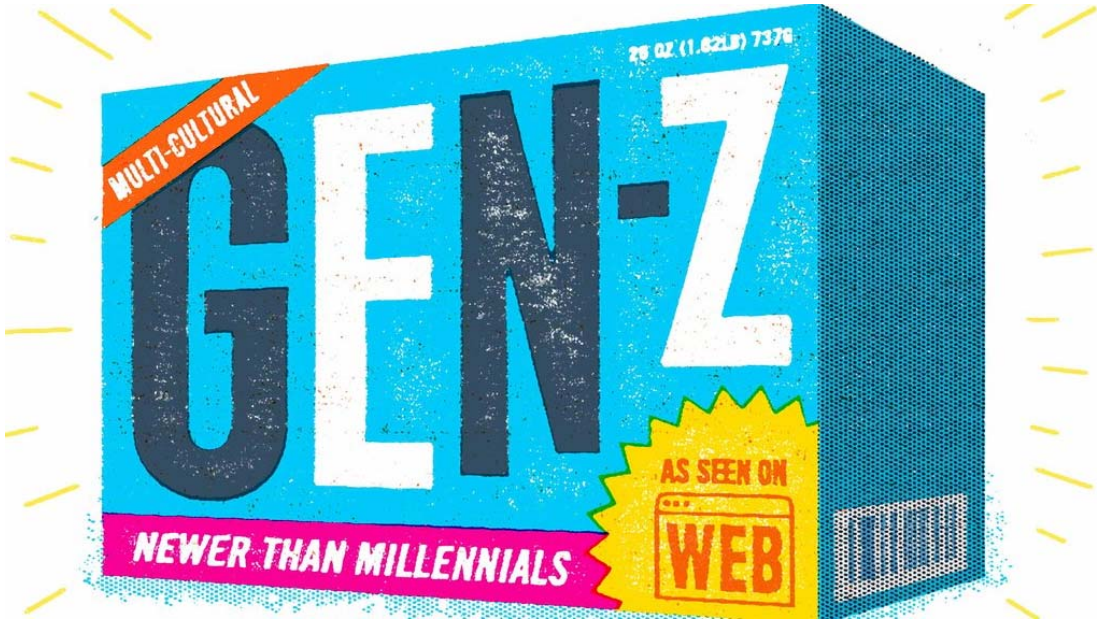
MILLENNIALS:

Influencing Purpose, Prestige and the New Luxury

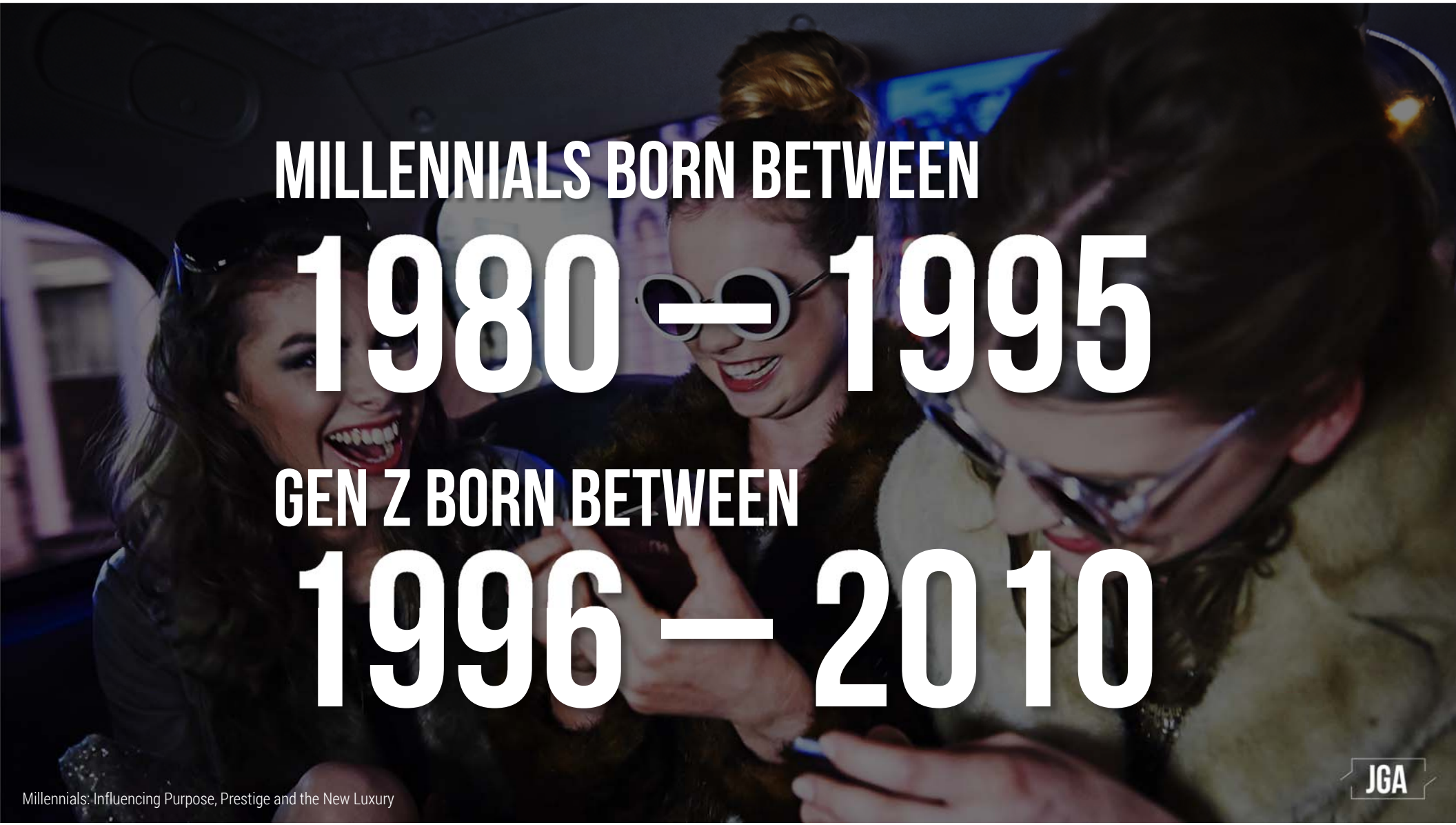
JGA is a global leader in developing branded environments and retail experiences.
JGA

This session will explore how Millennial/Gen-Z consumers will increasingly transform luxury with their connected life, Internet of Things (IoT) and the functional and purposeful motivation of purchases.

HELLO
I'M A...
MILLENNIAL


MULTI-CULTURAL
GEN-Z
NEWER THAN MILLENNIALS
AS SEEN ON
WEB

WHO ARE THEY?


MILLENNIALS BORN BETWEEN
1980 — 1995
GEN Z BORN BETWEEN
1996 — 2010
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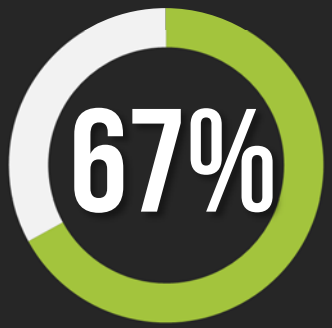
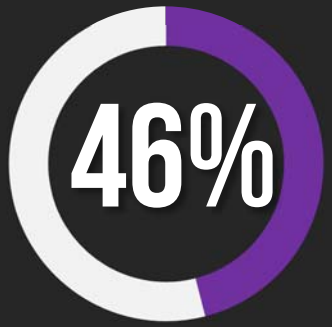


percent of millennials said that they would go to the website to get a coupon.



of Gen Z said they would do the same.

Millennials: Influencing Purpose, Prestige and the New Luxury

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THEY ARE CONNECTED...
...through multiple devices and social platforms.

