

The background of the slide features a close-up of a lit sparkler, with numerous bright, golden sparks radiating outwards against a dark, blurred background. The sparks create a sense of motion and celebration.

BCG

THE BOSTON CONSULTING GROUP

Luxury Daily Luxury FirstLook 2018

State of Luxury Consumers

JANUARY 17, 2018

Today, I'll share 7 themes that you will hear throughout the day



Increasing consumer confidence, despite tumultuous times; and for the first time in a while, increased spending in the US



Spend shifts toward "new status currency" of health and wellness and experiences continues, but less so with Gen Z



Acceleration of trading up and trading down, with Millennials doing the most



As luxury prices outpace inflation, consumers perceive a luxury value gap, resulting in lost sales and trading down



Key online categories approaching 50% online penetration



In luxury and premium, digitally influenced purchases are *now* most purchases



Role of purpose-driven brands evolving, less clear with Gen Z as well as in luxury

First, a few definitions



Gen Z



Millennials



Gen Xers



Boomers



Silents

**Current ages
(years old)**

<21

21 - 35

36 - 51

52 - 71

72 - 84

Birth years

>~2002

**1982 -
1996**

**1966 -
1981**

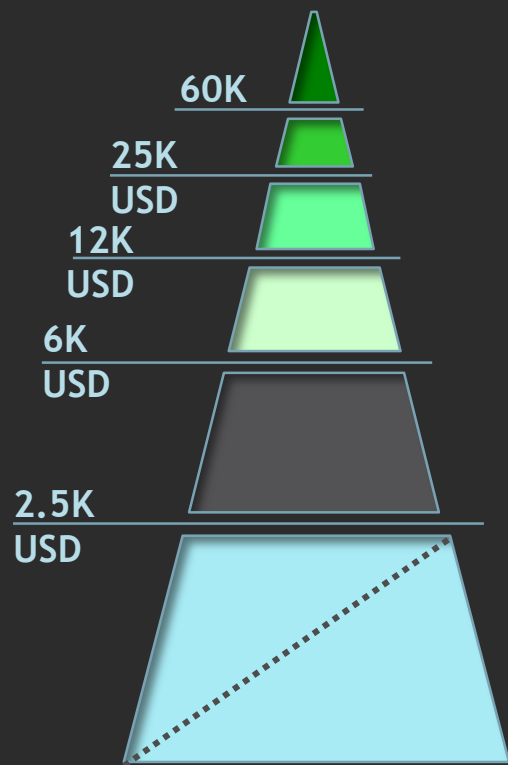
**1947 -
1965**

**1932 -
1946**



Despite tumultuous times,
consumer sentiment
continuing to improve

Context: Global True Luxury consumers up from ~29% to ~32% of global market



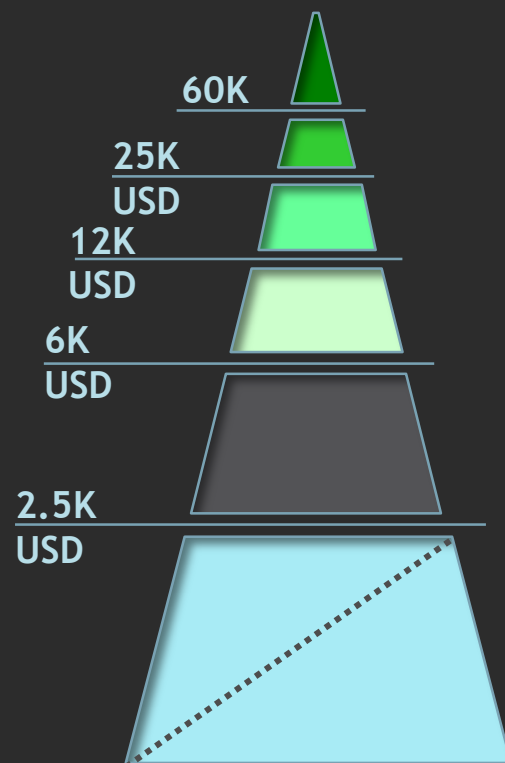
	2016		2023	
	# (M)	Bn(€) ¹	# (M)	Bn(€) ¹
Beyond money	0.4	20	0.5	40
Top majority	1.3	30	2.0	53
Majority	4.5	93	6	141
Entry/emerging	11	107	14	147
Total True-Luxury	17	250	22	381
Top Aspirational	21	61	28	92
Other Aspirational	375	549	440	715
Total Luxury Consumers ¹	~415	~860	~490	~1185

