

A man with short brown hair and a light beard is sitting on the edge of a white clawfoot bathtub. He is wearing a matching brown suit, including a jacket, trousers, and shoes. He is looking down and to his right with a thoughtful expression. The bathroom has a white marble floor with black diamond-shaped tiles. In the background, there are white towels hanging on a rack and a glass shower enclosure. The overall atmosphere is clean, bright, and sophisticated.

LUXURY CONSUMER REPORT 2024

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Luxury Consumer 2024 Research

Overview

This report understands the luxury consumer for 2024 meticulously, and how their psychographics have evolved with **global, cultural, and technological evolution**.

It identifies the consumer behaviour and their expectations from the most established luxury industries like **fashion and hospitality**.

It's a reflective analysis where we primarily look at evident ratios & information extracted from market research companies, digital newspapers & magazines, trend forecasters, books and used them to curate a **comprehensive understanding** of this consumer cohort.

2024 is all about letting go of pre-conceived notions about the luxury industry and **dive deep into the soul of the consumer**. We look at **millennials taking the center stage** as the predominant demographic and inspiring luxury brands in this affluent industry.

“Intent” of a Millennial

What’s their reason behind indulging in luxury?

Who they want to be

The true intention of a millennial to buy luxury now is self-expression and self-exploration. To them, luxury means buying an identity which resonates with their persona and values. This unconventional shift is from “owning” the product to “being” the product. They are captivated by **“the product that is me”** and look forward to hyper-personalisation in 2024.

Self-treating

Amidst the cost of living squeeze, affluent buyers are grappling with distress by adopting to **“spoil yourself”** attitude. These purchases are made either for giving a gift or bought for an occasion.

Live in the moment

According to a research found by WGSN, **45% of millennials do not care about saving up money** and waiting for normal economic conditions. (WGSN, 2023) Contrary to their parents, they do not believe in saving their pockets and hence have higher disposable income.

They want to live, and live now!

Millennial traits

Vigilant about their personal data

Data seems like **the new “gold”** for this generation because it’s the most precious commodity anyone can own. They are resistant to sharing personal data with companies, and are **frustrated by AI**, which is constantly their daily activities online without their consent.

67%

of consumers stated that they have left websites because they felt worried about their personal data being used

(Internet Retailing, 2022)

83%

of consumers stated the fear of their data being tracked, sold to advertisers while accepting cookies on a website.

(Internet Retailing, 2022)

Nostalgic (take me back)

The feeling of reminiscing and appreciating the life in the past more than the present, is the emotional trait of the consumers. “Take me back” or “Throwback” hashtags are more than ever on Instagram. They are elated by nostalgic media presented by brands these days.



The Barbie nostalgia *Figure 1(Forbes, under 2023)*

Margot Robbie wearing a **Chanel** archive worn by Claudia Schiffer

Millennial traits

I want it fast!

Time is the new luxury, and consumers value it more than anything now. Their attention span and **decision time to buy something is declining** by one third than older consumers according to *Bain & Company*.
(Bain & Company, 2023).

“We live in a time when more interesting ideas, concepts, people, and places can fly by in the space of one 30-minute TikTok binge than our ancestors experienced in the entirety of their localised illiterate lives”

(WGSN, 2023)

“Woke”, inquisitive and informed

As it’s rightly said, “Knowledge is Power”, it’s applicable more than anything now in the luxury industry. **Consumers knowing about the craftsmanship** behind making an Hermes Birkin is equally **a flex as owning it**. This process of being inquisitive about the brand’s know abouts is not just for helpful buying decisions, but building a community.

“60% of shoppers in the US, Europe and China want more transparency about the production journey so they can make ethical purchasing decisions”
(Avery Dennison report, 2021)

"HENRY" Consumer Profile

(The high earners, not rich yet are the leading luxury consumers)

He's **Mark**,
And he's **33 years old**



Giorgio Armani Suit Figure 2 (Pinterest, 2023)

Home

Mayfair, London

Income

\$150000

Investable assets

\$220000

Investable assets

\$220000

Leisure time

Obsessed with podcasts

Reading

Golf

Wellness retreat

Holiday destination

Istanbul

Tokyo

Work life balance

Not satisfied, craves for more relaxed experiences

Occupation (works relentlessly)

Head of Finance in a research company

Family

Wife is also a high earner

No kids yet

Food

Prefers organic & Vegan food

Fitness

Yearly- gym membership

Cycling

Food

Prefers organic & Vegan food

Frequent luxury purchases

Watches

Leather goods

Business gifts

Brands he prefers

Emporio Armani

Loro Piana

Saint Laurent

The “Quiet” Consumer

Less is a 100% more

In the view of the fact that **striking logos have become accessible** extensively and are recognized commonly, the status value of these products have been subdued and they have been **tainted with a “pretentious rich”** tag. Therefore, luxury consumers now want to signal their wealth by purchasing “quiet luxury products” with **understated signals**.

