

RESEARCH

30pc of affluent consumers turn to Internet for better prices: report

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By JOE MCCARTHY

NEW YORK - The CEO of Shullman Research Center at the Luxury Interactive 2013 conference said that 30 percent of affluent consumers named better prices as the top reason for shopping online, while 27 percent claimed that convenience was the primary catalyst.

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A new Shullman report titled “Through the eyes of the Luxury Shoppers: Current Insights into their Buying Behaviors” also found that consumers preferred to do online research via computer rather than other devices such as tablets or smartphones. Luxury brands should continue to elevate digital investments to cater to the growing cohort of consumers that flock online for purchasing and informational needs.

“Clearly, the majority of consumers are comfortable online,” said Bob Shullman, founder/CEO of the Shullman Research Center, New York. “There is a clear preference.

“Brands need to come up with true benefits for why consumers should buy online rather than in-store,” he said.

“In-store is basically off the table today for research.”

The Shullman Research Center conducted this survey among five samples of adult U.S.

consumers and all household income levels, plus four income samples of 250 surveys ranging from \$75,000-\$149,999, \$150,000-\$249,999, \$250,000-\$499,999 and more than \$500,000.

Listening to the customer

While the study found that consumers overall prefer to shop online, 45 percent still prefer to shop in-store. These figures are consistent across income brackets, indicating that consumer attitudes are shaped in similar ways.

The study also found that although a majority of consumers prefer to shop online, 53 percent of consumers regard online shopping as the most uncomfortable way to shop.

For top-bracket consumers, 88 percent prefer using a desktop to buy and research products.

Eighty-one percent of overall consumers said they shop in-store frequently, while 41 percent said they shop online regularly. These figures were more pronounced among top-bracket respondents.

The study determined that consumers do not shop online for a variety of reasons. For top-bracket consumers, 47 percent said that the need to have a sensory experience with the product deters online shopping.

In the bag

Fine art or antiques led all product categories with 53 percent as products said to be purchased online by the overall sample group.

Top-bracket consumers claimed luxury vacations to be the top category purchased online, with 73 percent of respondents responding affirmatively.

In the past 12 months, 65 percent of consumers in the top-bracket purchased a luxury item, while 28 percent of the overall sample group had made a similar purchase.

Eight percent of overall consumers said that they had purchased a premium cosmetic. Thirty-five percent of consumers in the top bracket said they had purchased a luxury vacation.

The lowest product purchased online for top-bracket consumers according to the study is luxury vehicles, with two percent.

"Some of these things are solvable," Mr. Shullman said. "It's going to take some time and effort, as more and more people get comfortable online."

Final take

Joe McCarthy, editorial assistant on Luxury Daily, New York