Annotations showing growth in Bn(€):

- From 250 to 381: +131
- From 549 to 715: +196
- From 860 to 1185: +325

1. Including Experiential and Personal luxury, excluding cars and yachts
Note: rounded numbers
Source: BCG Luxury Market model

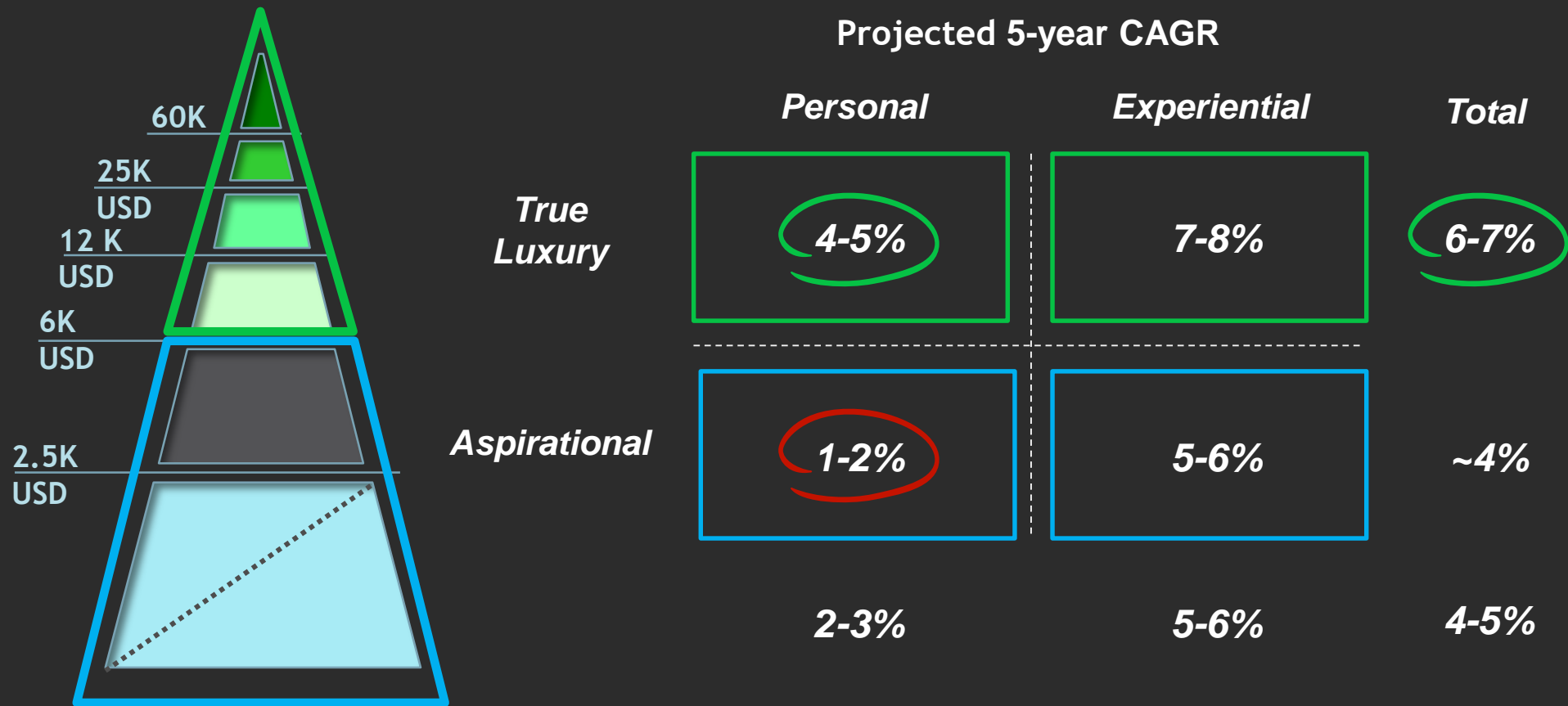
17 million True Luxury global consumers (4% of total) today