Consumers prefer quiet luxury in times of **economic distress** and **social equality** so they can subtly communicate their affluence without flaunting their wealth to their peers by making a conspicuous display of luxury.

The brand **The row** has established itself has the epitome of quiet luxury, being the most coveted brand when it comes to high-quality discreet luxury. We look at it’s consumer profile ahead to understand this cohort better.



Gucci fall/winter *Figure 2* (Hypebeast, 2023)

Gucci is gradually rebranding itself to the tastes of this cohort and transforming it’s identity from a monogram heavy brand to a more demure style of fashion as seen in their fall/ winter2023 campaign.

The Row Consumer Profile

She's **Lucia**

Her age is **37**, she's ageing backwards haha!



The Row consumer Figure 4 (Elle, 2023)

Who is she?

- She's the **Editor-in-Chief** of a media company
- Lives in **London** in an upscale **urban area** near to her workplace
- Earns upwards of **\$120000**
- Owns a **posh car**, but also **prefers walking** to her office.
- She is married, but no children yet

What does she essentially look for at the Row?

- Button down shirts
- **Cashmere sweaters**
- Ballet flats
- Bags

What does she do in her leisure time?

- **Spa retreats**
- Pilates
- A walk in the park
- Art collecting

Where does she go for holiday?

- Monaco
- Mexico

What does she want?

- Elegance / Low-key
- **"Perfect essentials"**
- Exceptional fabrics
- Well tailored pieces
- **Quality over quantity**

What other brands does she prefer?

- Max mara
- Loro Piana
- **Hermes**
- Bottega Veneta

What does she read / watch?

- Editor & Publisher
- Vogue
- The Economist
- Netflix / podcasts

Where does she shop?

- 80% in stores
- 20% online

"They excel at intelligent dressing for intelligent women of all ages."

(British Vogue, 2023)

The luxury consumer is going to be “lazy”

Does that mean they’ll exude laziness in their lifestyle? No!

So what really is lazy in luxury? As per an article from the *Press Reader*, this isn’t any a bucket of chips in bed lazy, it’s a posh snack platter lazy. By that it hints at the kind of consumer who is looking at making **utmost impact but with only a minimal effort**. With this “lazy” fashion and lifestyle, it’s the liberation of expressing their authentic side, and having a lot of fun with it doesn’t hurt.

This trend is significantly seen in **The Row at their pre-fall 2024** collection. It is was a spa-retreat inspired showcase of effortless looks, which dives deep into the lazy concept, but make it fashion! With towels tucked around the neck inside of their luxurious coats, like a scarf, it feels like these women have come straight from a spa.

In these global hardships, everyone wants to be and seem as real as possible. It’s a **privilege to be spontaneously opulent**.



The Row pre-fall 2024
Figure 4(Vogue, 2023)

The Zegna, tripple stitch “Lazy Sneakers”



Zegna lazy sneakers Figure 5 (The Wall Street Journal, 2023)

Consumer's expectation from Experiential Luxury Hotels

They want a pampered experience beyond just room service now!


As per Press Reader research, we understand that **high-technology will dominate** luxury hotel experiences too, as consumers expect “luxury convenience” like biometric screening for check-in & check-out with face recognition using their profile data, saving them from waiting impatiently in queues at the reception desk.

They also look forward to **“smart hotel rooms”**, with voice commands or app integration to control room temperature, lighting, and other advanced features.

(Press Reader, 2023)

What if they had a **“listening room service”** without even dialing their number?

Conscious consumer wants sustainably made hotels



“78% of world travellers have an intention to stay in a sustainable property at least once in this coming year”

(Press Reader, 2023)

Luxury consumers are expecting to see more of Metaverse & AI in 2024 and how are they adapting to the fast-paced technology revolution this coming year?

In the year 2022 and 2023, a lot of luxury brands introduced the consumers to metaverse and got associated with them. What was the initial response to this created buzz? They were bewildered and rather daunted by it because the evolution happened faster than their ability to adapt to it.

Technically, this concept was a long way off, but now the **hype has died down** and in **2024 consumers will be better at understanding the functionality of this world.**

As per research by *Accenture*, they are expecting **hyper-personalized avatars** reflecting their own self, they want easy-to-use interfaces and a wide variety of applications in industries like retail, travel and art. (*Accenture,2023*)

We have seen luxury fashion brands enter the metaverse, but **luxury art industry** is also marking it's place. **Sotheby's has curated a metaverse destination** for it's artwork & collectibles to accessorise the meta-world with art for the consumers.



Gucci Metaverse Figure 6(WGSN, 2023)



Sotheby's Metaverse Figure 7(WGSN, 2023)

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