

CRAFTED
FOR LUXURY



EXPLORING TRENDS IN LUXURY

YOUR GUIDE TO THE ROLE SNAPCHAT PLAYS IN LUXURY

GLOBAL
FEBRUARY 2024

METHODOLOGY

This research explores the definition of 'luxury' and the shift to digital channels, highlighting where brands can find highly engaged communities of luxury shoppers and how to attract the next luxury generation.

Ipsos, on behalf of Snap, conducted an online survey of 14,282 online participants **aged 13-44** across 6 international markets – France, Italy, Saudi Arabia, UAE, UK and USA - 2,186 in Italy.

Within the main sample there was natural fallout of those who had brought or asked for (and were bought) luxury or premium goods in the past 12 months, among which 3,627 were found to be Luxury shoppers, 5,378 Premium shoppers and 2,759 Aspirational shoppers globally.

This report focuses on the key findings from consumers 13-44 globally.

For more information on the methodology see [Technical Note](#) in the appendix

DEFINITIONS

Luxury shoppers: Bought or asked for (and were bought) products or items from luxury brands in the last 12 months

Premium shoppers: Bought or asked for (and were bought) products or items from premium brands in the last 12 months

Aspirational shoppers: Bought or asked for (and were bought) products or items from premium brands in last 12 months and none from luxury brands

Daily Snapchatters: Use Snapchat at least daily

Non-daily Snapchatters: Do not use Snapchat currently or do not use it daily

Teenagers (or “Teens”): Those aged 13-17 years old

Gen Z: Those aged 13-25 years old

Millennials: Those aged 26-40 years old

WHO ARE THE LUXURY SHOPPERS?

As luxury reaches new customers in **younger generations**,
expectations towards brands are **evolving**

1 IN 4 CONSUMERS 13-44 YEARS OLD ARE LUXURY SHOPPERS GLOBALLY AND 1 IN 5 IN FRANCE



23% of 13-44 year olds are
LUXURY SHOPPERS

DAILY SNAPCHATTERS



LUXURY SHOPPERS

Of 13-44
are **56%** Millennials vs **34%** Gen Z

Among
DAILY SNAPCHATTERS

54% Millennials vs **38%** Gen Z



LUXURY BRANDS SHOULD REFLECT SOCIETY AND HELP EXPRESS INDIVIDUALITY

69%

of Luxury shoppers agree
**'the luxury brands I wear
express something about me'**

67%

of Luxury shoppers agree
**'it's important that Luxury brands
reflect the society we live in'**

DESPITE CHALLENGES, DEMAND FOR LUXURY
PRODUCTS IS THERE AND BRANDS FACE
**NEW CHALLENGES ON BUILDING STRONG
CONNECTIONS AND LONG-TERM LOYALTY**

DESPITE ECONOMIC CHALLENGES, THE DEMAND FOR LUXURY IS STEADY ACROSS CATEGORIES

6 IN 10

(61%) **Luxury shoppers claim they will spend more on** Luxury categories in the next 12 months compared to the previous 12 months.

4 IN 10

(40%) **Aspirational shoppers claim they will spend on Luxury** categories in the next 12 months



LUXURY FASHION IS THE MOST POPULAR CATEGORY SHOPPERS INTEND TO ACQUIRE IN THE NEXT YEAR

% of Luxury shoppers Intending to buy or ask for in the next 12 months



FASHION

63%



BEAUTY

58%



ACCESSORIES

56%



WATCHES OR JEWELLERY

54%

LUXURY BRANDS FACE A CHALLENGE:

to build long-term loyalty, brands need
to catch consumers early

66%

of Luxury shoppers agree

**“I am more loyal to luxury brands
when I discover them at a young age”.**



REACH THE LUXURY AUDIENCE ONLINE

Luxury path to purchase is **shifting online**, including Social platforms

LUXURY IS HIGHLY PLANNED PURCHASE
AND CONSUMERS DEEP DIVE INTO BRANDS AND
PRODUCT DURING THE PRE-PURCHASE PHASE

76%

of Luxury shoppers agree
**'I take more time researching
or deciding when I purchase a
luxury product or brand'**

