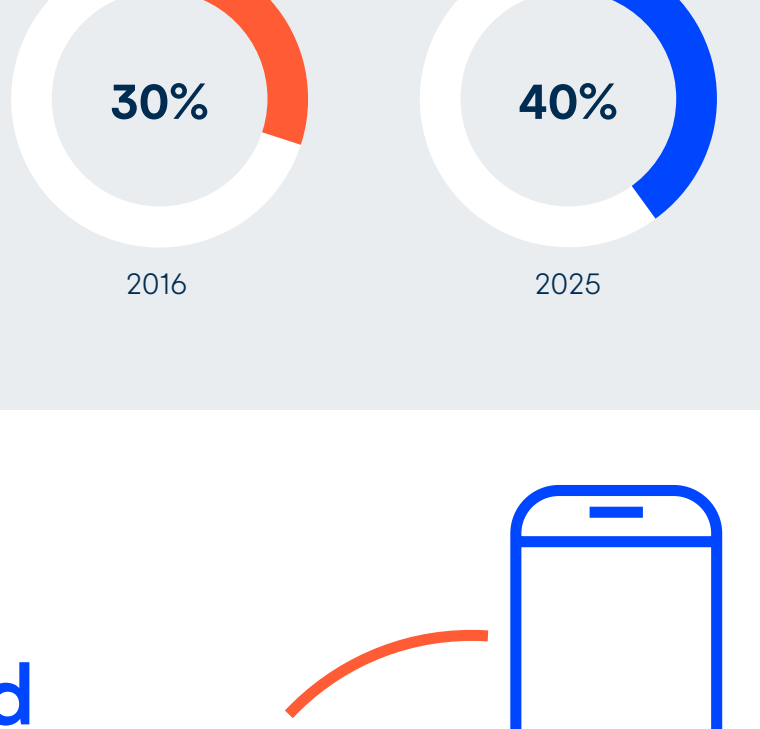


## Today's luxury consumer is younger:



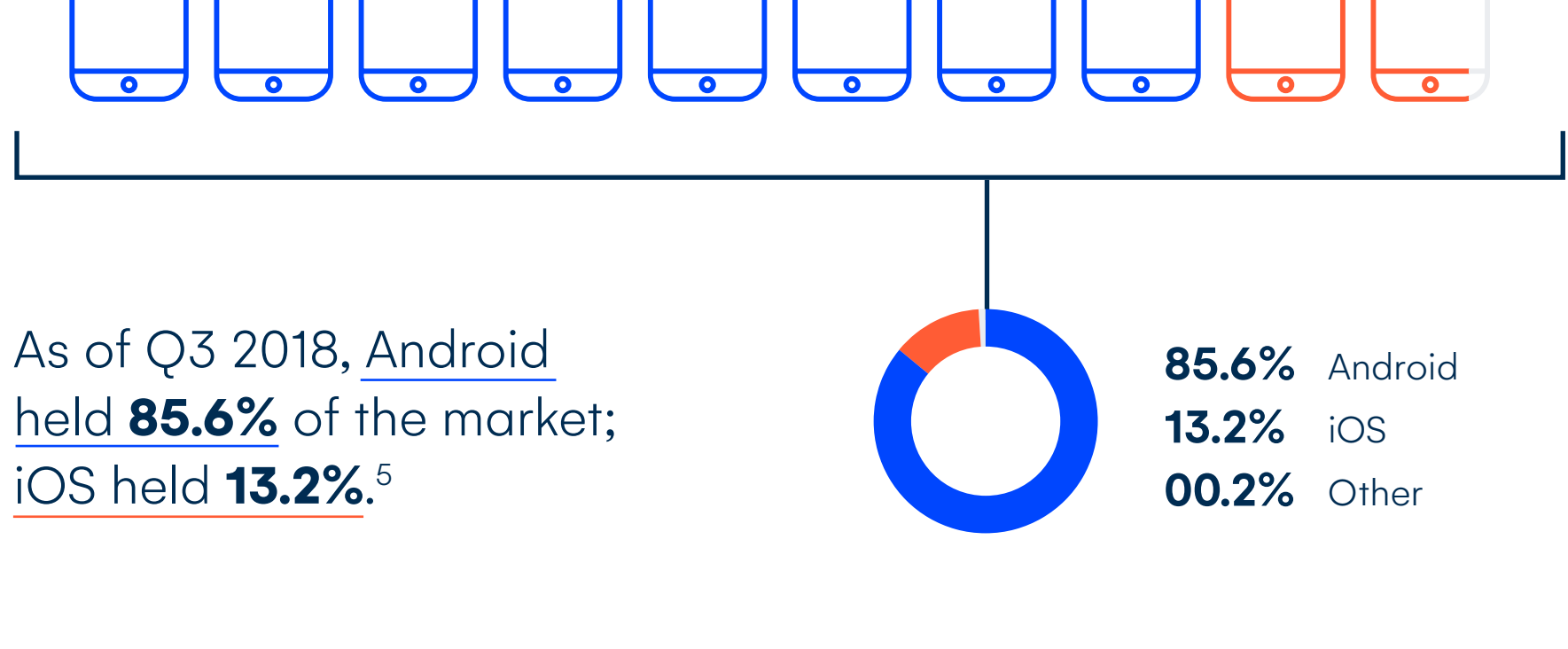
