

MARKETING

Cross-pollination of luxury and mass-market brands will persist: Chase exec

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Luxury and mass market brands continue to intersect. Image credit: Gucci

By SARAH RAMIREZ

The portrait of today's luxury consumer has become muddled, as the sector becomes democratized and regional differences remain highly influential across markets.

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During an [Ipsos webinar](#), luxury and retail experts discussed how the typical luxury consumer has evolved, particularly during the last two years. As the way affluent consumers shop changes, more questions are facing both brands and shoppers.

"The definition of luxury for who might be a baby boomer or older is very different from the definition of luxury for a millennial or a Gen Z," said Dana Pouwels, managing director, head of Chase Sapphire partnerships at JPMorgan Chase.

"So we are really focused on identifying what the different categories of luxury are, what that means to those consumers and how we can develop products to meet their needs."

Changing consumers

The COVID-19 pandemic forced luxury consumers of all ages to engage digitally more than before, flocking to emerging channels such as TikTok. The challenge for luxury brands, however, as it often is, is to maintain authenticity while pivoting strategies.

"Most luxury brands shifted their strategy and have to be more consumer-centric," said Erum Chaudhry, vice president marketing at Parfums Christian Dior. "It's more of a two-way dialogue with consumers in the luxury world now."

Greater reliance on digital channels is also shaping other consumer trends luxury brands need to be aware of, such as livestream shopping, secondhand commerce and the metaverse.

"Ultimately how we buy is changing," said Tricia Glynn, managing director at Advent International. "I think that's the punchline."

What consumers are buying is also changing, as some mass categories are seeing more premiumization and some luxury categories are becoming more accessible.

"You see this intersection of mass and luxury playing together because that really is how people are increasingly living their lives," Ms. Pouwels said. "It goes back to this notion of people are looking for experiences and not things.

"This cross pollination of mass and luxury, we'll continue to see it," she said. "Especially as new generations like Gen Z, really change the way in which they experience life and want to experience brands."

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