

MARKETING

Luxury consumers trending toward goodness in purchases, values

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Shopping has now become experiential. Image credit: The Peninsula Hotels and Resorts

By NANCY BUCKLEY

NEW YORK Luxury brands must strive for a higher purpose in products, people and the environment, according to the managing partner of YouGov.

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Affluent consumers have conflicting ideas when it comes to spending money in a meaningful manner and choosing brands that align with their own values. During "The Era of Brand Meaning" keynote at Luxury FirstLook 2018: Exclusivity Redefined on Jan. 17, the executive noted that luxury consumers are making defensible choices as they seek to make purchases, which has shifted how a brand is traditionally defined.

"People are looking to engage with brands they feel are doing really good things and have strong values," said Cara David, managing partner at **YouGov**, New York.

Luxury Daily produced Luxury FirstLook 2018: Exclusivity Redefined

Valuable choices

Luxury consumers are trending toward brands that represent the goodness they try to uphold in their personal lives.

Likewise, affluents reported that they prefer brands that have a high level of integrity, make them feel good during use, are meaningful to them, share their values, are committed to doing what is right and follow sustainable practices.

Forty-five percent of luxury purchasers think that spending money on luxury is a waste, but are more likely to invest in a brand with they feel a moral connection. Therefore it is pertinent for luxury brands to make their purpose omnipresent throughout the brand.

YouGov's Ms. David reported that 91 percent of luxury purchasers are trying to simplify their lives. By doing so they are seeking goodness and trying to lead a life that matches this ideology.

Also, this trend is impacted by younger family members pushing for more impactful decisions in spending by their affluent parents and grandparents.



Cara David at Luxury FirstLook 2018

However, it is reported by luxury consumers that they do not wish for luxury brands to take a political stance, but rather to do good within their communities.

Choosing a brand based on actions and values allows for luxury consumers to make defensible purchases with the money they feel entitled to spend.



Goodness is important to consumers

Incorporating the brand's values into its products, employees and the environment is vital because 92 percent of luxury consumers prefer to do things with likeminded people and trust these individuals to refer and advise when making purchases.

"There is a rise of referral," Ms. David said. "Going to their networks to get advice, find your advocates within these groups, use the advocates as catalysts to spread the word."

Connection matters

Brands are consistently trying to connect with the consumer on a personal level while demonstrating brand values.

For example, department store Bergdorf Goodman wrote a love letter to its hometown of New York through its holiday windows.

The retailer's "To New York With Love" display paid homage to local institutions such as the New York Philharmonic and the New York Botanical Garden ([see story](#)).

Similarly, German automaker Porsche revealed the 1 millionth 911 with a gesture of thanks toward its factory hometown of Stuttgart.

Porsche chose 11 regular people from the town to be the first to drive the car and filmed their reactions as they took the vehicle for a spin. While luxury is typically reserved for the few with the means to own big-ticket items, a number of brands recently opened up brief experiences to the everyman ([see story](#)).

Connecting on a local and personal level gives a face to a brand and allows consumers to relate to the brand.

"The affluent want to be with people who have integrity, are honest, kind and intelligent and use it in good ways," YouGov's Ms. David said.

"This is what they strive for themselves personally, so they look for companies to invest in more and more in terms of giving," she said.

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