

Watches, cars, couture, and other shiny luxury goods are in high demand but it's no surprise that shopping has changed dramatically. With global economic turmoil continuing to evolve consumer buying habits around the world, people are still positive when it comes to retail. Our latest future of retail report explores the data around consumer behaviors from around the world and how luxury brands can reach shoppers at the right time.

UNBOXING THE LUXURY RETAIL CONSUMER

THE TIMELINE FOR LUXURY PURCHASES

We found that one in five consumers across the globe is planning to drop a luxury purchase into their carts during the upcoming holiday season. The affluent shoppers in the Middle East, India and China are more likely to make luxury purchases than the stressed developed

economies in the West. We were not surprised when we saw that people aged 25 to 44 are waiting for retail sales events to complete their luxury goods purchases.

HOW LIKELY ARE YOU TO PURCHASE A LUXURY PRODUCT IN THE NEXT 6-8 MONTHS

PERCENTAGE OF RESPONDENTS

MOST LIKELY **DEFINITELY**

MIDDLE EAST

14%

4%

INDIA

17%

4%

CHINA

18%

4%

GLOBAL AVERAGE

17%

8%

GERMANY

24%

5%

SINGAPORE

24%

5%

CANADA

24%

9%

US

37%

14%

AUSTRALIA

35%

17%

UK

36%

19%

OFFLINE PURCHASING DOMINATES LUXURY GOODS SALES

Hybrid shopping behaviors are the future. The data shows this is true, with less than one in four luxury purchases being bought purely online. Pre-purchase research is huge, with nine in ten people logging online to search for the products that interest them. After

a decision is made, shoppers will head to a brick-and-mortar shop to complete their purchase journey. The reason? They can try the product before making an investment, a feature that is lacking when shopping online.

