

RESEARCH

The changing behavior of affluent Asia-Pacific consumers in 2018: Part 2

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Rise of the Chinese woman luxury shopper. Image credit: Elvis Ma via Luxury Society

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Agility's study into the changing behavior of affluent Asia-Pacific consumers sheds some light on the growing demand for virtual reality, artificial intelligence and how China's female consumer is becoming a driving force.

Luxury brands and dining experiences: worthy of an Instagram post

Dining out as a way to explore new experiences, tastes and interior designs and concepts has become more popular among affluent consumers in Asia Pacific, especially among millennials.

It is no longer just about what you eat, but also where you eat, and then posting it on Instagram and other social media channels.

Michelin starred restaurants are the current obsessions in Asia, with more restaurants being awarded every day.

Designer luxury restaurants are also currently in trend such as the Caf Dior in Seoul, 1921 Gucci in Shanghai and Beige at Chanel in Tokyo.

The trend is not only limited to Asia Pacific, but also Europe, such as Milan's Bar Luce by Prada, and North America with New York's Blue Box Caf at Tiffany & Co.

In 2018, it can be predicted that more brands will open their own restaurant across cities worldwide.



Caf Dior in Seoul. Image credit: Pierre Herm via Luxury Society

Asia-Pacific consumers welcome virtual/augmented reality and artificial intelligence interactions. Across the region, personalized service and physical interaction with brands, be it at store, events or exhibitions, are considered very important in influencing purchase.

However, affluent Asia-Pacific consumers are always excited about new innovations and technologies.

With the commercialization of virtual/augmented reality and artificial intelligence as marketing and customer service tools in the market, luxury brands will be able to bring personalized and more authentic online experiences, including via smartphones.

Imagine having a full conversation with an AI shop assistant who knows everything about you, or which dress to buy for an upcoming wedding party, as if it was your best friend. Or imagine being able to try on makeup, which you can usually only do at department stores, through an augmented reality application on your mobile phone.

Affluent Asia Pacific consumers are excited to try all these new innovations.

For millennials, innovation/technology trumps heritage of the brand

Based on our research, Asia-Pacific millennials pay more attention to a brand's innovation/technology rather than heritage or history, which can be attributed to their tech savviness. Luxury marketers should focus more on the technology side than just the brand's heritage alone.

For millionaires, social responsibility trumps brand recognition

This might be surprising considering the stereotype that millionaires like to show off their luxury goods and jewelry. In 2018 however they will care more about the social responsibility of the brands they are wearing rather than if the brands they are using are recognizable.

This might be due to the combination of social consciousness and a mindset of inconspicuous consumption.

Interestingly, we find an increasing trend among the high-net-worth consumers where they are becoming more discreet about the brands they wear and more subtle in the way they dress.

Casual streetwear worn by millennials and teenagers is creating a whole new Hype Beast Culture

In the past, the concept of luxury fashion has often been associated with haute couture and intricately designed ready to wear. However, in 2018, luxury streetwear is now as much in demand as other luxury fashion brands.

With the rise in casual dressing and the acceptance of hip-hop and the skater sub-cultures in Asia as well as the commercial success of Supreme x Louis Vuitton and other major brands such as Balenciaga and Givenchy, we see streetwear focused brands such as BAPE and Off-White as part of every young consumers wardrobe in 2018.



Supreme fall/winter 2017 ready-to-wear collection. Image credit: Louis Vuitton via Luxury Society

Affluent women as a driving force behind purchasing personal finance, real estate and cars, not just fashion, jewelry and beauty

In 2018, female consumers will become the driving force behind the traditional masculine domain of purchasing personal finance including equities, mutual bonds and insurance, as well as real estate and luxury cars.

The majority of female millionaires are self-determining in terms of their own finances and many are considering buying properties internationally, especially in the United States or Australia.

Affluent women also spend as much money as affluent men on cars and this is especially true in China, where luxury car brands such as Audi and Aston Martin have created marketing campaigns specifically targeted at women.

Every January, through thousands of surveys with affluent consumers, Agility Research & Strategy distills a volume of data into insights for premium brands.

These insights help brands unlock growth and understand the dynamics of changing consumer behavior across the region. Agility's annual Affluent Insights study also includes conversations with experts in the luxury, travel and finance sectors to provide a holistic view of the consumer landscape for the coming year.

For this year's study, Agility interviewed close to 3,000 affluent respondents across China, Hong Kong, Japan, South Korea, Thailand, Malaysia, Singapore, and Australia.

This is the final part in Agility's investigation into the behavior of affluent Asia-Pacific consumers in 2018. In [part 1](#), I looked at new ways of purchasing luxury goods, the most popular platforms for information on brands, and the renewed interest in acquiring luxury watches. Here are our additional, top insights for brands to look out for in 2018.



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