

RESEARCH

## 25pc of luxury brand Web traffic is from millennials: report

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*Gucci cruise 2015 ad campaign image*

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By SARAH JONES

Luxury brands are becoming increasingly active in digital media, and consumers are finally catching up with them, engaging with content and sharing it with their own networks, according to a new report by PM Digital.

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**Luxury Daily**

The largest percentage of visitors to luxury brand sites are 55 or older, but the second largest group is 18-24, calling for a need to interact and engage with not only the small fraction of established luxury consumers they are used to, but also digital-savvy Millennials. The key for luxury brands will be finding the balance between accessibility and exclusivity while bridging the age gap.

"Luxury shoppers covet multiple brands, and as the study points out, awareness and engagement of luxury brands has grown significantly," said Glenn Lalich, vice president of research & analysis at PM Digital, New York.

"This growth is aligning with increasingly rich site experiences, as luxury brands are becoming experts at creating engaging digital content, and, subsequently, becoming more desirable destinations to visit and revisit," he said.

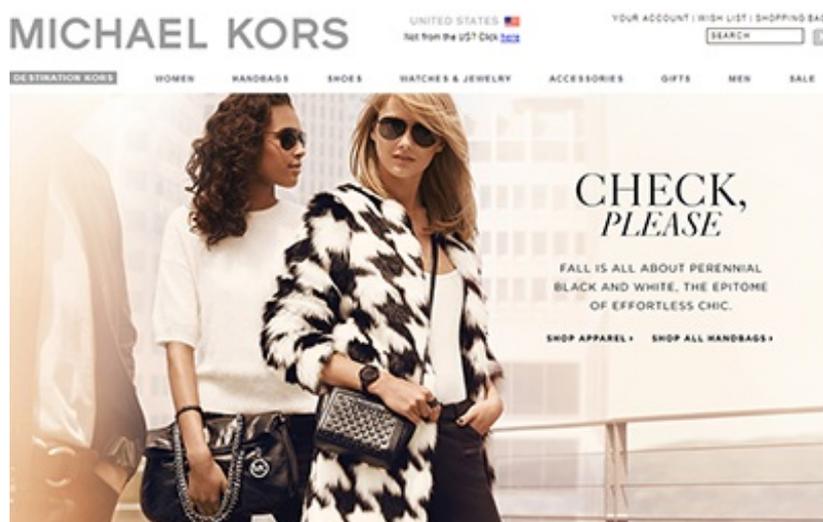
"The Website remains a brand's online flagship, and as such, must speak to all audiences. The right navigation can help drive enthusiasts to appropriate areas.

"But brands also need to understand where the various age segments of their audiences are engaging - mobile devices, in-store, social - and incorporate more targeted tactics accordingly."

PM Digital's fifth annual "[Trend Report: Luxury Brands Online](#)" looks at the year-over-year growth of 73 luxury brands, using site visits, brand searches and social reach as proxies to assess growth and consumer engagement.

## Traffic

The five brands in the study with the largest site traffic – Ralph Lauren, Michael Kors, Coach, Gucci and Louis Vuitton – own 70 percent of the market share. These are the same top five from last year, showing a consistent pattern of attraction from consumers.



### *Michael Kors Web site*

Michael Kors saw the largest variance in total visitors, adding more than 1 million to bring its total year-to-date visitors to 12,923,390. Brioni saw the largest percentage growth in site visits, from 3,844 in 2013 to 36,207 so far this year, an 842 percent bump.

Brioni launched its ecommerce site in November 2013 ([see story](#)).

Search engines create 49 percent of the traffic to luxury sites, compared to the general apparel market's 38 percent. Google is the largest referrer by far.

Social media only accounts for about 6.54 percent of traffic, with Facebook the number one referrer, followed by YouTube. The luxury brands that see the most traffic from social are Sergio Rossi and Miu Miu, with 53.4 and 40.1 percent respectively.



*Instagram post from Miu Miu*

In 2014, 9.2 percent of the traffic to luxury brand Web sites came from consumers who had just visited another luxury site, with Louis Vuitton as the top referrer. This is almost double the 5.44 percent in 2013.

Even though most luxury brands do not sell directly on Amazon ([see story](#)), the ecommerce site accounted for more luxury brand site visits than any other department store or shopping site.

In general, men drive 51.6 percent of traffic to luxury sites, but women make up the majority of visits for apparel and accessories.

The largest market share of visits comes from likely aspirational consumers, with 25.5 percent of visitors earning less than \$30,000 a year.

Fifty-nine percent of traffic to luxury sites is coming from mobile devices, and more than half of luxury consumers expect brands to have a mobile-optimized site. Slightly less, 49 percent, expect a mobile application and only 43 percent expect to be able to buy on mobile, either through an app or mobile site.