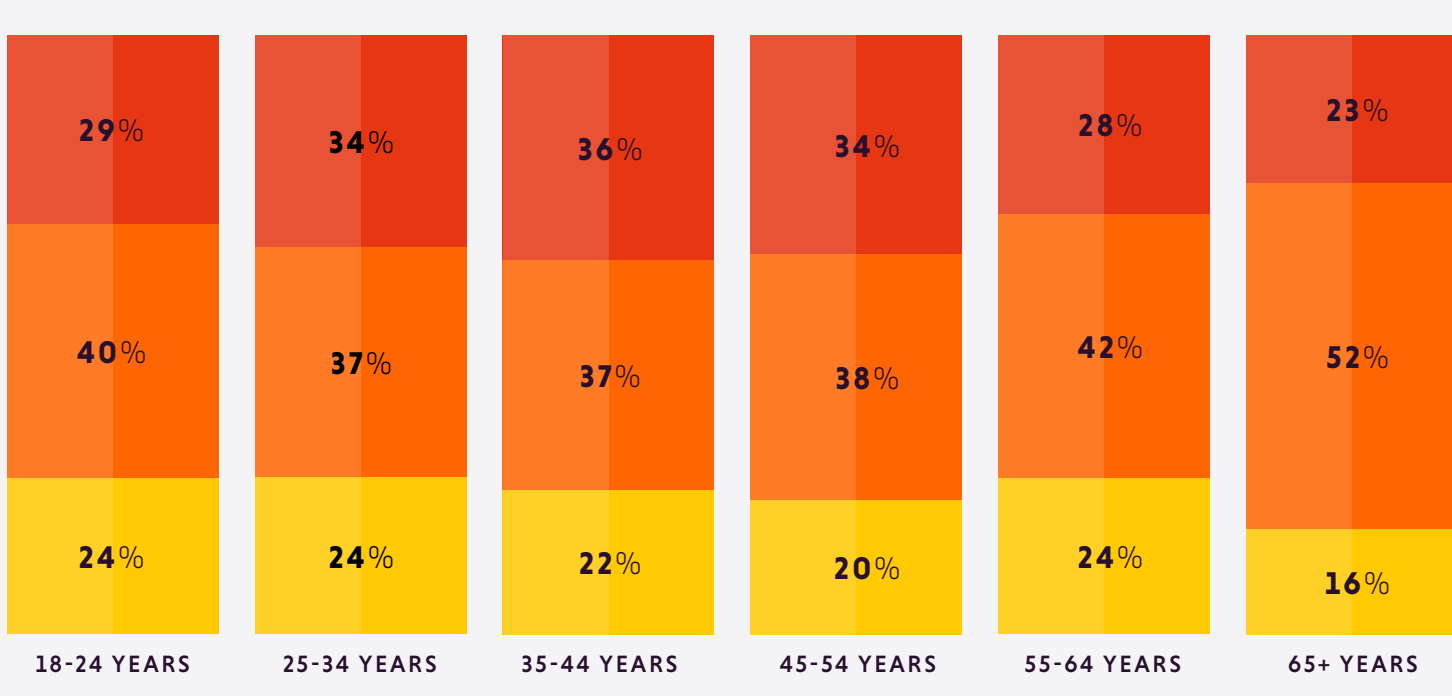
LUXURY SHOPPING JOURNEY, BY MODES

PERCENTAGE OF RESPONDENTS

MOSTLY ONLINE

MOSTLY OFFLINE

MIX OF ONLINE AND OFFLINE



SHOPPING HABITS BY AGE

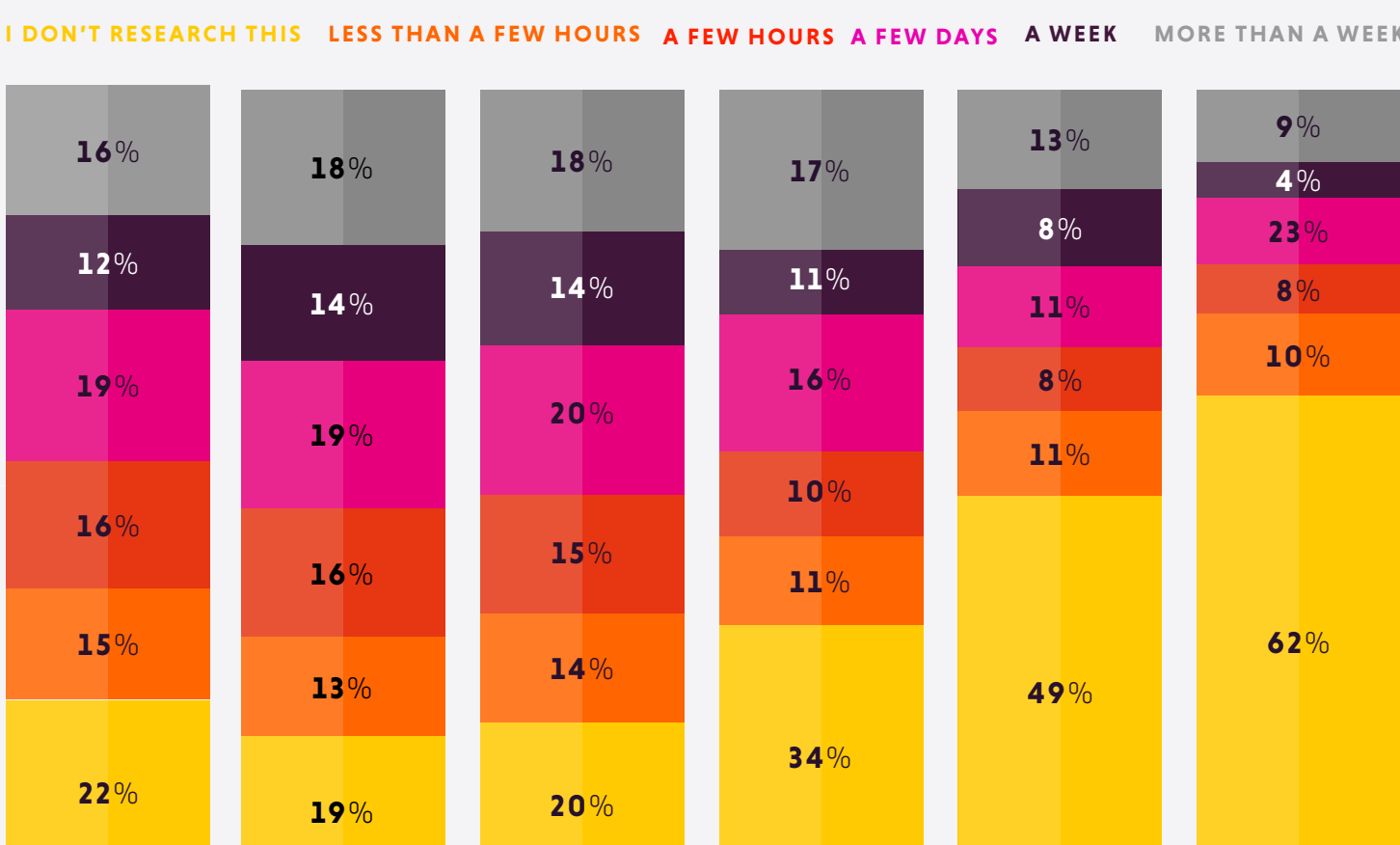
Age plays a big role in the number of research people do before buying luxury items. We saw that only one in two shoppers over the age of 55 are doing any kind of research. Compare that to younger shoppers who will explore their options for days before pulling the trigger. What are they looking for? Pricing and discounts, product