	2016		2023	
	# (M)	Bn(€) ¹	# (M)	Bn(€) ¹
Beyond money	0.4		0.5	
Top majority	1.3		2.0	
Majority	4.5		6	
Entry/emerging	11		14	
Total True-Luxury	17		22	
	+5			
Top Aspirational	21		28	
Aspirational / Accessible	375		440	
	+72			
Total Luxury Consumers¹	~415		~490	
	+75			

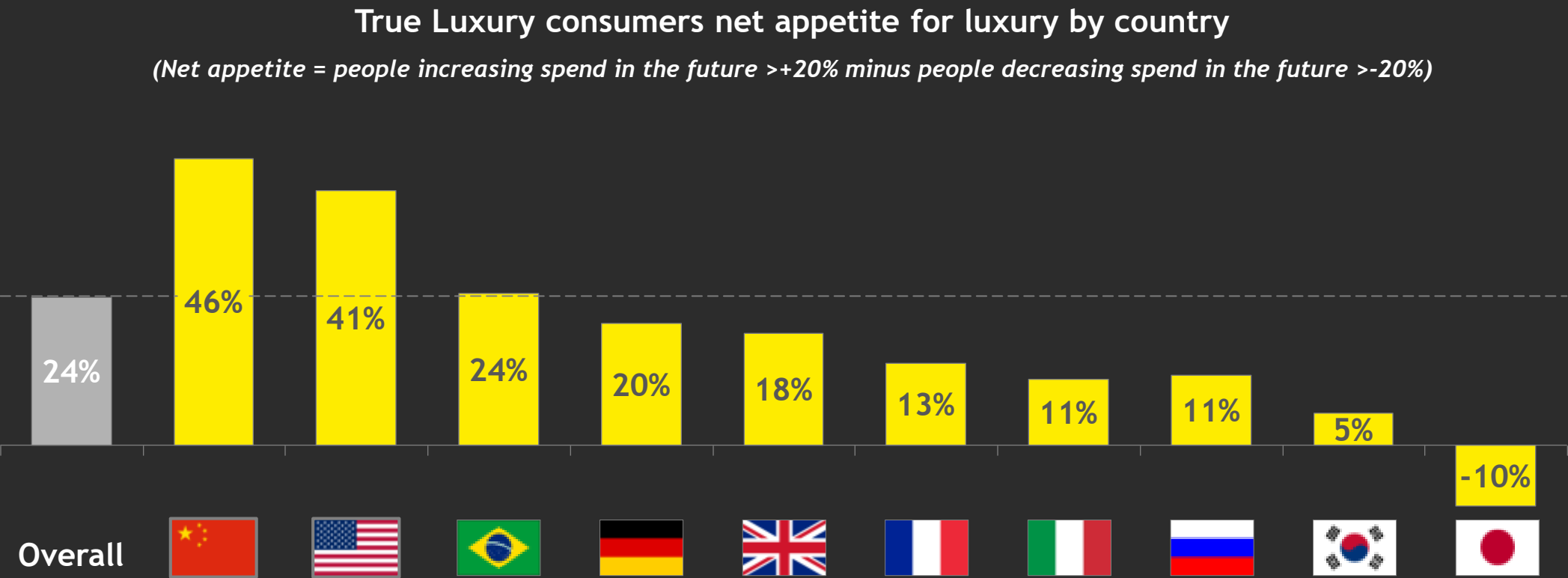
1. Including Experiential and Personal luxury, excluding cars and yachts
 Note: rounded numbers
 Source: BCG Luxury Market model

True Luxury consumers 4%, account for ~29% growing to 32%, and more of the category growth