"Luxury traffic is now mobile dominant, and the sector was ready for that change," Mr. Lalich said. "The top five luxury brands all have mobile sites.

"All marketers must have a clear mobile strategy, including design, ad placement, social interaction, role at retail, etc."



*Hermès Silk Knots app*

The most focused at driving traffic from email were Reed Krakoff and Marni, who at

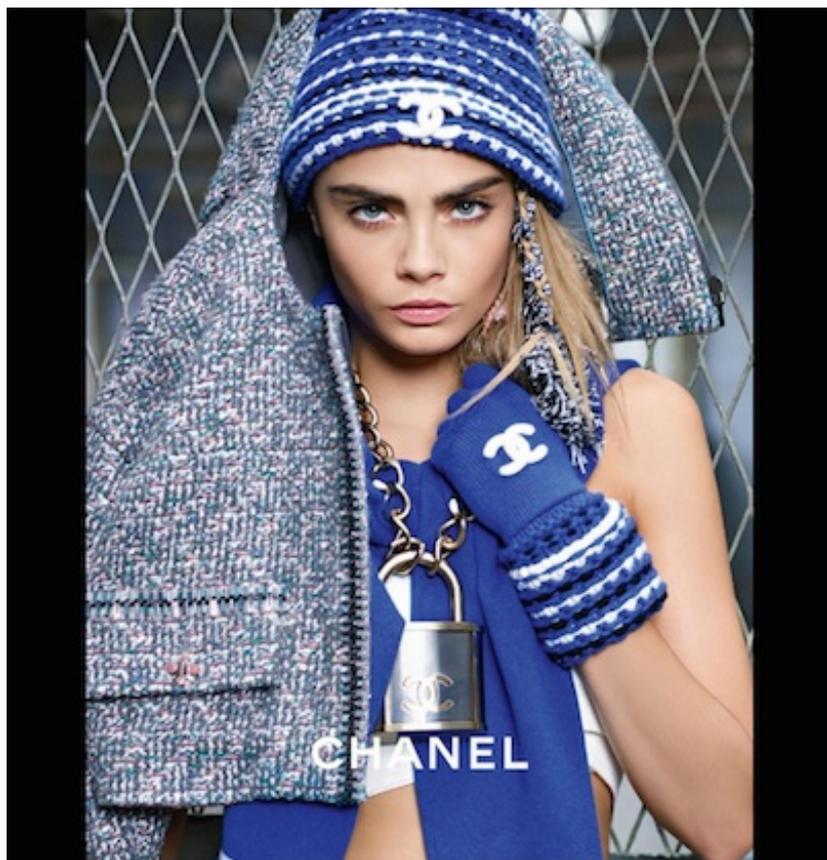
around 30 percent were well above the average of 2.4 percent.

## Socializing

Brands are becoming more social, and building more of a following. For the first time, Louis Vuitton surpassed Burberry in number of Facebook likes, and Michael Kors doubled its followers to place third with more than 14 million fans.

Moncler had the highest year-over-year growth in likes, growing 233 percent.

Chanel has the most Twitter followers, more than 5 million, despite following no one itself. It is also number one in YouTube followers.



CHANEL @CHANEL · Jul 25  
"Coco Coach," the Fall-Winter 2014 campaign featuring Cara Delevingne & Binx Walton, photographed by Karl Lagerfeld  
[pic.twitter.com/6D8P2duEWS](http://pic.twitter.com/6D8P2duEWS)

## *Tweet from Chanel*

Christian Louboutin has the largest community on Instagram. It cross-promotes posts on Facebook, landing it in the top 15 for Facebook likes.

Beyond organic social media, brands have leveraged it as an advertising and ecommerce platform.

Burberry was one of the first to use Twitter's in-tweet purchasing program, which it unveiled during its Burberry Prorsum women's wear spring/summer 2015 runway show Sept. 15. Instead of the fashions seen during the show, the tweet will enable consumers to purchase the nail polishes worn by the models ([see story](#)).

Also, U.S. fashion label Ralph Lauren was an early adopter of promoted Instagram posts

to expand its reach on the photo-sharing social platform.

The ad featured an orange evening gown from the back, an image the brand had posted to its account a week before the promoted post appeared. Promoted Instagram posts are still fairly uncommon, but the reaction to Ralph Lauren's ad shows that consumers are starting to become more accepting of the sponsored content ([see story](#)).

Brands need to understand who their audience is in order to decide which digital channels to focus on.

"Obviously each brand's business model is important," Mr. Lulich said. "If a brand is not necessarily planning an expansion into the mid-market, a key area of focus should be social, weighing both organic social, [with] engaging content, videos etc., as well as paid social opportunities."

Final Take

*Sarah Jones, editorial assistant on Luxury Daily, New York*

Embedded Video: [//www.youtube.com/embed/O41SbhaeNXU](https://www.youtube.com/embed/O41SbhaeNXU)

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