“COMPUTERS AND SMART DEVICES ARE AMONG THE GREATEST INTELLECTUAL GIFTS EVER CREATED FOR MAN, BUT IF NOT BALANCED WITH HUMAN CONTACT, MAY OFFER LITTLE TO DEVELOP ONE’S HEART.”

ANGELA AHRENDTS – HEAD OF RETAIL, APPLE

HOW MILLENNIALS/GEN Z
ARE CHANGING THE
DEFINITION OF LUXURY
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TRADITIONAL LUXURY:

THE WHAT IS THE WHAT

JGA

Millennials: Influencing Purpose, Prestige and the New Luxury

NEW LUXURY:
THE HOW IS THE WHAT
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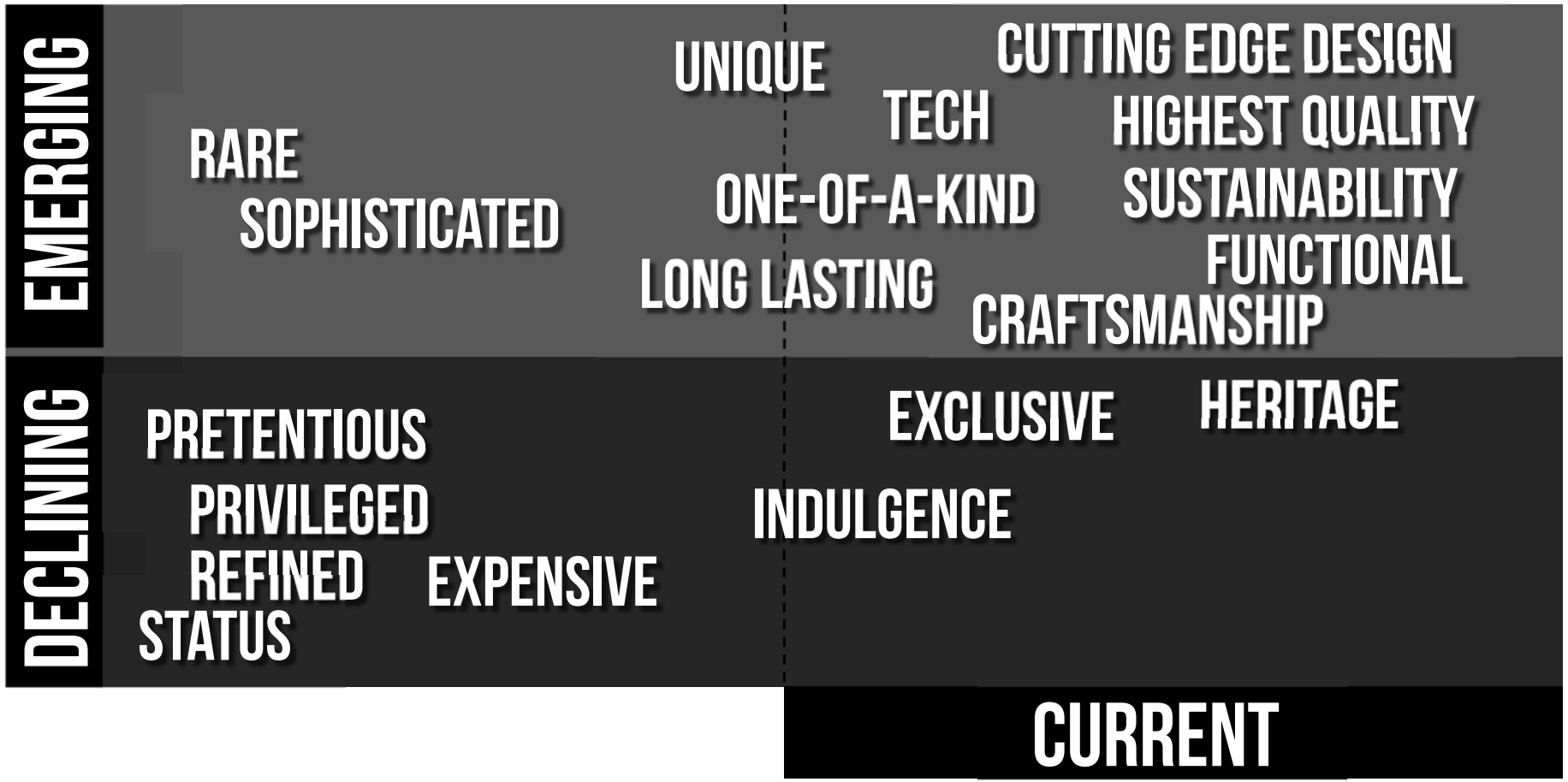

HOW THE DEFINITION OF LUXURY IS CHANGING

WHY MILLENNIALS/GEN Z
ARE IMPORTANT TO THE
LUXURY CATEGORY
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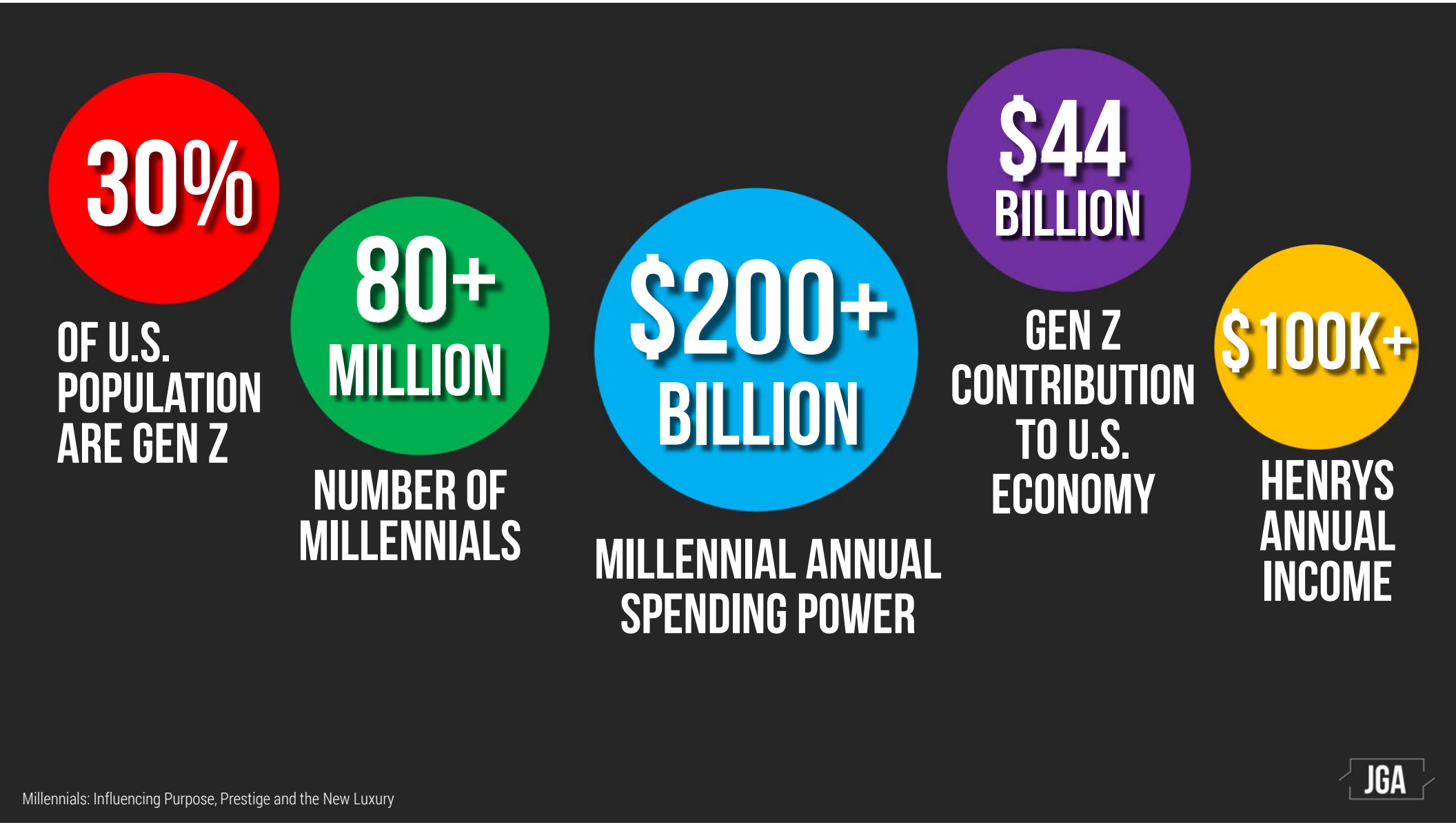