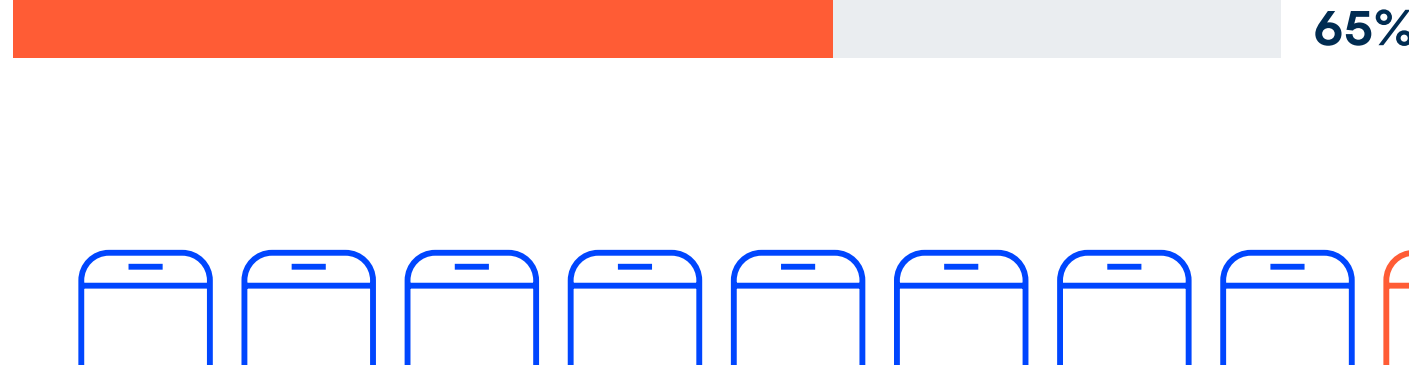
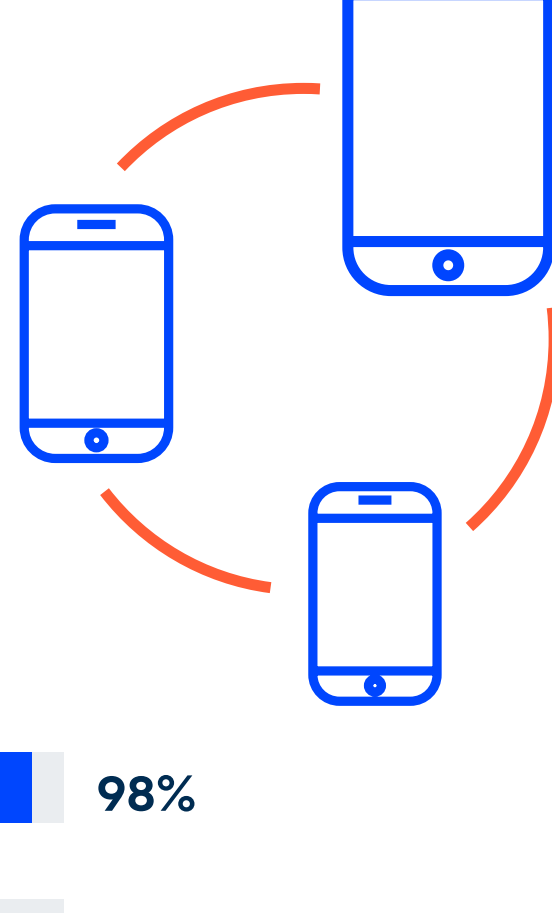
## Younger generations' mobile spend is on the rise:

