

RETAIL

As Americans look to declutter, luxury design lies with minimalism

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The ultra-affluent are global. Image credit: Printemps

By BRIELLE JAEKEL

Consumers in the United States are shifting their ideas of luxury, expecting more than just quality aesthetics as they now look for both beauty and usefulness.

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According to a new survey from Volvo and The Harris Poll, 68 percent of Americans agree that "less is more" in regards to luxury. Eighty-eight percent say that luxury today is about function as well as appearance.

"We found a compelling shift in Americans' perceptions of modern luxury," said Russell Datz, national media relations manager at **Volvo Cars USA**. "While acquiring possessions was once seen as a sign of wealth and status, Americans are now seeing that less is more."

Change in luxury

About 70 percent of survey takers believe that quality is the most important aspect of modern luxury.

While this is important for luxury goods makers, it is important to note that these shifting values are impacting the way consumers spend on high-end products.



Modern luxury is more inclusive. Image credit: Volvo Group

Seventy-four percent of Americans believe that spending more on quality products rather than buying more items is better, a figure that jumps to 88 percent in regards to those with household incomes of more than \$100,000 a year. This means these shoppers are buying less frequently, but spending more when they do.

Convenience and indulgence are traits that fewer consumers believe are top priority with luxury goods. Both characteristics see 29 percent of survey takers claiming this is the most important aspect of luxury, compared to 35 percent for personalization and 39 percent for authenticity.

However, rarity is the least popular trait at only 20 percent.

Cleanliness, spaciousness and functionality are the top characteristics Americans look for in luxury spaces, at 55 percent, 50 percent and 45 percent, respectively.

Elaborate and ornate, which were previously cherished luxury traits, are seen as less important with only 37 percent and 16 percent, respectively, of those surveyed feeling these are most important.

These modern traits hail from Scandinavia, and 61 percent of Americans believe that modern luxury is represented with Scandinavian design.

This also ties into findings that show that Americans are interested in less clutter, as Scandinavian design is sleeker and more minimalistic. Eighty-five percent of Americans are looking to de-clutter their lives and spaces.



American's views of luxury have change. Image credit: Volvo

For vehicles, quality interior design is what most designates a car as luxury in the eyes of consumers, followed by technology and brand name at 62 percent, 56 percent and 56 percent, respectively.

Additional insight

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

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 ([see story](#)).

Perceptions of luxury are changing as more multicultural and millennial consumers become clients of high-end goods and services, forcing brands to evolve their marketing strategies.

Luxury often leans on quality and exclusivity to justify its price points, but a new report from Mindshare finds that big-name brands are losing favor due to a seeming decline in both production methods and personal touch. To maintain relevance, luxury marketers need to think small and focus on the new influences and mindsets behind consumer purchases ([see story](#)).

"Surprisingly, the vast majority of Americans want to de-clutter their lives, and 90 percent feel better when their homes and vehicles are simplified," Mr. Datz said. "This aligns with Volvo's Scandinavian design philosophy, which results in luxury cars that offer a peaceful sanctuary in an otherwise hectic world."

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