30%
OF U.S. POPULATION ARE GEN Z
80+ MILLION
NUMBER OF MILLENNIALS
$200+ BILLION
MILLENNIAL ANNUAL SPENDING POWER
$44 BILLION
GEN Z CONTRIBUTION TO U.S. ECONOMY
$100K+
HENRYS ANNUAL INCOME

THE CONSUMER HAS EVOLVED FROM

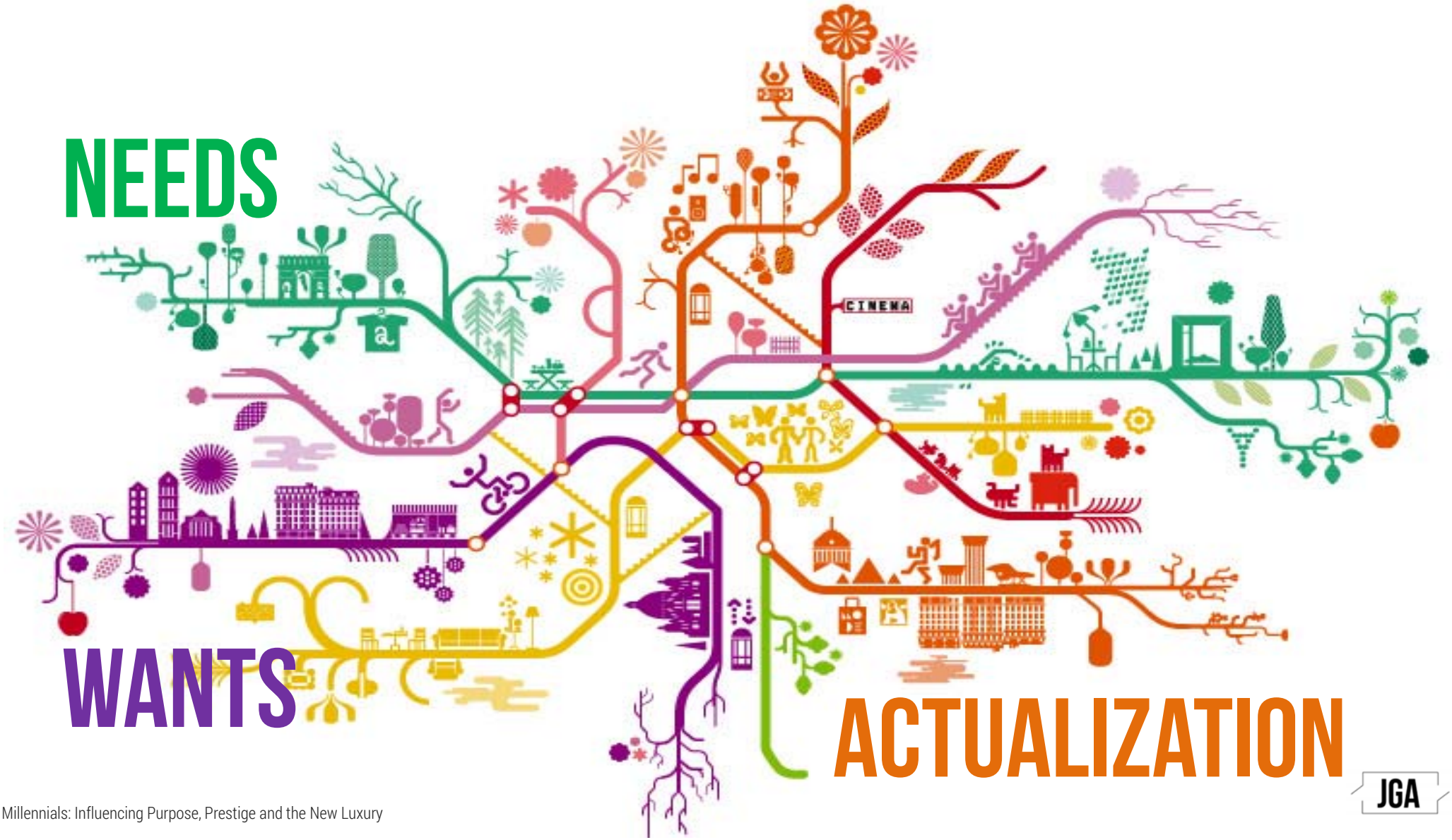
HIGH NET WORTH INDIVIDUALS

They own an opulent penthouse condo and have an expansive investment portfolio.

→

"HENRY" HIGH EARNER, NOT RICH YET

They have steady cash flow, but little accumulated wealth.



Millennials: Influencing Purpose, Prestige and the New Luxury

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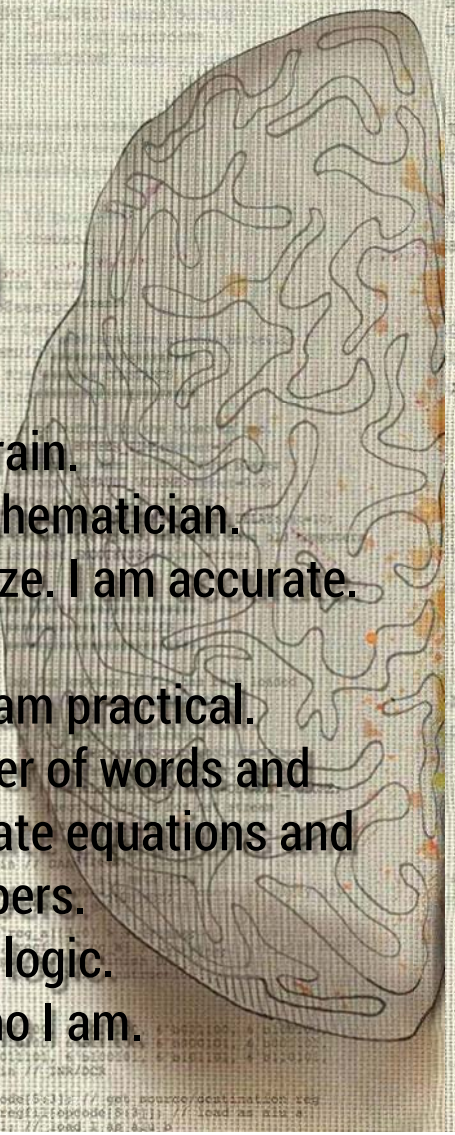
LEFT brain



I am the left brain.
I am a scientist. A mathematician.
I love the familiar. I categorize. I am accurate.
Linear.
Analytical. Strategic. I am practical.
Always in control. A master of words and
language. Realistic. I calculate equations and
play with numbers.
I am order. I am logic.
I know exactly who I am.