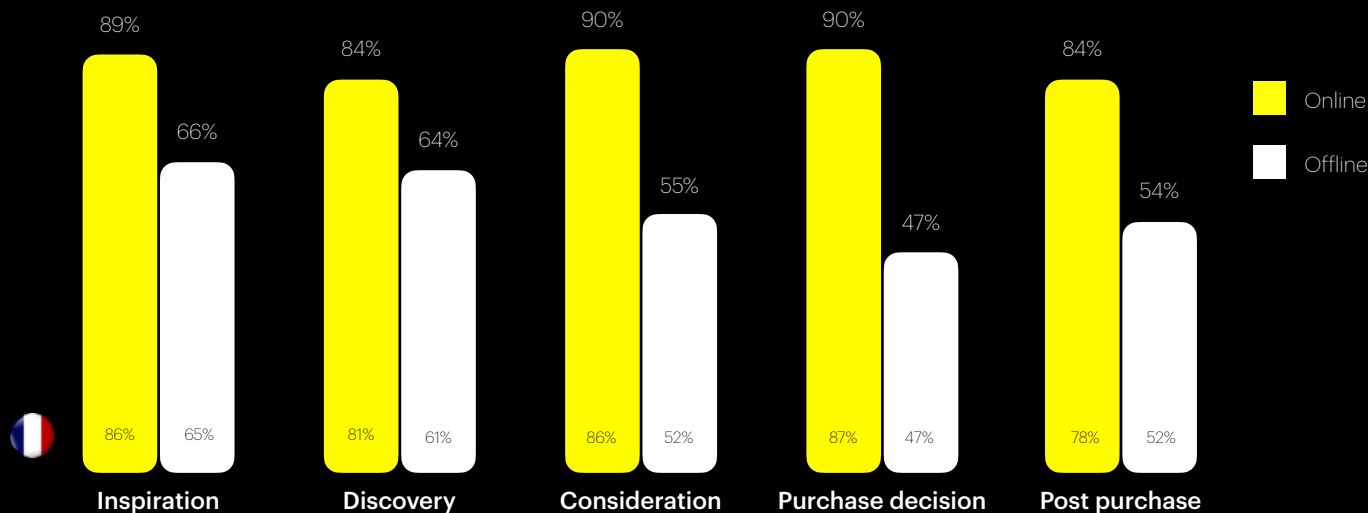


* Source: GWI - based on research in UK, FR and US, Q3 2023

* 2023 Ipsos Luxury Trends Survey on behalf of Snap Inc. | Base: 3,627 across UK, US, FR, UAE, KSA. LUX3. T152. Thinking about your experience with luxury brands, to what extent do you agree or disagree with each of the following statements? I take more time researching or deciding when I purchase a luxury product or brand. Agree (NET).

WHETHER LUXURY SHOPPERS' BUY ONLINE OR IN-PERSON, KEY TOUCHPOINTS ON THE PATH-TO-PURCHASE ARE ONLINE

Gen Z & Millennial Luxury shoppers say online channels are sources for...



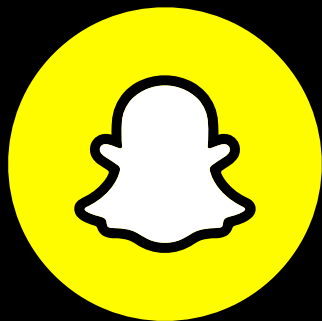
* Source: GWI - based on research in UK, FR and US, Q3 2023. 2023 Ipsos Luxury Trends Survey on behalf of Snap Inc. | Base: 3,627 across UK, US, FR, UAE, KSA. QDISC0: T162. Thinking about when you are usually inspired by LUXURY/PREMIUM products or brands, where do you usually find this inspiration? QDISC1: T164. When you usually discover LUXURY/PREMIUM products or brands, which of the following, if any, normally helps you to discover these products or brands? QOONS1: T168. Thinking about when you usually shop for LUXURY/PREMIUM products or brands, after you have been inspired by or discovered them which of the following, if any, normally help you to consider purchasing (or asking someone to buy you) these products? QPURC1: T174. Thinking about when you usually shop for LUXURY/PREMIUM products or brands, which of the below, if any, do you typically do when deciding whether or not to purchase (or ask someone to buy you) an item? QPOST1: T180. Thinking about when you have usually purchased (or asked for and were bought) a LUXURY/PREMIUM product or brand, which of the below, if any, do you usually do once you have already bought (or been given) these products or brands?

LUXURY BRANDS
SHOULD MEET THEIR
AUDIENCE WHERE
THEY ARE ABLE TO
BUILD STRONG
CONNECTIONS FROM
THE PRE-PURCHASE
PHASE

64%

of Luxury shoppers use
Social channels features to
help with their purchase
consideration

SNAPCHAT IS WHERE BRANDS CAN FIND AND SPEAK TO LUXURY SHOPPERS



8 IN 10

(81%) of **Luxury** shoppers are

MONTHLY SNAPCHATTERS



SNAPCHAT FOSTERS LONG-TERM LOYALTY FOR LUXURY BRANDS THROUGH **ENHANCED CONNECTIONS** **WITH THEIR AUDIENCES**

Among Luxury shoppers that use Snapchat...

DISCOVER

69%

Agree **'Snapchat is a good place to discover new luxury products or brands'**.

PURCHASE

74%

Are more likely to **'Purchase a Luxury product after having interacted with the brand on Snapchat'**.

SHARE

70%

Agree they use **'Snapchat to share luxury products or brands they are shopping for / recommend with friends or family'**.

