

RESEARCH

47pc of US millionaires optimistic about economy: report

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By JOE MCCARTHY

The latest report by the Shullman Research Center urges marketers to make distinctions between high-income consumers and wealthy consumers.

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While not all millionaires have a high annual income, the report argues that they should still be a primary focus for marketers. As the report splits up its survey base, different attitudes emerge that may be useful for marketers.

"These people [make up] an amazing marketplace, there are many more of them, they buy lots and lots of things," said Bob Shullman, founder/CEO of the [Shullman Research Center](#), New York. "Go after them."

"Millionaires are looking to buy a lot of luxuries, it's really up to marketers to make their own decisions," he said.

The information found in the "Targeting Upscale Consumers in 2014: High Income or Millionaires?" is based on the Shullman Luxury and Affluence Monthly Pulse Fall 2013 Preview Wave that was conducted online Aug. 20-27 among United States adults ages 18 or older.

A total of 1,013 completed interviews were obtained from five sample groups divided

among four income brackets: \$75,000 to \$149,999, \$150,000 to \$249,999, \$250,000 to \$499,999 and \$500,000 or more.

Different consumers

The report attempts to tease out differences between high-income individuals and high net-worth individuals.

First, the report breaks down the survey base.



Trump Hotel Toronto

Millionaires have an average income of \$183,000 per household, which falls behind the two high-income categories of \$250,000 and \$500,000.

The report found that, of those surveyed, two-thirds of millionaire's net worth was held in liquid assets.

Mr. Shullman argues that understanding this fundamental difference can be a key to more sales.



Valentino menswear flagship in Paris

Forty-seven percent of millionaires surveyed were optimistic about the economy, while 38 percent of respondents with incomes more than \$500,000 felt the same.

Seventy-four percent of millionaire respondents said that they feel satisfied or very satisfied with life, compared with 78 percent of ultra-high-income individuals.

Spending was another area where brackets resembled one another. Thirty-seven percent of millionaires expect to spend more in the next year, compared to thirty percent of ultra-high-income individuals.

The most prevalent recorded concerns among millionaires were health and how the Affordable Care Act, also known as Obamacare, would influence their families.

The most prevalent concerns among ultra-high-income individuals were how Obamacare would influence their families and having enough money to retire.

Consumer brackets did not differ greatly on investing and saving plans.

A lot to work with

The Shullman Report has drawn other conclusions from this data set.

Seventy-two percent of ultra-affluent said that they buy based on quality and less on price, and 64 percent said that they seek out superior service when shopping. This study builds upon the Shullman Research Center's last study by providing a closer look at Amazon from the consumer's perspective ([see story](#)).

Fifty-nine percent of adults in the United States have made a purchase on Amazon in the past year, according to the survey.

The "Shullman Luxury and Affluence Monthly Pulse" survey suggests that the consumer shift toward Amazon is powered by the engines of competitive pricing and convenience. Although Amazon's ascent, capabilities and penetration of the luxury market are nothing new, determining the size of jeopardized market share will help luxury brands find a common ground with the online retailer ([see story](#)).

Forty-eight percent of women with a household income of more than \$500,000 plan to take a luxury vacation in the next 12 months, while 41 percent of men with the same credentials plan to take a luxury vacation, according to the report.

The "Luxury and Affluence Monthly Pulse Fall 2013" report teases out buying-pattern disparities among men and women in many areas such as premium cosmetics and designer clothing or accessories. The report also confirms previous findings that buying patterns across generations vary, notably in the categories of luxury vacation and premium beer and ales ([see story](#)).

Final Take

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