1. Excluding cars and yachts
Note: rounded numbers
Source: BCG Luxury Market model

Different contributions to luxury growth by nationality: Chinese and Americans driving the net appetite for luxury

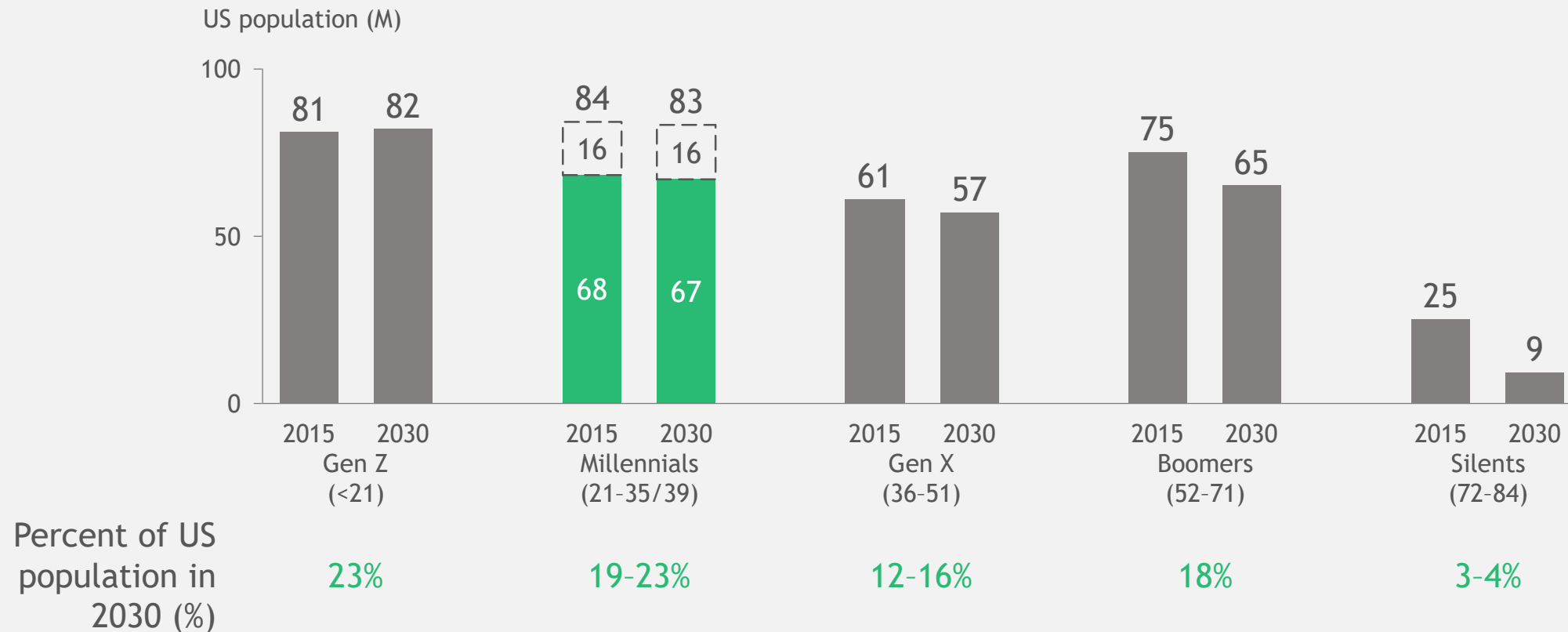


1. Share of nationalities in terms of luxury market value
Source: BCG Luxury Market model; BCG ad hoc study (12,000 luxury consumers respondents in 10 countries)



Millennials and Gen Z overtaking Boomers in size and spend; Millennials typically 20-25% of country population

Estimated US population by *current* generation in 2030¹













1. Estimated population shown only for the generations indicated. Population ages as labeled are as of 2015. Percentages based on share of total population, and do not sum to 100% due to inclusion of children born between 2015 and 2030

Source: UN, Dept. of Economic and Social Affairs, US Census Bureau Population Estimates and National Projections