Millennials and Gen Z will represent more than **40%** of the overall luxury goods market by 2025, up from **30%** in 2016.<sup>3</sup>

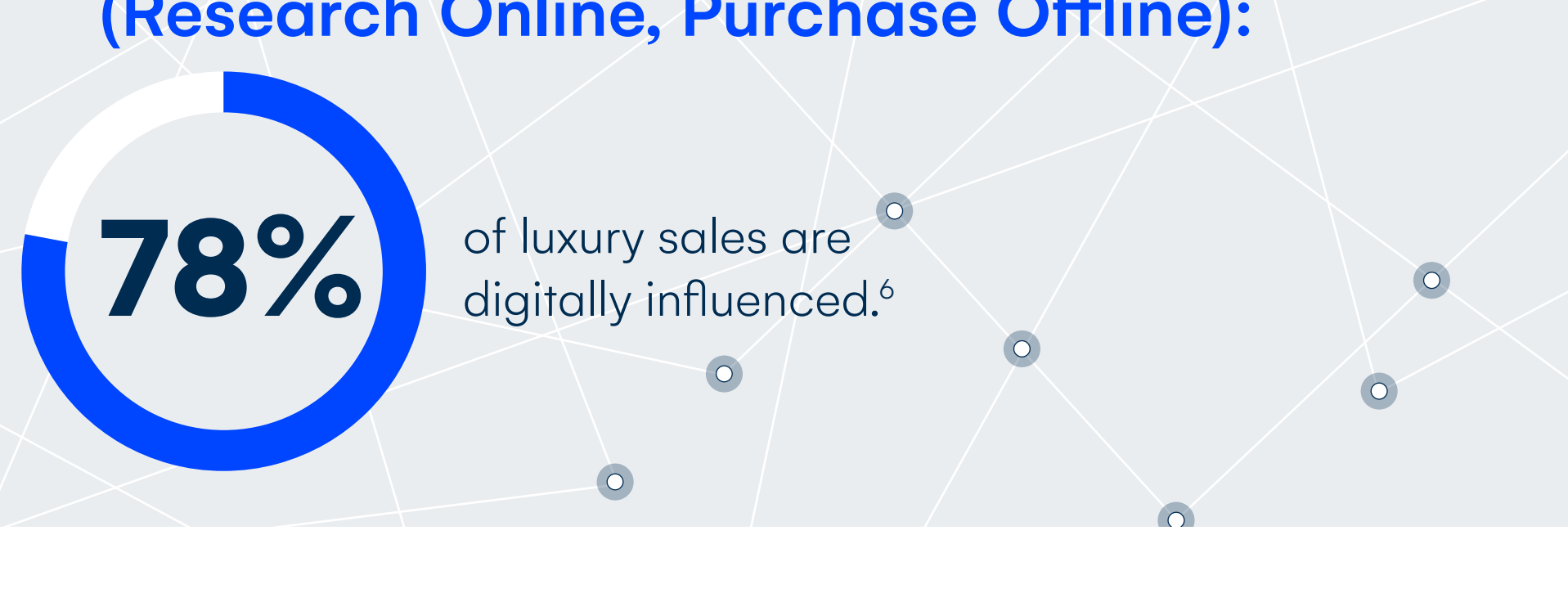


## Luxury consumers are more smartphone-oriented than other consumers:

**98%** of luxury consumers use smartphones vs. an average of **65%** of all consumers.<sup>4</sup>

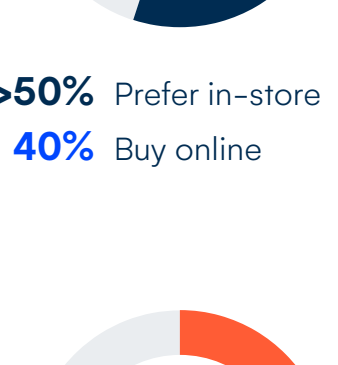


## Luxury buyers practice ROPO (Research Online, Purchase Offline):

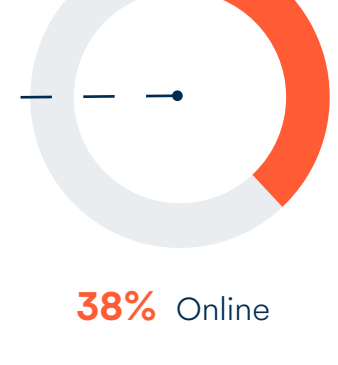


## Today's luxury consumer is increasingly online:

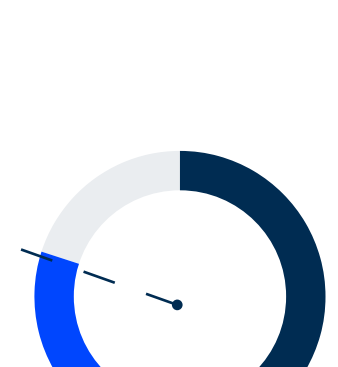
More than half of Millennials prefer buying luxury items in-store, but **40%** shop online and have purchases delivered to them.<sup>7</sup>



Among high-income consumers, **38%** of their luxury spending takes place on computers or mobile devices.<sup>8</sup>



Luxury retailers are going digital as well: **62%** already sell online, and **18%** plan to launch an e-Commerce channel soon.<sup>9</sup>



