

RETAIL

## Older consumers just as likely to shop luxury online as millennials

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*All luxury shoppers tend to be online shoppers, but some key differences remain. Image credit: Cushnie Et Ochs*

By DANNY PARISI

NEW YORK Discussions of how to market to the online luxury consumer are often missing a crucial point: pretty much all luxury shoppers are online.

Speaking at Luxury Interactive 2017 Oct. 17, an executive from Cushnie Et Ochs presented data on the demographics of luxury consumers, particularly in regards to which demographics tend to do the most online shopping. While young people definitely do more online shopping than others, pretty much all luxury shoppers of any demographic group regularly use online for luxury shopping.

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"People don't think all of them are shopping online, but the truth is all luxury customers are fairly online savvy across the board," said Kristin Stewart, head of ecommerce and digital marketing at [Cushnie Et Ochs](#). "Don't ignore any one group digitally.

"Understand their unique values and market them in a way that speaks to those values."

Generational divides

Understanding luxury customers and who they are is key to surviving in the modern marketplace.

For many heritage brands who have decades of business practices built up before the arrival of the Internet, navigating the digital world is difficult. One of the first priorities of building a strong digital strategy is to learn who the customers are.

While young people might seem like the most likely candidates for primarily online shoppers, Ms. Stewart said that pretty much all luxury shoppers shop online. Young people do have an edge, however, with 100 percent of luxury shoppers under the age of 35 doing so online.

Ms. Stewart broke up the online luxury shopper into five categories, established luxury consumers, young new consumers, consumers who simply "keep up," young aspirational luxury shoppers and older aspirational shoppers.



*Online luxury customers can be any age group. Image credit: Cushnie Et Ochs*

"Our established luxury customer is the person you'd stereotypically think of as a luxury consumer: older, affluent, values quality," Ms. Stewart said. "You might not think they are online but they usually are."

"They value exclusivity and quality. An effective strategy for this group is to emphasize craftsmanship."

Conversely, newer luxury consumers are more interested in identifying with the experience or product that they are purchasing. This is an important aspect of marketing to millennials and Gen Z, which is a key demographic for the future of luxury.

"New luxury customers are usually millennials," Ms. Stewart said. "They are a little more cosmopolitan, they value symbols of success and feeling in the know."

"Engage them with the product, make them feel that they are part of the story, get them hyped about whatever you have coming up."

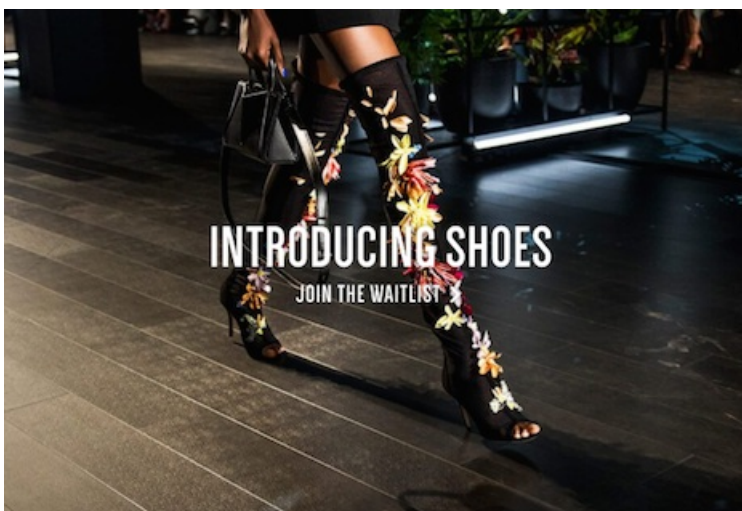
#### Segmentation

Millennial luxury consumers have mainly been targeted through digital tools and rightly so. These young consumers are online natives and can be effectively reached through omnichannel efforts.

Media conglomerate Cond Nast is putting additional stock in digital content hubs with the launch of title offshoots meant to accompany primary print publications.

Cond Nast has recently ramped up its digital properties to cull millennial readership and to attract advertisers that appeal to the next generation of readers. The media group's millennial-centric developments includes the "Next Gen" campaign and digital companions for titles such as Architectural Digest, Golf Digest and Bon Appetit magazines ([see story](#)).

While the online gap between young and old consumers is negligible, there are still differences between age segments that are important to keep in mind.



*Online shopping. Image credit: Cushnie Et Ochs*

For example, the global timepiece market will face looming problems of sustainability and interest going forward, as younger generations are far less likely to wear a watch daily compared to older consumer segments, according to findings from The NPD Group.

Less than half of all consumers in the United States wear a watch every single day, according to The NPD Group's latest report on the global watch industry. But the majority of those watch wearers are baby boomers, while their younger counterparts who will eventually supplant them in terms of numbers are far less likely to wear a watch ever due to the prevalence of smartphones making portable time-telling unnecessary ([see story](#)).

But rather than try to look at the different segments of luxury consumers as distinct groups, it is important to remember that digital is the unifying line that connects them all.

"Don't throw out your notions of the online luxury customer, but expand who you think they might be," Ms. Stewart said.

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