

WEBINARS

## Are holidays becoming more critical to luxury marketers' bottom line?

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By MICKEY ALAM KHAN

While the holiday season is key for most luxury marketers and retailers, it is essential to have a year-round gifting strategy, according to a panelist on a holiday marketing webinar hosted by this publication yesterday. What else did the panelists have to say?

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**Luxury Daily**

In this segment below from the Sept. 25 webinar titled “Crafting holiday marketing strategy in an omnichannel, multigenerational and highly promotional environment,” panelists offered their points of view on how holidays are becoming more critical to luxury marketers' bottom line. Here are their thoughts:

Pam Danziger, president, Unity Marketing

No luxury marketer can afford to ignore a prime sales opportunity like holiday gift season.

However, Unity Marketing's research into the gifting market finds that people spend almost as much each year buying gifts for other gifting occasions that occur throughout the year – birthdays, weddings, anniversaries, hostess gifts and so on, as they do for the predictable gifting holidays, including Christmas, Valentine's Day, Mother's Day, Father's Day and more.

That means that luxury marketers need to make gifting strategies important throughout the

entire year, not just during the last few months of the year and at other times.

That can be as simple as offering year-round, occasion-appropriate gift wrapping service and FedEx delivery to presenting a carefully-curated selection of gift cards to accompany the package.



Andrew Sacks, president, AgencySacks and The Affluence Collaborative

In an uncertain economic environment, buying decisions hinge on “need over want” and “how am I doing lately.”

Aspirational consumers will be more likely to spend at the holidays when they have a sense of comfort for how the year has wound up.

There is also some pent-up demand.

Similarly, there is more opportunity at the holidays to separate the wealthy from their money as reward for working hard for the year.

For public companies, the business media spotlight on sales is getting brighter, adding an artificial, but important, element to the season.



Rony Zeidan, founder and creative officer, RO New York

The holiday season generally accounts for the heaviest sales period for a lot of luxury retailers.

This time of year has always been critical for the brand’s bottom line as a lot of investment is put up on advertising, store window designs, events, social media activities and promotional marketing campaigns.

Thus, the expectations for sales are very high during that period as it is the last hope to perform within goals or even be in the black.

If throughout the first three quarters performance is less than planned, then the holiday expectations are tougher and the pressure is on.



Cara S. David, senior vice president of corporate marketing and integrated media, American Express Publishing

They can be. Since 2007, our Survey of Affluence & Wealth in America, coproduced with Harrison Group, has been monitoring what drives luxury spending among America's top 10 percent. The aftermath of the recession is very positive for luxury marketers who are positioned to take advantage of the emergence of a segment of what we call "worth" consumers.

The worth consumer values luxury, understands luxury and celebrates luxury. And their numbers are growing.

Resourceful and careful about acquisition, they remain focused on "fewer" yet "better" purchases.

Smart decision-making has helped secure their families' financial resilience, and they are not about to forfeit this security.

Worth consumers have reported that luxury consumption serves as a reward for hard work (85 percent), a reminder of how fortunate they are (64 percent), and a key component to creating the life they want to live (66 percent).

For them, the holidays are a time to reward themselves personally and emotionally by sharing their good fortune with those near and dear.

"Gift giving is a rewarding way to show people how much [I] care about them (81 percent)," and worth consumers do this by purchasing "special gifts that have enduring value" (69 percent).

For luxury marketers who understand that worth consumers will be looking for the details of distinction – extraordinary quality, craftsmanship and service – when purchasing gifts, it should be a successful holiday season.

[Please click here to access the archived webinar](#)