

RESEARCH

All consumers treat themselves to luxury goods

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Image courtesy of Rolls-Royce

By NANCY BUCKLEY

NEW YORK There is often a disconnect between the consumer's view of luxury and the brands' and agencies' perspectives on the individual's thoughts, according to the founder of The Shullman Research Center at Luxury FirstLook: Strategy 2016 Jan. 20.

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Focusing on both luxury and non-luxury consumers is essential for brands and agencies to research because the non-luxury consumers have the potential to become luxury consumers. The idea of consumers treating themselves to a product transfers non-buyers into consumers and presents new prospects for brands to direct advertising toward.

"There are other ways that people are reaching out and engaging with consumers," said Bob Shullman, founder and chief executive officer of [The Shullman Research Center](#), New York.

"It comes from beyond the senses of sight and sound," he said. "It is a way you see more and more buyers getting in the world and how to get to luxury prospects."

Luxury FirstLook: Strategy 2016 was organized by Luxury Daily.

Look at everyone

Luxury buyers and non-buyers were asked to describe luxury. Luxury consumers used words such as expensive, high-end, name brand, quality and comfort. Non-buyers had similar words, but also added two nouns: cars and jewelry.

Both groups were also asked to name brands that they associate with luxury. Similar brands were named among automobiles, apparel and jewelry. However, luxury buyers had two brands not in these categories. They included Apple and Neiman Marcus.

Understanding non-buyers is considered important for luxury brands because those individuals are progressively becoming luxury consumers. In 2014, there were 46 million luxury buyers and in 2015 the number rose to 67 million; non-buyers are becoming buyers.

Reaching these individuals is key to brands. There are many different media channels that advertisers enact to reach consumers and aspirational prospects. From television to movie theaters, consumers are constantly fed

advertisements.

Luxury brands have seen results with television, Facebook, Web sites, YouTube, printed magazines, mail, emails, radio, in-store and at movie theaters.

Retailers have similar successes, but see more success with emails and shopping malls than brands.

All of these mediums engage sight and sound. However, there are three other senses that are being neglected. Touch, taste and smell should also be considered in advertisements when possible.

Direct your attention

Focus on the luxury consumer and their own thoughts and beliefs is essential for brands and advertisers. The message they construe may vary from the idea consumers have for specific products.

Likewise, during September's Luxury Retail Summit: Holiday Focus 2015, Mr. Shullman expressed that luxury consumers have significantly different preferences from mainstream America and conduct holiday shopping in a much different manner.

Retailers capitalized on these preferences by specifically targeting their marketing efforts to appeal to luxury consumers. Understanding when consumers spend, what they buy and where they make purchases will allow retailers to have a successful holiday season ([see story](#)).

For instance, jeweler Tiffany & Co. spoke to holiday procrastinators with a series of display ads targeting the fashionable crowd.

Ensuring that its gifting-ready baubles were not missed, Tiffany ran efforts on the Web sites of Harper's Bazaar, Elle and Women's Wear Daily, all of which spoke to seasonal jewelry purchases. With Christmas only days away when the ads ran, Tiffany may have been able to spur in-store visits for some final present preparations ([see story](#)).

Furthermore, to effectively appeal to consumers, marketers must also develop a strategy that takes all five senses into consideration.

Sight may be the most important sense, ranked highest by 84 percent of consumers, but the other four also play a major role in consumers' purchasing decisions and perception of a brand. Luxury brands in particular should take note of the senses outside of sight, as luxury buyers have less of a focus on sight than those who do not indulge in luxury ([see story](#)).

"Luxury is in the eyes of the beholder, it is also in the eyes of the advertiser," Mr. Shullman said.

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