

RESEARCH

Online-only retailers top holiday shopping destination among affluent: report

September 15, 2014



Model seen in Net-A-Porter's mobile effort

By JOE MCCARTHY

A new report by the Shullman Research Center found that consumers across demographic categories, especially the ultra-affluent, will be shopping at online-only retailers this holiday season.

Sign up now

Luxury Daily

Although consumers will also be spending time in department stores and other retail locations, the prevalence of online-only retail preference speaks to a growing demand for convenience. As consumers weigh their purchasing options, the outcome often comes out in favor of online shopping.

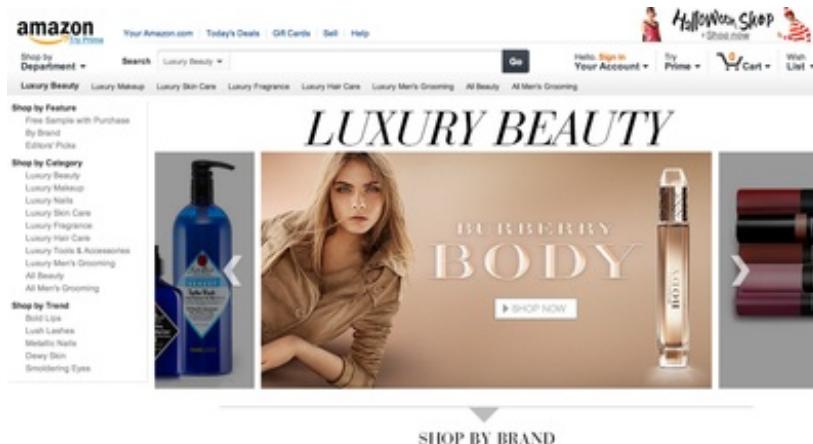
"Convenience is incredibly important, particularly to the upscale shopper," said Bob Shullman, founder/CEO of the [Shullman Research Center](#), New York.

"Many consumers don't know yet what they're buying this holiday season, which means there's still opportunity to convince these people to shop at your stores, whether online, bricks-and-mortar or both, and also to encourage them to buy whatever service or product," he said.

Race to the finish

Seventy-five percent of consumers with a household income of more than \$500,000 plan to shop through an online-only retailer this holiday season.

Although this does not mean that the majority of purchases will be made through these retailers, the inclination to shop online suggests a demand for convenience.



Amazon beauty store

Amazon has set an incredibly high bar in the digital world and will likely be a destination for many of these consumers.

Brands must ensure that their ecommerce sites have similar levels of convenience.

The online purchase funnel is rife with places for consumers to abandon carts, according to an executive from Net-A-Porter at Luxury Retail Summit: Holiday Focus Sept. 9.



Calvin Klein Collection for Net-A-Porter

Ecommerce quality ranges widely in the luxury space, and brands that have slow load times or inadequate product pages are losing consumers around the world. As an online-only retailer, Net-A-Porter seeks to smooth out every aspect of the customer experience

([see story](#)).

After online-only retailers, local and independent stores, specialty stores and luxury department stores all had high levels of expected visitations.

No time

The number one expected gift among the ultra-affluent surveyed was gift cards.

Mr. Shullman stressed that since this is such a popular item – whether because of a lack of time or lack of confidence – retailers must ensure that gift cards are wrapped appropriately and are made easily accessible.

He also noted that many retailers do not place priority on gift cards, because they do not yield commission, which can fluster consumers.

Looking to the holiday season, retailers should ensure that packaging for gift cards is appealing.

Other top gifts among the ultra-affluent include jewelry and travel.

"If consumers want to give something as a gift card," Mr. Shullman said. "[Retailers] have to make it look substantial."

Final Take

Joe McCarthy, staff writer on Luxury Daily, New York

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.