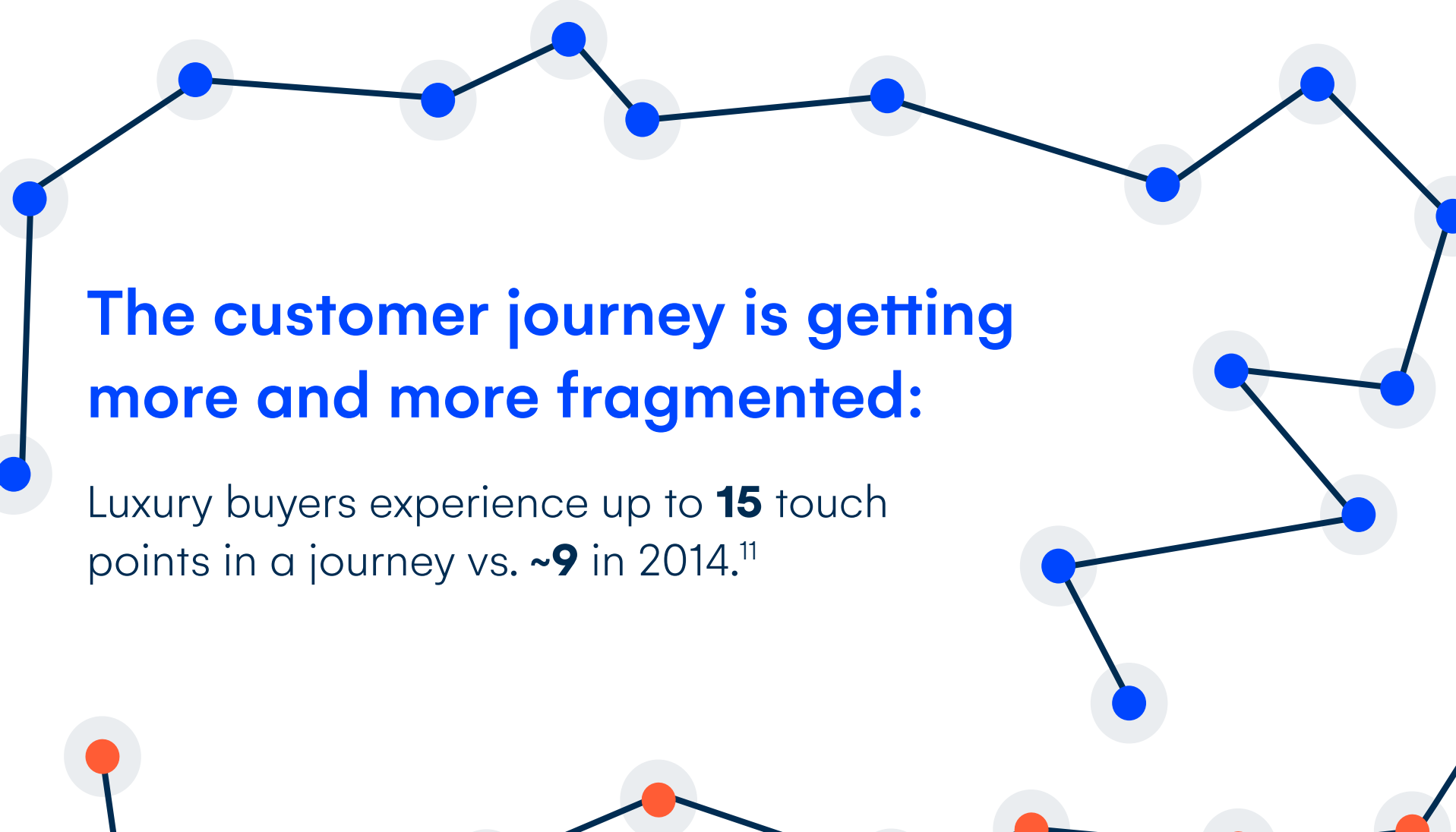
## Luxury consumers make four-figure transactions:

On average: shoppers spent \$2,500 on their last luxury purchase.<sup>10</sup>



## The customer journey is getting more and more fragmented:

Luxury buyers experience up to **15** touch points in a journey vs. **~9** in 2014.<sup>11</sup>

