

RESEARCH

## Men outspending women on splurges by nearly 40pc: Deloitte

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*Contrary to popular belief, men spend more money in the face of economic crises, according to the latest findings. Image credit: Hugo Boss*

By EMILY IRIS DEGN

Global consulting firm Deloitte is making the argument for replacing "the lipstick index" with "the bourbon barometer."

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Affordable luxuries are on the rise in the face of widespread inflation, keeping in step with the historical trend of downturned markets resulting in upturned splurge purchases. According to the firm's latest paper, drawing on its [Global State of the Consumer Tracker](#), men are spending significantly more than women when they treat themselves, contrary to the popular dialogue surrounding the economic phenomenon.

"Conventional wisdom around splurging assumes women are more prone to treating themselves," said Lupine Skelly, retail, wholesale and distribution research leader at [Deloitte](#), Seattle.

"Our data shows that globally, and in the US, men and women splurge at about the same rate, but men spend around 40 percent more when they treat themselves," Ms. Skelly said. "In fact, US men spent more in all of the nine categories we track.

"One possible reason for the gender differences is that 65 percent of US women said they could afford to spend on joy versus 74 percent of men."

The Deloitte researchers spent six months surveying consumers throughout 23 countries, asking if they were making splurge purchases. Between September 2022 and March 2023, 150,000 descriptions were compiled that included prices and reasoning behind the buy.

### Men's splurging surge

According to Deloitte, the lipstick index term is inherently inaccurate for current times, referencing female consumers turning to buys like lipsticks and perfumes as a reprieve from the financial hardships at large.

This phrase makes women out to be the sole escape-searching gender, devoid of any acknowledgment that men too seek out ways that they can buy their way back to joy.



While cosmetics are on the rise, Deloitte reports that other categories are seeing bigger gains, driven by men. Image credit: Miss Candy

While items like cosmetics sales are up, electronics, food and beverage are also climbing.

Edible purchases are especially prevalent, as globally, participants were three times more likely to say their latest splurge was food or beverage compared to personal care products in the United States, they were four times as likely to say so.

Men make up the majority of those treating themselves to luxury eats, as they account for 57 percent of the global food and beverage splurges. When they do spend on these items, including on items within the rising premium spirits category, they spend 60 percent more than women do.

"Globally, 81 percent of high-income consumers have splurged in the last month, so there is an opportunity for the luxury industry to tap into the splurge occasion," Ms. Skelly said.

"In the U.S., women are more likely to splurge in the apparel and accessories, and personal care categories than men," she said. "However, messaging to men should also be a priority as they spend around 38 percent more on each splurge purchase when buying apparel and accessories and 42 percent more on each personal care splurge."

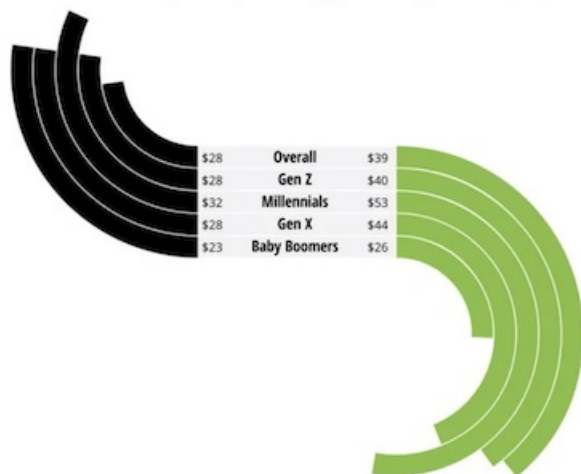
FIGURE 2

### Men seem to splurge as much as women ... and spend more when they do

Percentage of survey respondents who made at least one purchase to treat themselves in the past month and how much they spent

● Female ● Male

#### Global median spend on purchase by gender and generation (USD)



#### Percentage of global consumers splurging by gender



Questions: Over the past month, did you buy at least one product to treat yourself? How much did you spend on this product to treat yourself?

Notes: "Nonbinary/nongender conforming" and "prefer not to answer" responses are <1% and not shown. N = 114,207 adults (Australia, Belgium, Brazil, Canada, China, Denmark, France, Germany, India, Italy, Japan, Mexico, Netherlands, Poland, South Korea, Saudi Arabia, Spain, Sweden, United Arab Emirates, United Kingdom, United States); data was collected over September 2022-March 2023.

Source: Deloitte's Global State of the Consumer Tracker.

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Despite the fact that a slightly higher proportion of women are splurging compared to the male population, men are spending more on these purchases. Image credit: Deloitte

In the United States, the typical cost of popular lipsticks is \$10, according to Deloitte. As the global median splurge

purchase is \$32, researchers suggest that these buying habits are transitioning to an emphasis on other categories.

Food and electronic splurges are particularly popular among those wanting to treat themselves, jumping to median prices of \$50 and \$182 respectively, per purchase.

Across categories and generations, men are spending the most. Young males are specifically spending more, as millennial males outspend their female counterparts by \$19 on average and Gen X male consumers spend \$16 more than Gen X women.

It seems that a true image of the modern affordable luxury economy is that of a 20 to 30-something-year-old man pouring himself a bottle of high-end liquor or feasting at an expensive restaurant, latest smart device in hand.

No escape

Based on the findings, consumers are making extravagant buys less for escapism, and more for their mental health.

Stress relief was cited as a driving factor for splurge purchases among participants, regardless of what category they were buying into. In the United States, those buying clothing pieces priced below \$100 said that their purchase would "provide comfort."

FIGURE 1

### Splurging on things to "treat yourself" is globally pervasive, despite current economic concerns

Percentage of global survey respondents who made at least one purchase to treat themselves in the past month



Question: Over the past month, did you buy at least one product to treat yourself?

Notes: N = 114,207 adults (Australia, Belgium, Brazil, Canada, China, Denmark, France, Germany, India, Italy, Japan, Mexico, Netherlands, Poland, South Korea, Saudi Arabia, Spain, Sweden, United Arab Emirates, United Kingdom, United States); data was collected over September 2022–March 2023.

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*It seems that men believe that they have more money to spend on happiness than women do. Image credit: Deloitte*

Above that price point, and self-expression becomes more of a determinant escapism seemingly was not at play whatsoever.

Personal care purchases, the traditional category centered in the lipstick index's premise, was reported to be wellness-focused, as consumers seek out "comfort and relaxation." Deloitte attributes this to a need to soothe stress being felt at large throughout price brackets, escapism was not a factor.

Though ultra-wealthy consumers remain comfortable ([see story](#)), de-stress products and wellness are much sought after across luxury price points ([see story](#)).

"Perhaps the most interesting takeaway is that at higher price points, the top reason for making a splurge purchase is for stress relief," Ms. Skelly said.

"These high spenders are seeking out purchases that are comforting or relaxing," she said. "Consumers are not interested in suffering for glamour when it comes to splurges."

Overall, the data painted a different story than the one the lipstick index traditionally tells. While consumers continue to relieve pressure via little luxuries, what they seek out is evolving.

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