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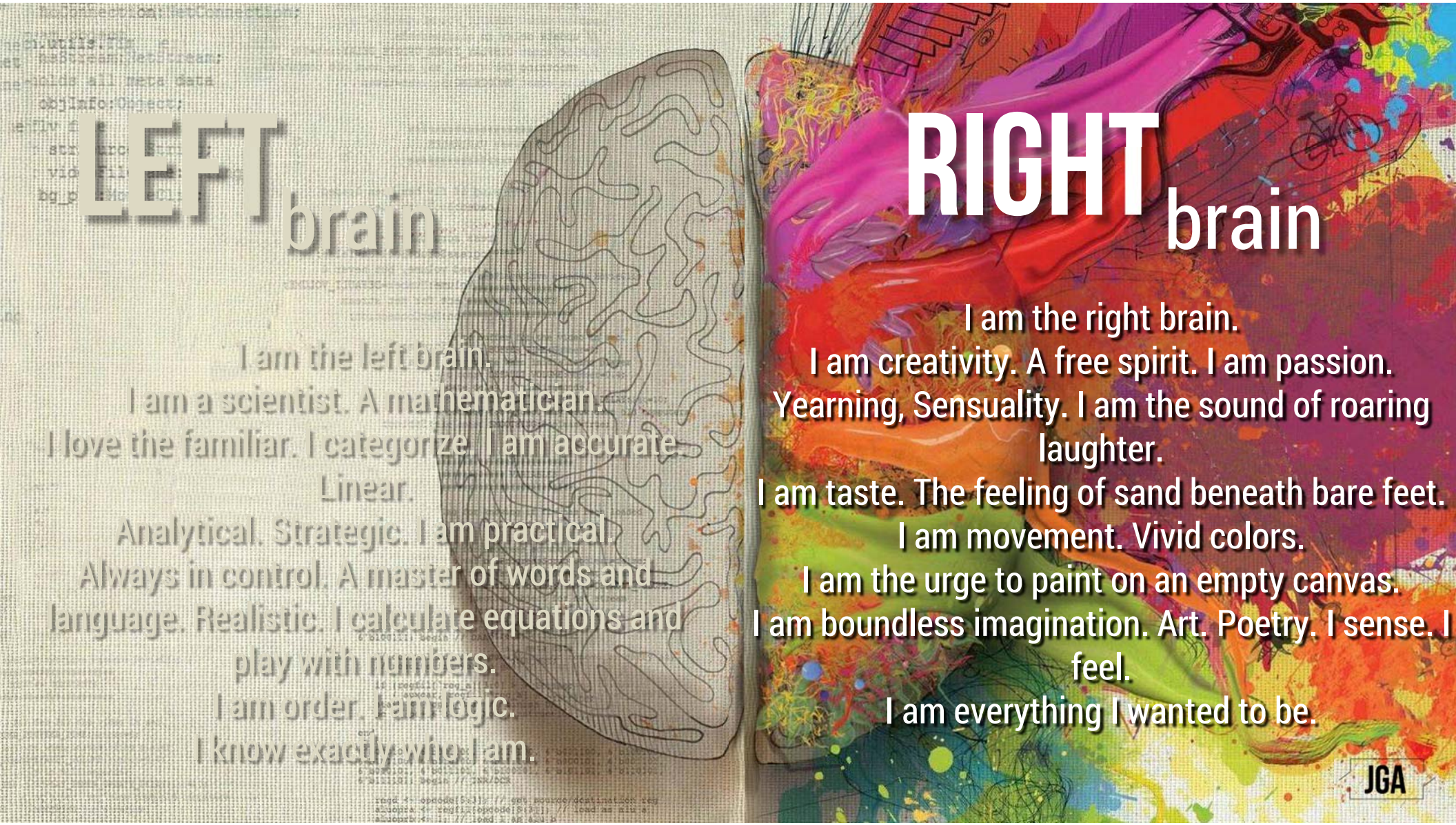
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language. Realistic. I calculate equations and
play with numbers.
I am order. I am logic.
I know exactly who I am.
RIGHT brain
I am the right brain.
I am creativity. A free spirit. I am passion.
Yearning, Sensuality. I am the sound of roaring
laughter.
I am taste. The feeling of sand beneath bare feet.
I am movement. Vivid colors.
I am the urge to paint on an empty canvas.
I am boundless imagination. Art. Poetry. I sense. I
feel.
I am everything I wanted to be.
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Are willing to pay a premium price for a product or service if they know that they will have a unique experience in some way.

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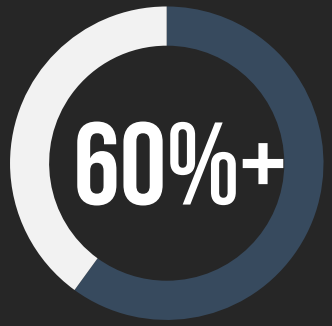

Feel that the overall experience is the single biggest deciding factor on whether or not they decide to purchase a product or service.

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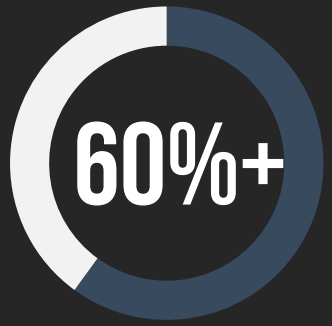

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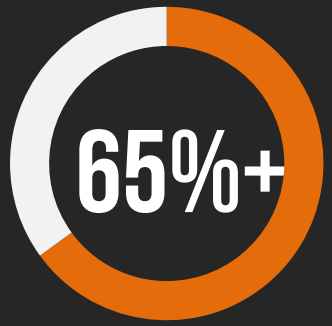

Stated that unique experiences are very important drivers for deciding where to make future purchases.

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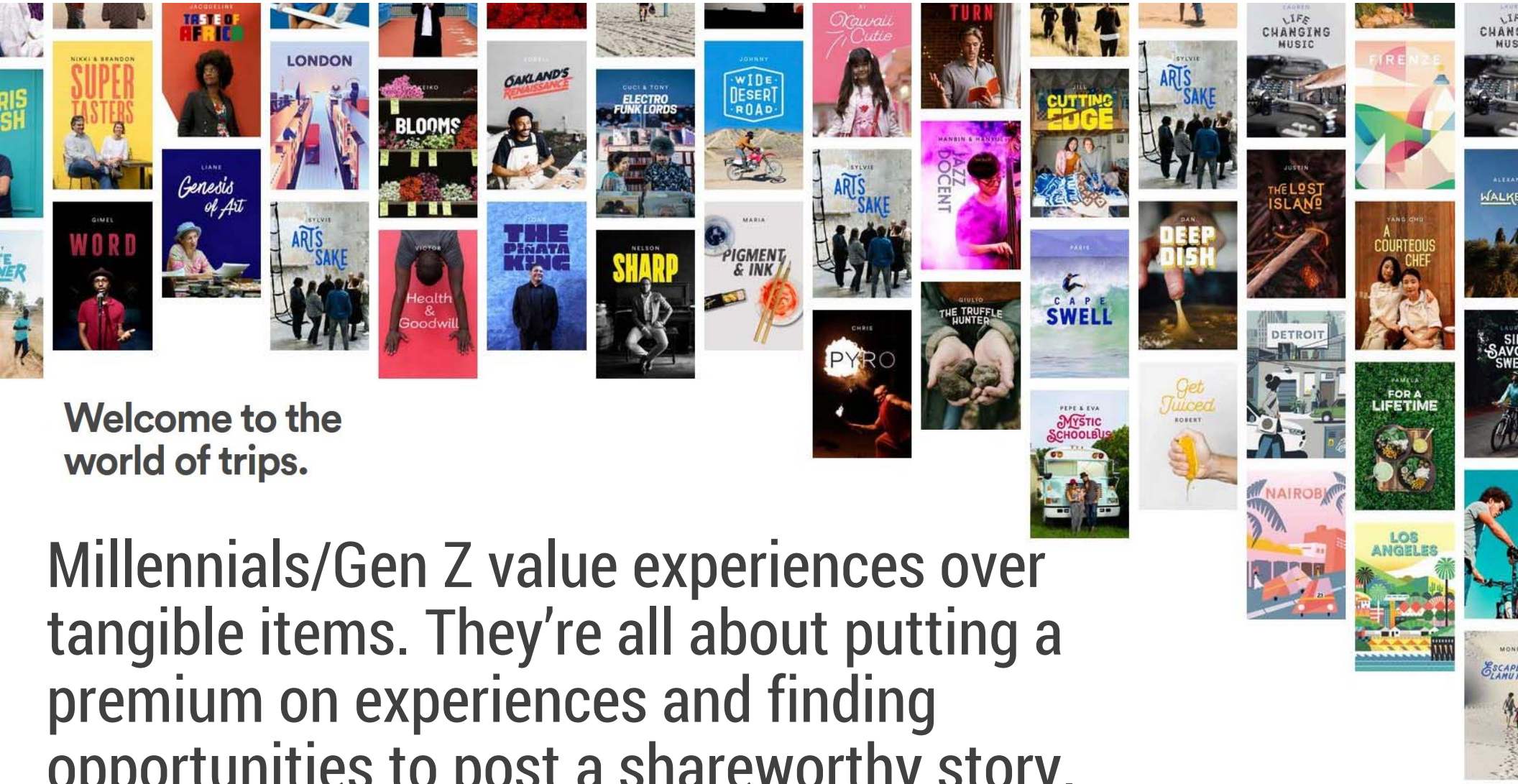

Welcome to the world of trips.

