

m1nd-set research shows luxury shopper is changing



According to the research by Swiss research agency m1nd-set, Covid has fundamentally changed the way luxury shoppers behave.

Increasingly, consumers are more socially and environmentally conscious since the pandemic began, and luxury brands, retailers and travel and tourism operators are responding.

The research explores how these changes in customer behaviour are already impacting the luxury retail sector, and also how travel retail will need to adapt to stay in line with consumer expectations.

TOP DRIVERS TO PURCHASE AMONG LUXURY TR SPENDERS

Ranked by 2021

	2021		Average 2017-2020 versus 2021
Good value for money	41%	37%	+7%
Clear price advantage	34%	33%	-5%
Product unavailable at home	30%	24%	+8%
Special promotion	26%	23%	+7%
Different from my usual product	25%	21%	+7%
Souvenir from the trip	24%	21%	+6%
It was convenient	23%	22%	0%
Someone asked	23%	16%	+7%
Recommended by the sales staff	22%	20%	+2%
Gift with a purchase	21%	19%	+7%
Attractive Display	21%	17%	+5%
To indulge myself	20%	17%	+7%
Special/exclusive edition	20%	18%	+3%
Packaging	20%	17%	+9%

Non Luxury spenders 2021

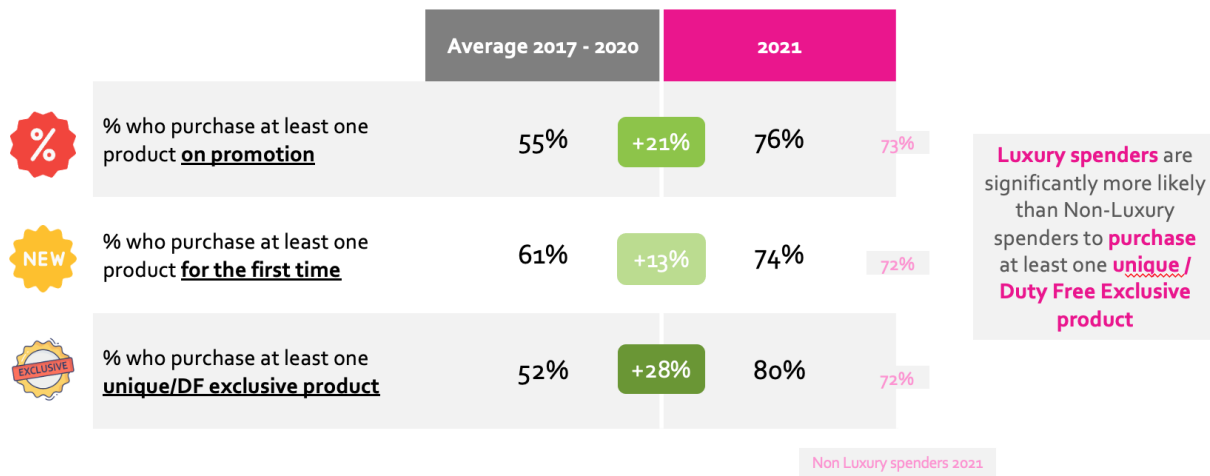
Luxury spenders are significantly more likely than Non-Luxury spenders to purchase the DF shops driven by **products not available in home country** and **different products** than what usually bought.

PURCHASES OF UNIQUE PRODUCTS AMONG LUXURY SHOPPERS

As the research demonstrates, the Chinese consumer in particular is sensitive to “conscious consumption” as opposed to “conspicuous consumption.” This is reflected in part in the trend toward experiences versus products. Luxury consumers are seeking more spiritual and emotional experiences vs more ostentatious items. This has led to growth in the luxury health and wellness sector. Additionally, the environment and being a part of nature are important aspects of these experiences.

Across all core categories, major brands are responding to the consumer call for greater responsibility and accountability.

Travel retail shoppers of luxury goods are more interested than they were pre-pandemic in finding different products and more sustainable packaging.



Comparing luxury shoppers now vs pre-pandemic, 25% said they placed importance on finding something different vs 18%. 20% said they were more conscious of product packaging vs 11% before. For non-luxury shoppers the numbers now are 21% and 17% respectively.

In line with this, 80% of luxury shoppers said they would purchase a duty free exclusive, up 28% on the 4-year average between 2017 and 2020 and 8% higher than among non-luxury shoppers.

Head of Business Development at m1nd-set, Anna Marchesini, commented on the research findings: “In all the years we have been studying shopper behaviour at m1nd-set, and looking back at previous decades before that, there has not been any occurrence which has had as much of a game-changing impact on the way shoppers behave. Luxury consumers have abandoned their quest for extravagance.”

“Given the shift towards more responsible consumption, Marchesini continued “and the shopping behaviour of luxury shoppers in travel retail, where we see consumers looking for more information on the products and services prior to purchasing, we believe there is a huge opportunity for brands. The most forward-thinking luxury brands in retail and in travel retail will seize this opportunity to educate consumers about the unique history and sustainable attributes of their products or services. The world has changed and sustainability is no longer a choice, but a requirement” Marchesini concluded.