CONNECT WITH WHAT MATTERS TO THE LUXURY AUDIENCE

The influence starts within **one's close connections**

RECOMMENDATIONS
FROM FRIENDS AND
FAMILY DRIVE
FINAL PURCHASE
DECISION,
ESPECIALLY ON
SNAPCHAT



75%

of Luxury shoppers are more likely to purchase a luxury product after chatting about the brand with family and friends **on Snapchat**



66%

of Luxury shoppers are more likely to purchase a luxury product after watching a story from friends or family **on Snapchat**

EMBRACE THE POWER OF DIGITAL TOOLS

Augmented Reality enables brands to elevate experiences and deliver more accessible and immersive moments online

93%

OF LUXURY SHOPPERS
WOULD BE INTERESTED
IN USING AR WHEN
INTERACTING WITH
LUXURY BRANDS OR
PRODUCTS IN THE
FUTURE



68%

of Luxury shoppers agree **AR brings the in-store shopping experience to online shopping**



66%

of Luxury shoppers said they **feel more comfortable trying a luxury product using AR than they would in-store**

Note: 32% of Luxury Shoppers / 50% of Aspirational shoppers don't agree that they 'feel comfortable visiting a Luxury retail store'



63%

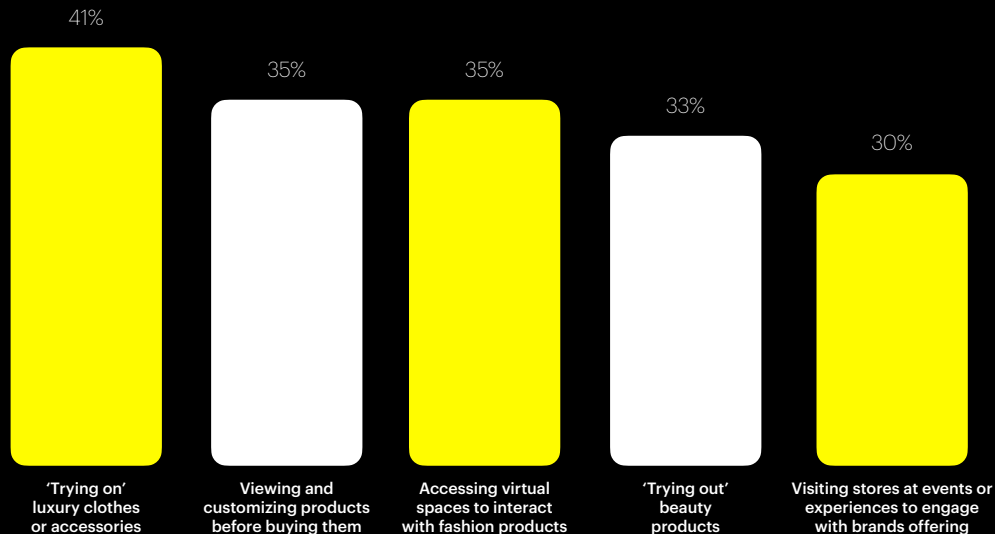
of Luxury shoppers agree **AR makes luxury retail accessible to everyone**

AR CAN HELP BRANDS TO OFFER ENHANCED ONLINE SHOPPING EXPERIENCE

Top 5 AR experiences Luxury shoppers would be interested in using when shopping in the future...

69%

of Luxury shoppers agree they
**'expect more luxury brands
to include AR as part of their
shopping experience'**



BY BRINGING BRAND EXPERIENCES TO
THE DIGITAL REALM AND BUILDING
EMOTIONAL CONNECTIONS,
AR CAN ULTIMATELY HELP LUXURY
BRANDS DRIVE PURCHASE

2 IN 3

(66%) of Luxury shoppers claimed
**they are more likely to buy from luxury
brands that offer AR experiences**



KEY TAKEAWAYS

MEET SHOPPERS WHERE THEY ARE

Weekly Snapchat usage is high amongst Luxury shoppers. With a strong peer influence element, Snapchat presents an engaging platform for luxury brands to communicate with their audience.

OFFER ENGAGING OMNI-CHANNEL EXPERIENCES

Luxury shoppers utilise both online and offline touchpoints across the path-to-purchase. With Snapchat's expertise in AR technology, brands can bridge the gap between physical and digital worlds by providing seamless, integrated experiences across all channels and leverage innovative digital features – like AR-powered virtual try-ons – at key points in the path-to-purchase.

HARNESS CLOSE CONNECTIONS

Recommendations from friends and family play an important influence role, especially for younger Luxury shoppers. Brands should find ways to effectively integrate user-generated content to harness the power of social connections.

ENSURE SHOPPERS FEEL REPRESENTED

Luxury shoppers feel close connections to the brands they buy, but many wouldn't feel represented in current advertising. Brands should showcase diversity and inclusion in their communications so a broader and wider shopper audience feel represented.