Millennials/Gen Z value experiences over tangible items. They're all about putting a premium on experiences and finding opportunities to post a shareworthy story.

NEW LUXURY...
WHERE ARE WE HEADED?
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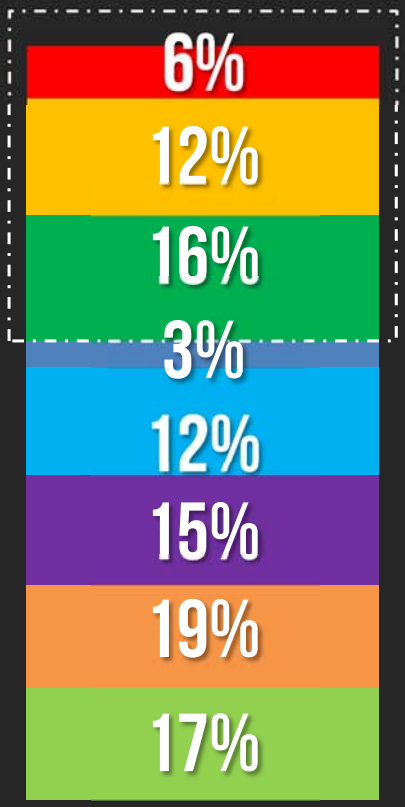
SPEND CATEGORY DISTRIBUTION

TRAVEL
ENTERTAINMENT
DINING
HOME IMPROVEMENT
TRANSPORTATION/FUEL
GROCERY
RETAIL
OTHER

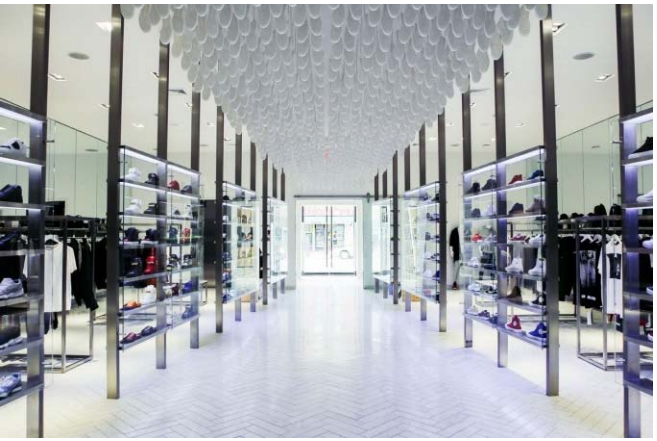


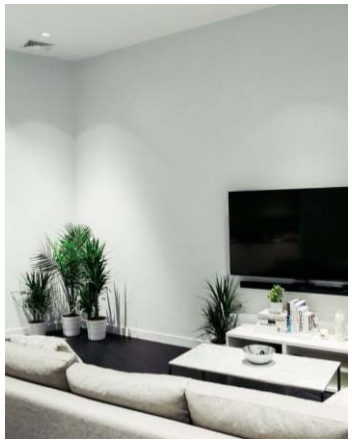
34% ARE EXPERIENCES

Travel, entertainment, and dining are emerging as top experiential purchases.

Source: Business Insider, Millennials aren't spending money like their parents did, Sep. 2016

Luxury no longer refers exclusively to expensive handbags or jewelry. Now, it includes high-priced farm-to-table dining and craft beers, as well as “über-luxe” travel.





Brands like **Kith** are extending their retail arm to include a cereal bar; **Shinola** is entering the hospitality market with their first hotel.

Time Out
MERCADO DA RIBEIRA
Time Out
MARKET
LISBOA
SERVEIRA DE LISB
Armazenistas de conservas
Food concepts like Time Out Mercado in Lisbon are creating full sensorial experiences.
MERCADO DA RIBEIRA

