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RESEARCH

43pc of affluent consumers shop online for gifts: study

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With Valentine's Day come and gone, luxury brands need to learn from the holiday and prepare their online Web sites to take advantage of the powerful gifting opportunities right around the corner, such as Mother's Day and Father's Day.



A study by Unity Marketing finds that affluent consumers are turning to the Internet for gifting solutions because it is convenient, respects their time and they have the ability to shop 24/7. This was one of the key findings of the report titled "The affluent consumer and how they use the Internet, social media and mobile devices."

"What really popped for me and what moved so rapidly was gift shopping," said Pam Danziger, president of Unity Marketing, Stephens, PA. "It was astounding how much more people are using online for gift shopping. Online gift shopping is a habit now for consumers.

"They can go online, save time, make it easy, point and click and purchase without having the lug the items home," she said.

The use of gift shopping rose from being used by 60 percent of consumers in the survey conducted in Jan. 2010 to 89 percent in the latest survey.

Shop online

Unity Marketing specializes in consumer insights for marketers and retailers that sell luxury goods and experiences. They surveyed 1,237 affluent consumers who are avid online shoppers.

Another finding of the report was that affluent shoppers are routinely using the Internet to shop for items that are popular to give as gifts, like books, toys and games.

Electronics, clothing and fashion accessories are categories that consumers frequently use the Internet to shop. According to the survey, 54 percent of shoppers purchase electronics online, and 44 percent purchase clothing and accessories.

Some 43 percent of affluent consumers use the Internet to shop for giftables, such as flowers, candles, figurines and other popular gift items.

The study revealed that high-income women over 45 years old in particular favor Internet sources for giftable items.

The findings provide insights into how well luxury brands take advantage of the opportunity to reach affluent consumers via their Web site. The findings illustrate the increased demand for luxury brands to make sure their online shopping destinations are up to par.

"I think that if we look at major luxury retailers, such as Saks, Nordstrom and Neiman Marcus, I think they are doing a great job in delivering," Ms. Danziger said. "I think the weakness are brands that haven't fully integrated Internet into their mindset.

"Chanel comes to mind," she said. "They only make their products available in their boutique stores. "Consumers can buy cosmetics and beauty in stores, but not apparel.

"Chanel is forcing some of the affluent shoppers to be window shoppers."

Embrace online

Luxury marketers should be embracing the Internet as an opportunity to sell, provide information and form relationships with consumers 24/7.

Providing special offers, such as coupons is an essential way for brands to hook affluent consumers and convert them from visitor to friend.

According to the survey, tracking where affluent consumers shop, what they buy, and how much they spend is critically important for marketers targeting consumers.

"The common point of view is that luxury brands think they do so much better in-store than online," Ms. Danziger said. "That's why they guide them into stores. That's really old fashion.

"Internet shopping is exactly the experience many luxury consumers want nowadays," she said. "Going into the store is a big time-waster."

Final take

