

COLUMNS

## Reaching affluent consumers via mobile

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**Luxury Daily**

Luxury brands know better than anyone that affluent consumers are highly particular about the things that they purchase.

Whether it is this season's new Christian Louboutin pumps or that straight-off-the-showroom-floor M Series BMW, affluent customers usually know exactly what they want. The same can be said for the ways in which they shop.

As early adopters who place value in being among the first to have a coveted item, affluent U.S. consumers are more likely to carry a smartphone or tablet.

Worth net net

These affluent consumers are also likely to appreciate extraordinary customer service and show willingness to spend more on products and services when value is established.

So, while impeccable service, exclusive offers and personalized content are all important elements for luxury brands, it is also key to take into account the customer's on-the-go, connected lifestyle.

Consider this: a recent survey from The Luxury Institute found that 20 percent of

respondents with an annual income of at least \$150,000 said they shop from their phones. Among users with a net worth of at least \$5 million, mobile commerce was even more popular.

However, mobile commerce is much more than simply entering your credit card number into your iPhone to make a purchase.

In fact, the mobile phone can and should be used at a number of touch points throughout the shopping process including before, during and after purchase.

Reach buyers before they hit the store

Because the price of goods and services is higher for luxury brands, affluent consumers frequently perform significant research prior to purchase.

For mobile subscribers, this often means going beyond a traditional static advertisement.

An example would be a consumer seeking to learn more about a product or service through a video or Web site delivered via mobile.

Another example is a consumer scanning a QR code which leads her to a customized microsite with more information.

Building brand loyalty through exclusivity

Even more so than in other segments, luxury consumers are often influenced by brand names and reputations.

So, beyond just selling a product or service, the goal of luxury brand marketers should be to build loyalty that leads to repeat business and referrals.

By building an opted-in VIP club and delivering exclusive offers and event invitations, a brand is able to stay top of mind with consumers and help build loyalty.

Reputable retailers that can offer great deals on new products or items not yet available to the public will be successful in reaching the luxury consumer.

It is important to remember that just because luxury consumers have more money to spend than the average consumer, it does not mean that they do not like saving it.

In fact, more than three quarters of all luxury consumers are members of at least one loyalty program, according to Unity Marketing.

Of course a "\$5 Off Your Next Purchase" coupon is not going to be an attractive offer to them, so it is important for marketers to understand and play to their target audience.

A free luxury add-on – free clutch with shoe purchase – or chance to win a significant prize – weekend spa package – will likely be more effective.

Do not count out SMS

SMS still stands as a strong base on which to build any mobile marketing program.

Mobile is often the only effective way to ensure that you are reaching an affluent consumer when he or she is out and about and more likely to buy a big-ticket item.

According to multiple studies, 90 percent of text messages are read within three minutes of delivery, which means that SMS offers marketers an immediate means of communicating with consumers on a very personal level.

There are, however a few key points to keep in mind.

First, exclusivity is important in the luxury world. Do not let just anyone join your loyalty club.

Second, relevance is always key, no matter who your audience is.

Third, with the affluent audience, cadence is especially important. A best practice is to reach out to affluent consumers minimally, ensuring that each time a message is delivered it will get noticed and hopefully acted upon.

Mobile makes traditional ads interactive

Many luxury brands spend heavily on traditional advertising.

By adding a mobile component such as SMS or a QR code to those ads, brand marketers can better capitalize on that investment and make a previously passive activity interactive and engaging.

Adding a mobile element also makes the best possible use of advertising dollars, as it costs nothing to add a mobile call-to-action to an already purchased placement, and the returns are potentially very high.

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