FOOD
GOTHAM
WEST
MARKET

MACHEFÉ
TAQUERIA

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In a digital-first era, many people latch onto high touch experiences such as food as something that engages all of the senses and brings people together in physical space.
Source: The Atlantic, Why Are Millennials So Obsessed with Food?, August 2015
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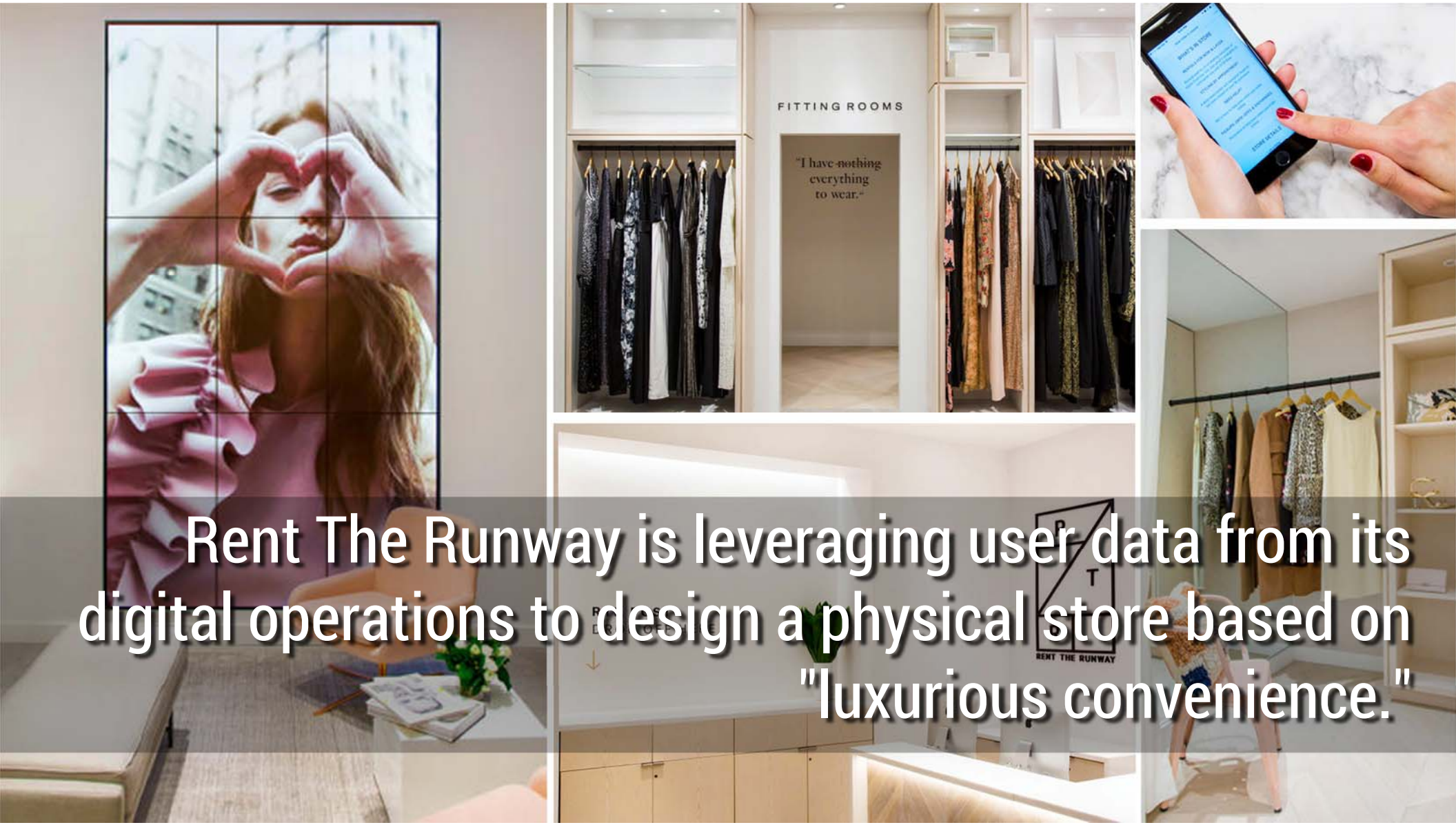
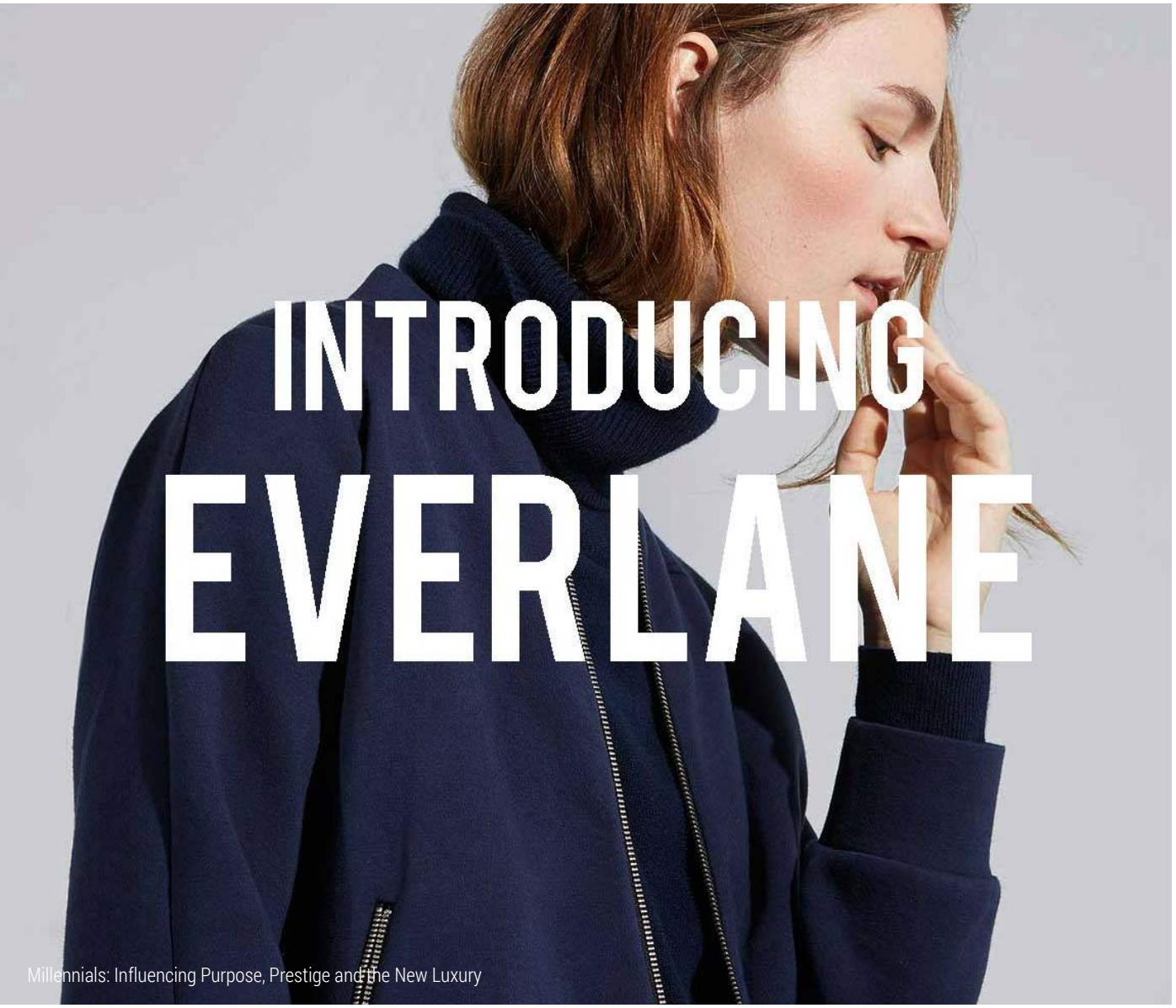
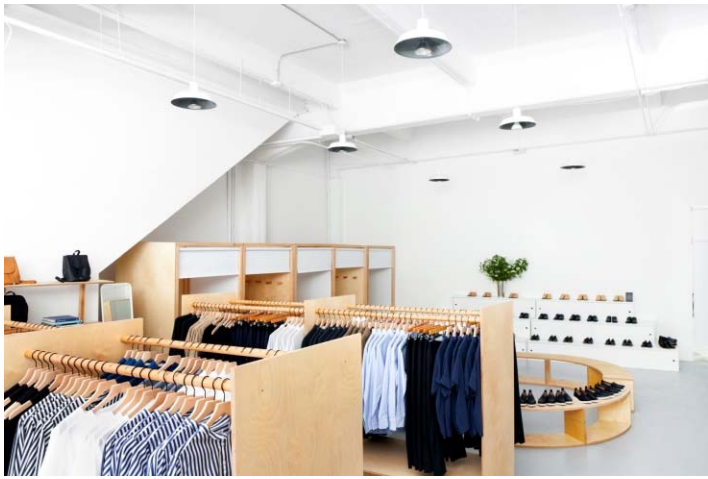


Rent The Runway is leveraging user data from its digital operations to design a physical store based on "luxurious convenience."

– introducing –
Radical Transparency
Know your factory. Know your costs.
Always ask why.
LEARN MORE


INTRODUCING
EVERLANE



PLAY
02—Try On
01—Shoes Off
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FROM COTTON TO CONSUMER