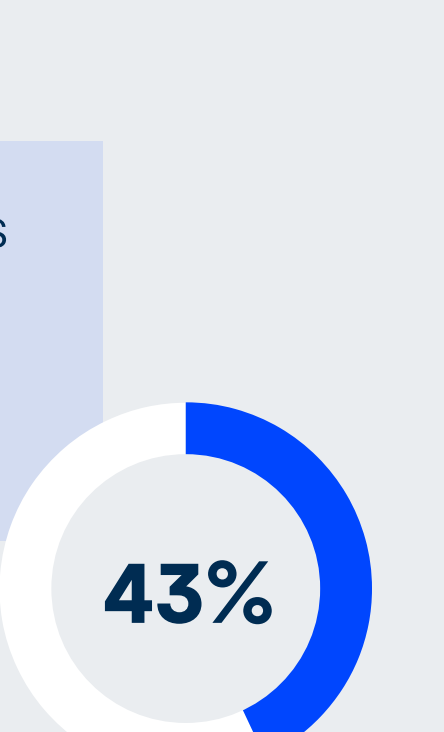


## Luxury consumers are global:

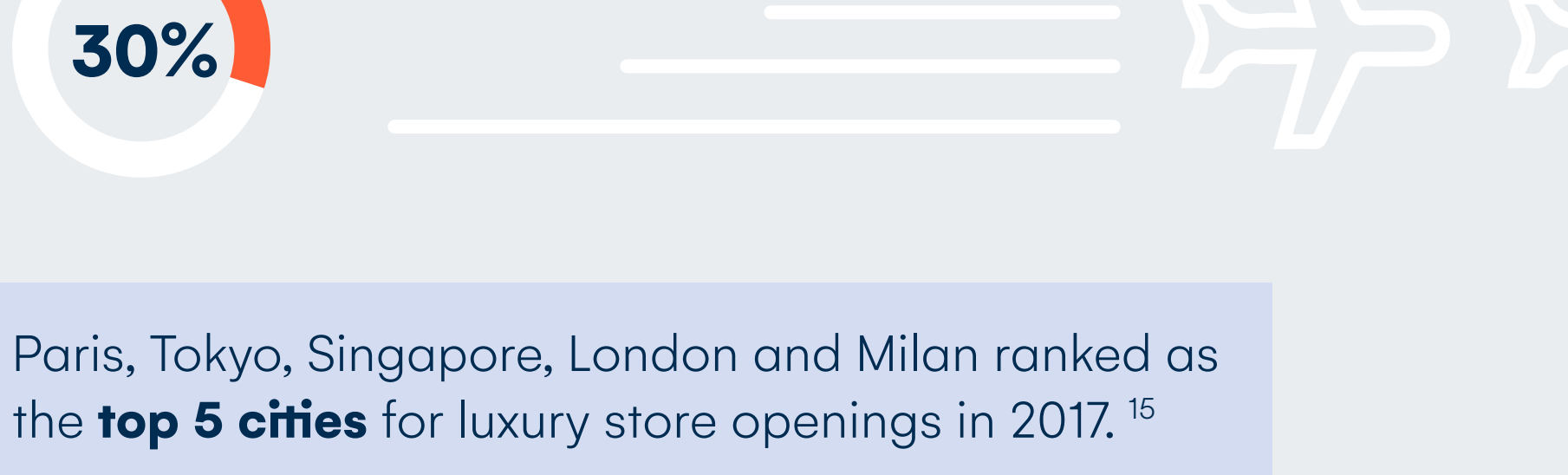
By 2024, Chinese consumers will represent an estimated **40%** of the overall luxury market. Europeans will account for **20%** and Japanese **16%**.<sup>12</sup>



Over **1/5** of affluent customers globally stay in hotels for more than **21 nights** a year. Europeans are most likely to fill hotel rooms, with **43%** spending **21+ nights** in a hotel.<sup>13</sup>



The most frequent international travelers are from the Middle East, with **30%** taking **five or more international return air trips** every year.<sup>14</sup>



Paris, Tokyo, Singapore, London and Milan ranked as the **top 5 cities** for luxury store openings in 2017.<sup>15</sup>