specs, and even online reviews are important in the final choice. If marketers want to reach the four in five shoppers who are doing their research across multiple devices, they will need a strong mobile strategy to engage potential buyers throughout the journey.

LUXURY SHOPPING JOURNEY, BY FREQUENCY

PERCENTAGE OF RESPONDENTS

I DON'T RESEARCH THIS **LESS THAN A FEW HOURS** **A FEW HOURS** **A FEW DAYS** **A WEEK** **MORE THAN A WEEK**



TURN ON THE PERSONALIZED VIDEO

Luxury shoppers aren't impulse buying but instead are waiting to be updated about discounts and offers on the items topping their wishlists. How should marketers notify shoppers? We found that it depends on the age of the shoppers. The older audience prefers

emails, online ads, and notifications from online marketplaces and brand websites. For young people, video is key and it's even better if those assets are personalized.

HOW PEOPLE HEAR ABOUT UPCOMING OFFERS AND SALES EVENTS

PERCENTAGE OF RESPONDENTS

18-24 YEARS **25-34 YEARS** **35-44 YEARS** **45-54 YEARS** **55-64 YEARS**

PRINT ADVERTS

12% 15% 15% 15% 19% 29%

SOCIAL ADVERTS

41% 37% 34% 23% 13% 4%

WORD OF MOUTH

28% 31% 31% 26% 32% 28%

TV COMMERCIALS

27% 27% 31% 32% 32% 33%

THROUGH PROMOTIONAL EMAILS

23% 28% 31% 39% 45% 50%

ONLINE SHOPPING PLATFORMS

42% 43% 41% 39% 34%

ONLINE ADVERTS

44% 45% 42% 41% 34%

TIPS FOR MARKETERS

1. Know your new audience

Consumers are constantly evolving so if you look at their new shopping plans and how their budgets have changed, you can reach them. Work with a partner who can identify your audience and conduct research for a campaign to optimize your buy before it starts.

2. Connect your cross-media efforts

The future is cross-platform campaigns and now they are easier to execute. Using current technology, you can identify your audiences across the different platforms and target them where it matters the most. Mapping consumer journeys across the hybrid space can help build efficient cross-media activation and measurement plans.

A partner can help identify and activate omnichannel opportunities to deliver higher ROIs.

3. Use personalization and high-impact creative formats

Stand out from the crowd

Consumers are looking for a product that speaks directly to them with so many choices. Creative personalization of your brand can drive deeper engagement. Dynamic creative optimization (DCO) and interactive shoppable creatives are other ways you can tailor creatives.

4. Planning for the worst, hoping for the best

Global markets are still struggling with high inflation and stress on supply chains, so you have to be agile and plan for different situations. Planning in consultation with experienced programmatic experts can help marketers circumvent seasonal fluctuations and macroeconomic developments.

CASE STUDY:

MiQ helped a major luxury jewelry retailer grow its e-commerce business through audience discovery and precise targeting solutions.

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For more information, reach out to us at:

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