THE MAKING OF A DESIGNER TEE

COTTON

CUTTING

SEWING

DYEING

FINISHING

TRANSPORT

MARKUPS

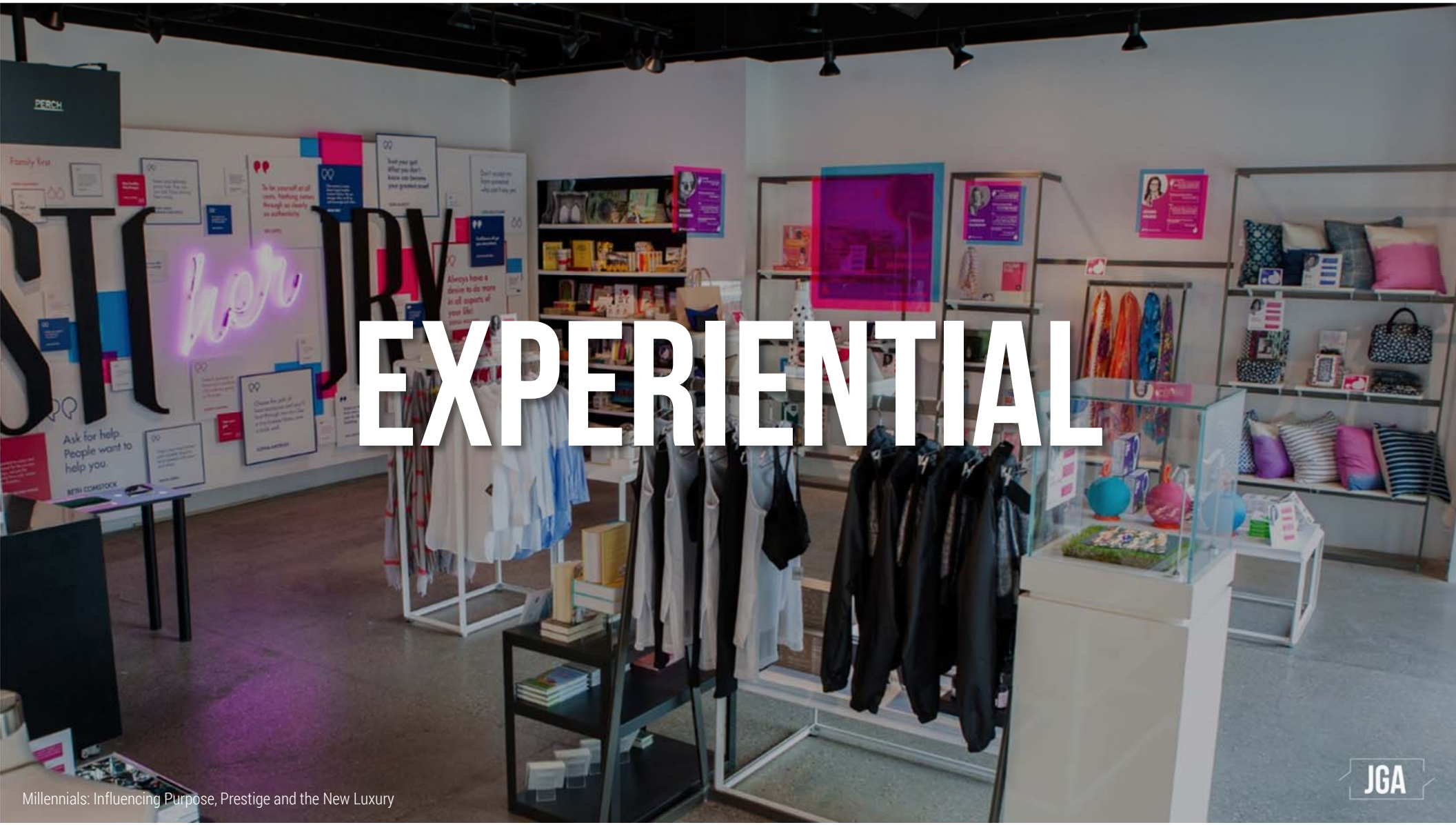
TOTAL COST

SOLD TO RETAILER

SOLD TO YOU

**All costs are estimates based off of our own experience and information from vendors we've worked with.*

EVERLANE



EXPERIENTIAL

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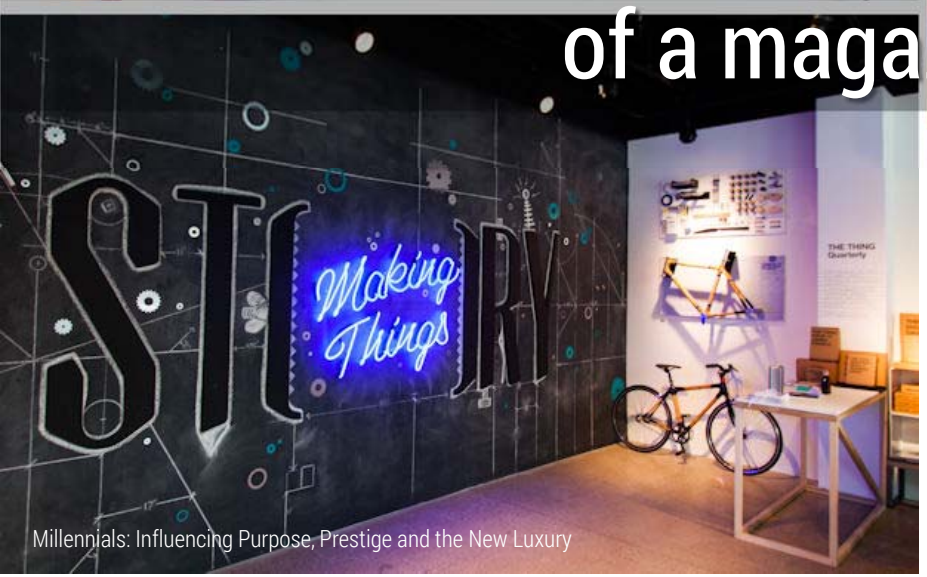
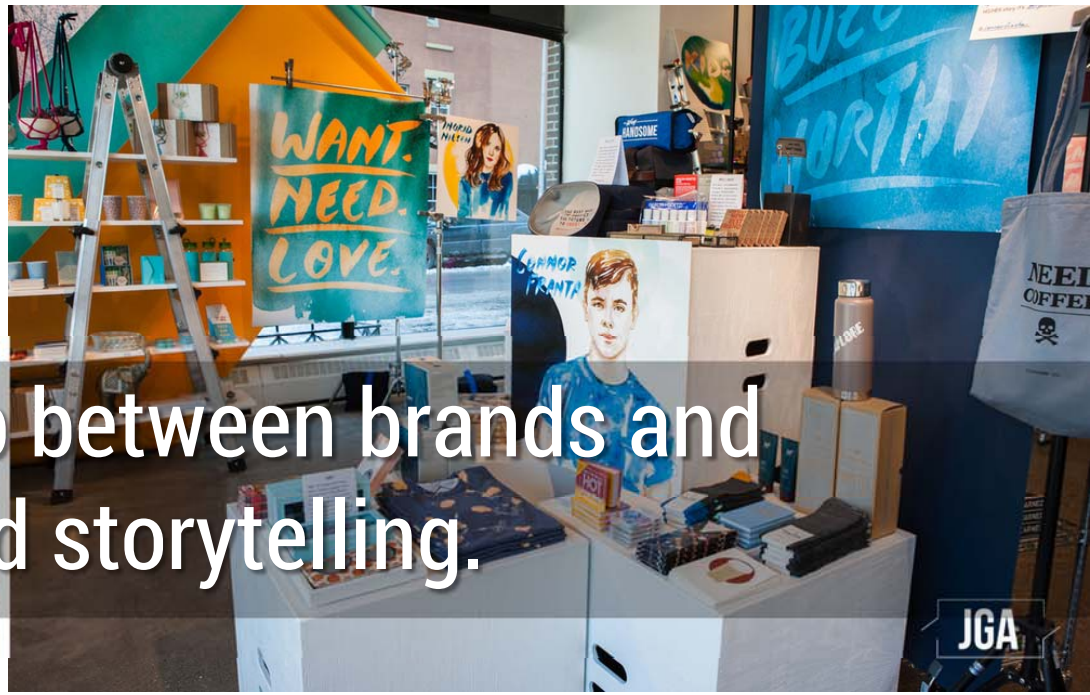
STORY is re-inventing retail by creating a point of view of a magazine that changes like a gallery.





Ultimately bridging the gap between brands and consumers through curated storytelling.

GUIDESHOPS

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E-tailers like Birchbox, Trunk Club, Bonobos, and Warby Parker offer customers the opportunity to “try on” and “test” their products in a physical space.

THE LAB
“ADULT-GENCE”

The Clinic offers a branded environment that sets the standard for the medical and recreational cannabis industry and delivers a credible and welcoming experience for the cannabis connoisseur.

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OTHER FAMILY

Dogtopia, a daycare, boarding, and spa facility rolled into one, provides a “home away from home” for your furry friend to socialize and play in.

VIRTUAL REALITY

Using a Samsung Gear VR headset, shoppers watched a 360-degree, 3-D version of the runway as though they sat in the front row.

