

RETAIL

## We are incredibly committed to luxury consumers of all types': Saks' CMO

March 7, 2023



Emily Essner, chief marketing officer at Saks Fifth Avenue. Image credit: Saks Fifth Avenue

By AMIRAH KEATON

U.S. department store chain Saks Fifth Avenue is sharing a number of important retail insights regarding the current luxury landscape.

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

The premiere ecommerce destination is back with a new Luxury Pulse Survey edition, which this year finds that 62 percent of clients plan to spend the same or more on high-end wear in the next three months, as compared to the last three. The quarterly update cites travel as the most prominent shopping trend for the next three months, as consumers continue to prioritize experiential excursions.

"The Luxury Pulse Survey is one of the ways we get to know the luxury consumer as well as we do," said Emily Essner, chief marketing officer at **Saks Fifth Avenue**, New York.

"The big highlight in terms of insights is really the durability of luxury," she said. "A majority of consumers who we spoke with are planning to spend more in luxury than they have in previous periods."

Fielded between Jan. 13-17, 2023, the report's findings are based on responses from 2,832 U.S.-based respondents over age 18.

Facts and figures

New research posits that travel remains a reliable indulgence.

Saks' Luxury Pulse Survey audits consumer sentiments on spending and travel, inquiring about the latest luxury interests in addition. Fashion trends, social media inspiration and upcoming occasion purchases mark areas of interest for the exercise.

This round reveals that nearly three of every four shoppers, 72 percent of luxury's base, report having already booked, or having plans to book, a future trip.

Warm weather and beach vacations proved popular, with 32 percent of respondents listing these locales as top travel destinations. Conversely, city trips appealed to 18 percent of the population.

Consumers are stocking up accordingly, says the online study.

### *Saks Fifth Avenue's Fashion Director Roopal Patel talks womenswear trends for spring 2023*

Designer clothing tops packing lists for 60 percent of respondents planning take-offs, followed by footwear, per 36 percent of Saks' survey takers.

Those with an income surpassing \$200,000 list qualitative contributions that contextualize reports of intentions to heighten expenses. The group mentioned a desire to refresh wardrobes, but want to spend first on travel, then events and activities and, finally, clothing, versus millennials and Generation Z, who will come out of pocket on travel, then events and activities, in that order.

"[There was] a lot of excitement about refreshing their wardrobes, which does speak to where we are in the pandemic, [with] consumers still feeling like there's a real opportunity to update what they're wearing," Ms. Essner said.

The report notes that nights out, special events and office visits are also among the public appearances that consumers are dressing up for. Here, clothing and shoe buys are most relevant.

While demands and trends vary by gender, one clear and consistent engagement driver is peer-to-peer platforms, which reign supreme across the board again this year.

Besides digital creators serving as sources of outfit inspiration according to 33 percent of respondents, 45 percent are pulling reviews straight from social media.

### *Saks Fifth Avenue's Men's Fashion Manager Reggie Christian catches audiences up on trending menswear essentials*

Leaders at the luxury retailer are answering the call with dynamic content and campaigns, plus programming offerings such as the real-time commerce platform Saks Live, simultaneously expanding inventory across categories ([see story](#)).

*Luxury Daily's* "Retailer of the Year" for 2023 ([see story](#)) continues to expand its assortment across multiple categories.

"Our strategy is centered on serving consumers who are interested in luxury and we continue to see opportunities that come from offering the best of Saks to these shoppers," said Marc Metrick, CEO of Saks, in a statement.

"Even as consumer spending shifts with the evolving economic environment, we're pleased to see a sustained interest in luxury," Mr. Metrick said. "As the largest luxury ecommerce platform in the U.S., it's our mission to establish strong relationships with the full spectrum of luxury customers and maintain them for years to come."

One interesting addition concerning the most desired in-store services of the season free basic alterations and in-store returns ranked highest, at 64 percent and 55 percent, respectively sparks thought as to whether or not luxury clients are leaning into these more sustainable practices on purpose, in terms of mending and wearing the clothes they already own, giving the planet a break by shaving off some shipping-based emissions in the process.



*The department store' selected American actress Emma Roberts to front its spring 2023 campaign. Image credit: Saks*

"Of course the offerings that we have through our exclusive partnership with [Saks Fifth Avenue Stores (SFA)] the returns in-store, free basic alterations, buy online, pick up in-store' are real parts of our strategy," Ms. Essner said.

"Is our hunch that it is tied to a sustainability push?" she said. "I don't think we're quite there yet, at least writ-large."

The executive instead adds another layer to the personal style equation.

"We think about it more along the lines of individuality, and making sure that everything that you buy from us is perfect for you," Ms. Essner said.

"In the end, some of our items could certainly be considered an investment and so as we think about a choppy economic environment, we want to make sure that our consumers really feel like whatever they're buying is going to be exactly right for them."

#### Core tenants

Defined by inflationary pressures and a cost-of-living crisis, and fueled by sociopolitical circumstances, economists have already warned of an impending financial downturn.

Historically, luxury has proven to be an exception to this rule, but with recent rounds of fashion layoffs in mind Saks.com's ecommerce department itself initiated a January cut of 3.5 percent of the division's total workforce retailers of all sorts are left wondering whether current conditions could continue to impact even the most stable luxury sellers ([see story](#)).

Saks' CMO acknowledges a subsequent slowdown, however, the leader expresses steady confidence in the continuation of top-tier spending from those with more resilient net worths.

Institutional industry knowledge on recessionary consumer spending works in Saks' favor.

Typically, the top 20 percent of luxury consumers account for 70 percent of all sector sales ([see story](#)), supporting the department store chain's outlook.

"When we look a little lower [in household income], [and] ask that question how are you planning to spend in luxury,' we are seeing a little bit of a softening which is not surprising [considering the state of the economy]," Ms. Essner said.

"Our viewpoint is whether you are a day-in and day-out luxury consumer, [or] you are coming in once a year or even less frequently for a purchase, we want to create a connection, create a relationship and we really believe that, frankly, because of the durability of luxury, those are relationships that can sustain for years and decades to come," she said. "We are incredibly committed to luxury consumers of all types."