

MARKETING

Luxury brands need to overcome “guilt factor”

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Marc Jacobs fragrances are produced by Coty. Image credit: Marc Jacobs

By BRIELLE JAEKEL

NEW YORK The term "luxury" can incite a variety of feelings from affluent buyers, and while many think of these shoppers as having endless funds, feelings of guilt are a significant part of buying luxury.

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During a panel discussion at Women in Luxury 2019 on May 9, Patricia Clark of Ipsos Affluent Intelligence revealed that luxury brands need to work to offset feelings of guilt from buyers, focusing on making consumers feel good purchasing with their companies. In another twist to keep luxury marketers on their toes, YouGov managing partner Cara David disclosed that affluent consumers are pulling away from social media, just as luxury brands have gotten comfortable using these platforms.

"There's a lot of different type of influence and one that we think is really interesting is those that we refer to as affluence," said Patricia Clark, senior vice president for affluent syndication, Ipsos Affluent Intelligence. "While they might be paid influencers, they might also be someone in your social circle. We think these people are really important and we profile these people."

Women in Luxury 2019 was produced by Luxury Daily, with venue sponsor UBS

Guilt or craftsmanship

The panel session, moderated by *Luxury Daily* editor in chief Mickey Alam Kahn, touched on themes in marketing to the affluent woman consumer of today.

Ipsos has done extensive research on how women feel when making a luxury purchase versus a premium purchase, and the term luxury seems to have a somewhat inferior connotation.



Consumers are able to discover beauty products more easily online. Image credit: Lancme

When asked about the term luxury, women responded by saying that they felt good about their purchases, but it also came with guilt. These women described their luxury purchases as indulgent and other similar terms.

But when it came to premium buys, they cited words such as "craftsmanship" and "quality."

Consumers said that they felt as though they deserved these luxury items because they work hard. Luxury brands need to tap into that feeling and also promote the good aspects of their companies, such as real sustainability and humanitarian efforts, to offset these feelings of guilt.

While luxury brands have recently come onboard the digital revolution and social media dominance, affluent consumers are weaning themselves off online usage, according to research from YouGov.

These consumers are looking to gain some time back as they start to work more. In addition, privacy issues are also likely a factor, with these users feeling as though they no longer want to give away their information for free.

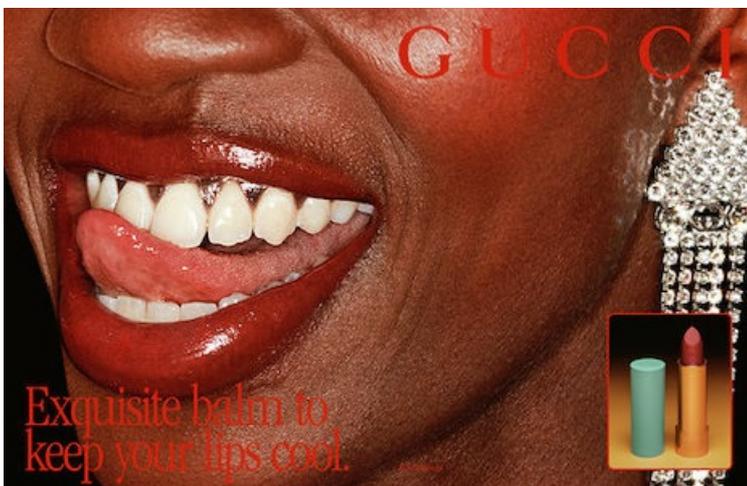
With all this change happening, Cheryl Dixon, vice president of communications and PR at Coty and adjunct professor at Columbia University, explained that in beauty both affluents and mass consumers are spanning the different price tiers for a mixture of products.

This is fairly representative of the luxury segment as a whole, with affluents looking for quality versus price point as technology allows for craftsmanship to be available at all price levels.

In beauty, customers will likely purchase all across the board, buying a luxury eyebrow pencil but a drugstore lipstick. These consumers are focused on quality rather than sticking to one brand.

Along with this concept, beauty brands are no longer telling customers how they should look or wear their makeup, but they are instead inspiring them to experiment and express themselves as an individual. Inclusivity is, today, an integral part of beauty.

For instance, Italian fashion label Gucci is continuing an unconventional approach with the launch of its new beauty line in partnership with Coty, the latest endeavor from creative director Alessandro Michele.



Still ad for Gucci Makeup. Image courtesy of Gucci

Since joining the brand in 2015, Mr. Michele has added his personal touches to Gucci's fragrances, relying on

inventive digital campaigns to examine his unique perspective on beauty. The latest iteration of Gucci Makeup is the first cosmetics collection of Mr. Michele's tenure, extending his aesthetic to another entry-level category.

While the beauty line maintains its high-fashion status, it focuses on imperfections in a manner that reads as art ([see story](#)).

The caliber of content

While Coty's brands accentuate individuality with content, pre-owned watch retailer Crown & Caliber's content manager Rachel Butler explained that for its platform, information rules.

The retailer is able to use a variety of its data to curate and create content on its Web site that will excited readers and urge them to buy.

Ms. Butler stated that its blog is one of the biggest drivers of site traffic, as readers come to its platform for trusted information, news and entertainment regarding watches. From there they are pushed on to purchase.

Crown & Caliber recently expanded its bricks-and-mortar footprint to Canada through a partnership with jewelry retailer Birks.

Exclusively at Birks stores in the market, Crown & Caliber will enable consumers to sell or trade-in their watches for cash or store credit. While launched as an online service, Crown & Caliber has extended its reach offline through partnerships ([see story](#)).

"Instagram and online and influencers are a very big part of beauty and luxury but I think that there's more call for education and more call for empowering consumers to create their own looks, not dictating looks to consumers," said Cheryl Dixon, vice president of communications and PR at Coty, and adjunct professor at Columbia University. "We're not dictating here's exactly what you should look like, but rather giving consumers product and let them play based on their mood."