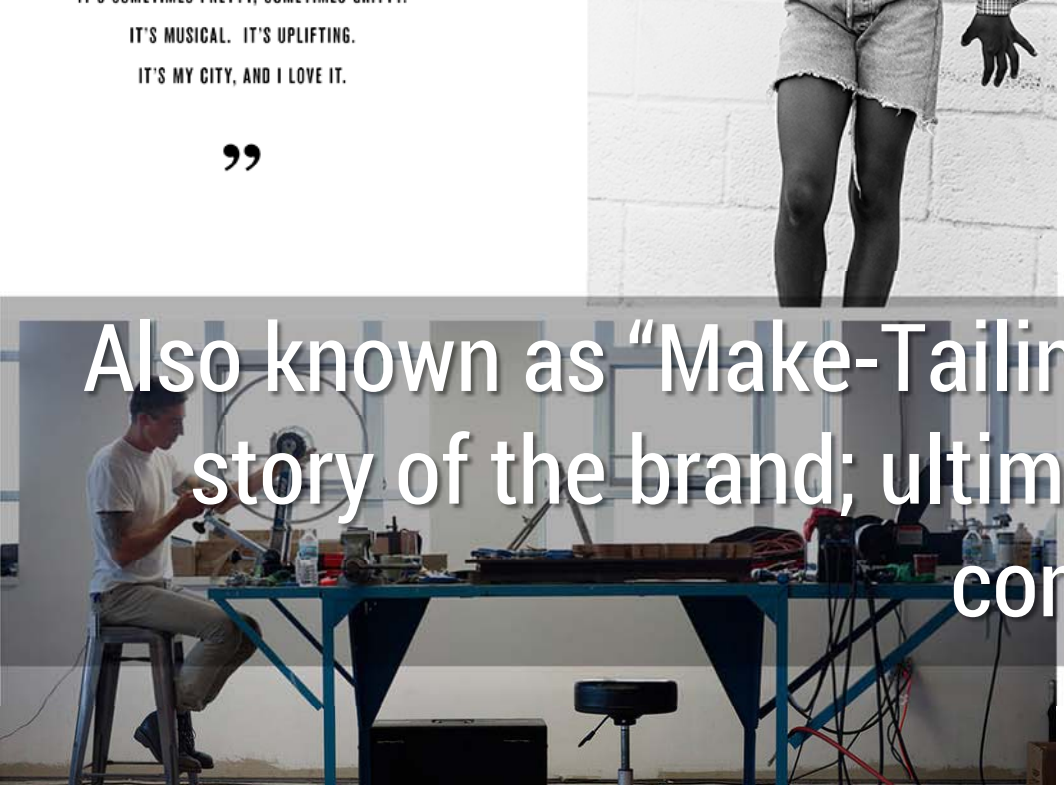
MAKER'S CULTURE
SHINOLA
DETROIT
JGA

“

DETROIT IS MAGICAL

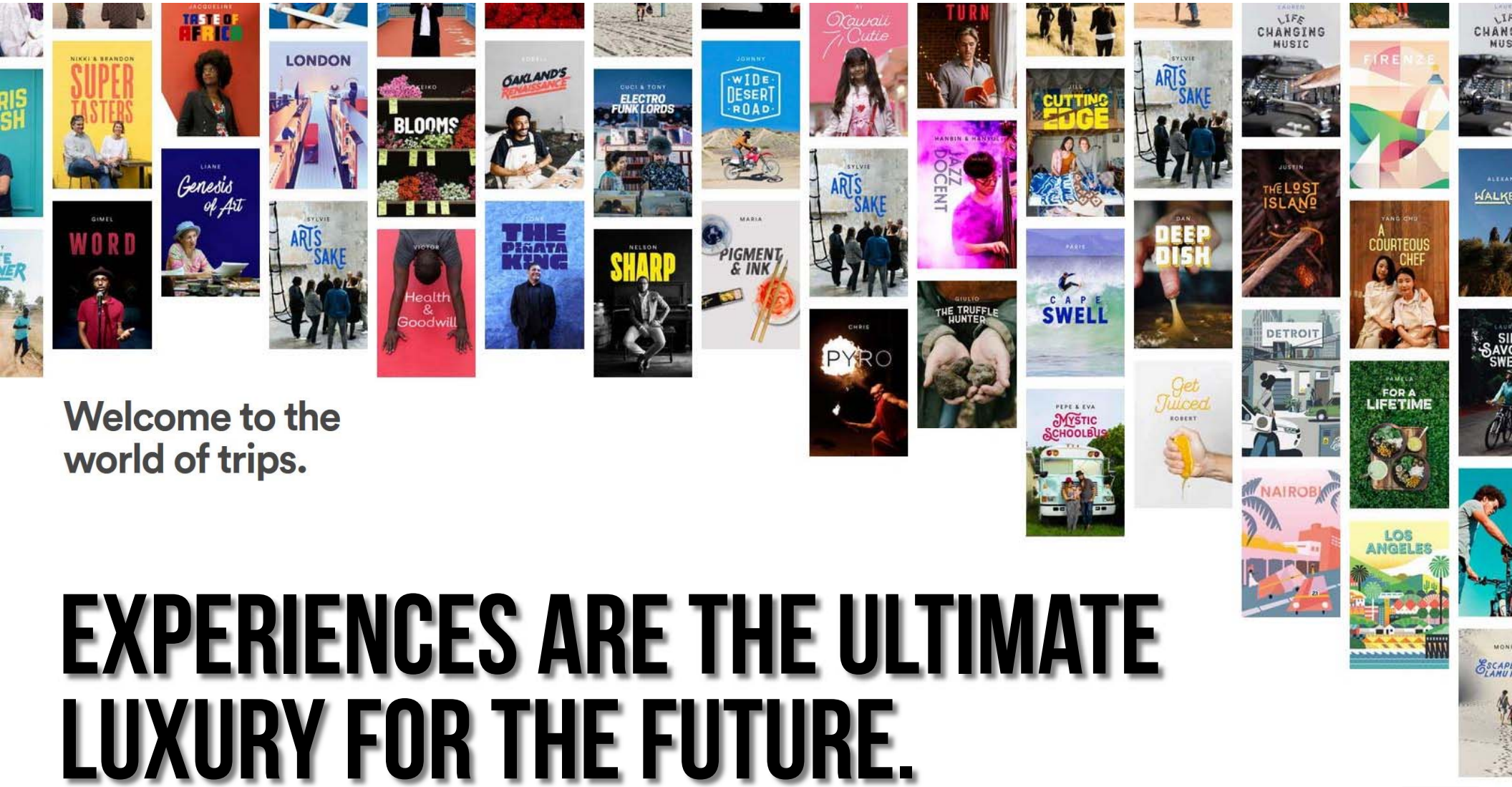
IT'S A LITTLE BIT OF EVERYTHING. IT'S CONTEMPORARY.
IT'S VINTAGE. IT'S ARTFUL. IT'S ROCK & ROLL.
IT'S SOMETIMES PRETTY, SOMETIMES GRITTY.
IT'S MUSICAL. IT'S UPLIFTING.
IT'S MY CITY, AND I LOVE IT.

”



Also known as “Make-Tailing,” these craftsmen tell the story of the brand; ultimately creating an emotional connection with the customer.

LET'S RECAP...



Welcome to the world of trips.

EXPERIENCES ARE THE ULTIMATE LUXURY FOR THE FUTURE.

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"A PICTURE IS WORTH A 1,000 WORDS, BUT AN EXPERIENCE IS WORTH A MILLION." - WALT DISNEY

“ULTIMATELY, LUXURY IS NOT SOMETHING MADE BY A MACHINE IN A REPETITIVE FASHION. IT NEEDS A HUMAN ELEMENT — THAT IS WHAT MAKES IT UNIQUE AND DIFFERENT. THAT WILL ALWAYS PIQUE CURIOSITY.”

JOHANN RUPERT - HEAD OF LUXURY GOODS GROUP RICHEMONT

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TWITTER/INSTAGRAM @ JGA_INC
WHAT'S
YOUR STORY?