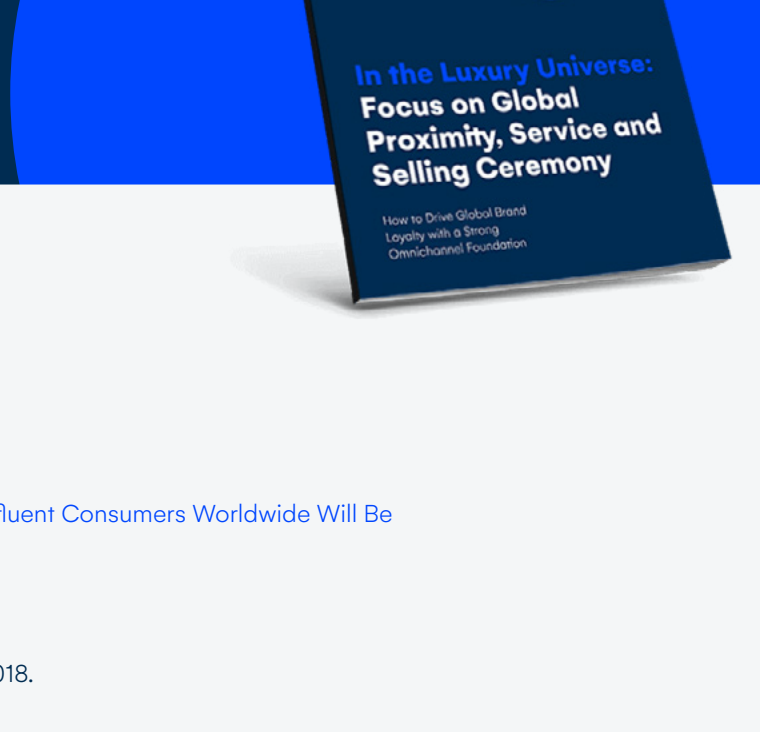
## What Do Luxury Consumers Want?

- Personalization:** prized by 57% of Millennials shopping for luxury items.<sup>16</sup>
- In-store experiences:** 65% of affluent shoppers say they want to touch and feel a product before purchase.<sup>17</sup>
- Retailers that share their values:** Nearly 31% of Millennials worldwide make sure luxury brands are sustainable and ethical before making a purchase.<sup>18</sup>
- Product availability:** This is the top factor influencing consumers deciding where to shop, both online and in-store.<sup>19</sup>
- Technology that streamlines the shopping experience:** **50%** want sales professionals with iPads for quicker order processing/checkout.<sup>20</sup>

## Gain additional insight.

Download our eBook, **In the Luxury Universe: Focus on Global Proximity, Service and Selling Ceremony.**

[GET THE eBOOK](#)



<sup>1</sup> McKinsey & Company, Digital Inside: Get wired for the ultimate luxury experience  
<sup>2</sup> Bain & Company, Luxury Goods Worldwide Market Study, Fall-Winter 2017  
<sup>3</sup> Deloitte, Global Powers of Luxury Goods 2018  
<sup>4</sup> McKinsey & Company, Digital Luxury Experience 2017, May 25, 2017  
<sup>5</sup> IDC, Smartphone Market Share, 3Q 2018  
<sup>6</sup> McKinsey & Company, Digital Luxury Experience 2017, May 25, 2017  
<sup>7</sup> Deloitte, Bling It On, 2017  
<sup>8</sup> Luxury Institute LLC, "Luxury Institute's State Of The Luxury Industry Survey Reveals Where Affluent Consumers Worldwide Will Be Spending More And Less In 2019," Nov. 5, 2018  
<sup>9</sup> Luxury Daily, State of Luxury 2018  
<sup>10</sup> Google, How Affluent Shoppers Buy Luxury Goods  
<sup>11</sup> McKinsey & Company, Digital Luxury Experience 2017, May 25, 2017  
<sup>12</sup> Boston Consulting Group, "The Key Trends for the Luxury Goods Industry in 2018," Feb. 20, 2018.  
<sup>13</sup> Ipsos, Global Affluent Study, January 2019  
<sup>14</sup> Ibid.  
<sup>15</sup> Savills Global Luxury Retail, The Geography of Luxury Retail: 2018 Outlook  
<sup>16</sup> Deloitte, Bling It On, 2017  
<sup>17</sup> Google, How Affluent Shoppers Buy Luxury Goods  
<sup>18</sup> Deloitte, Bling It On, 2017  
<sup>19</sup> Luxury Institute LLC, "Luxury Institute's State Of The Luxury Industry Survey Reveals Where Affluent Consumers Worldwide Will Be Spending More And Less In 2019," Nov. 5, 2018  
<sup>20</sup> Ibid.