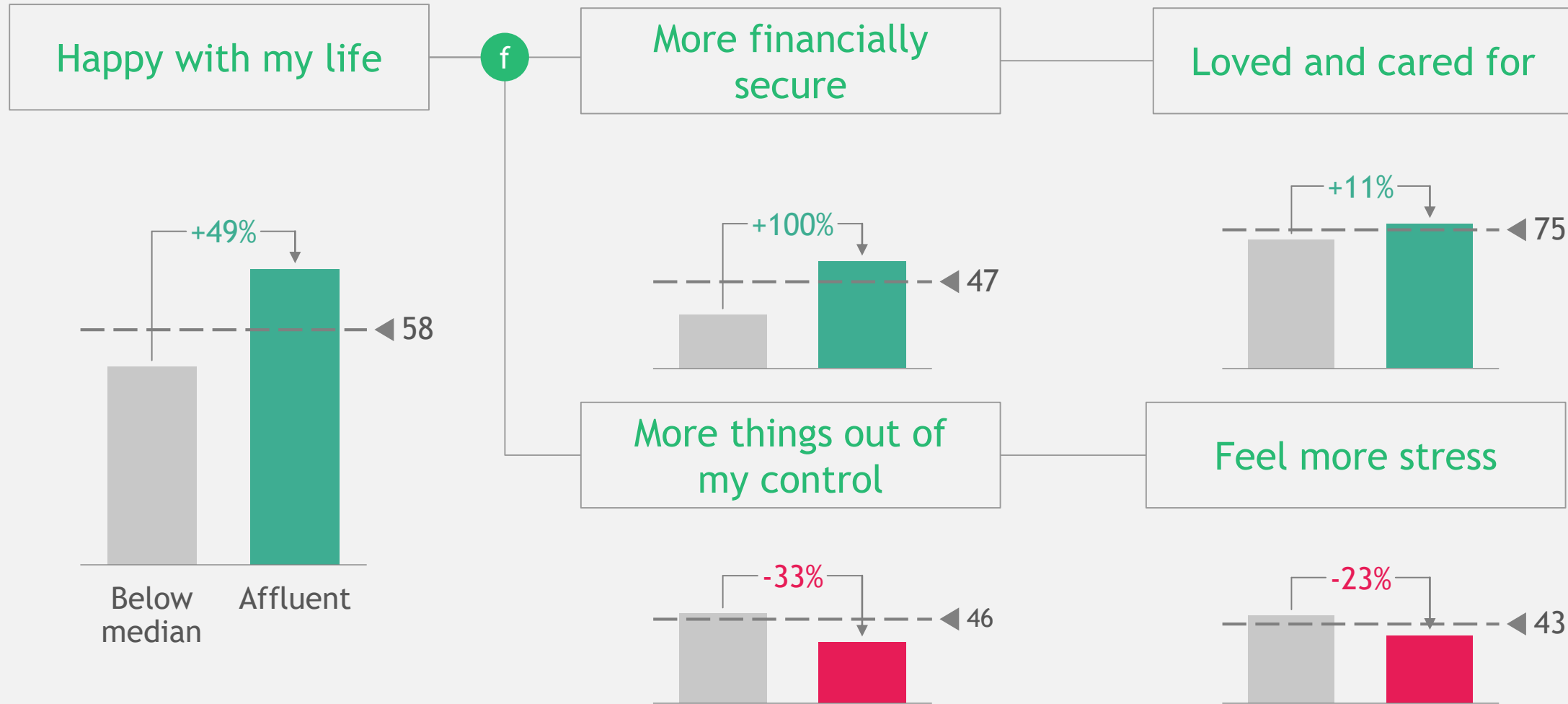
Versus 2016, younger generations increasingly confident in financial situation

How much do you agree or disagree with each of the following statements?

	Gen Z	Millennials	Gen Xers	Boomers	Silents
					
I will be better off financially a year from now	20%	33%	26%	15%	9%
Change from 2016 (ppt)	 4%	 14%	 4%	 -2%	 -7%



Top 4% consumers are not “typical”















"New status currency" is
continuing



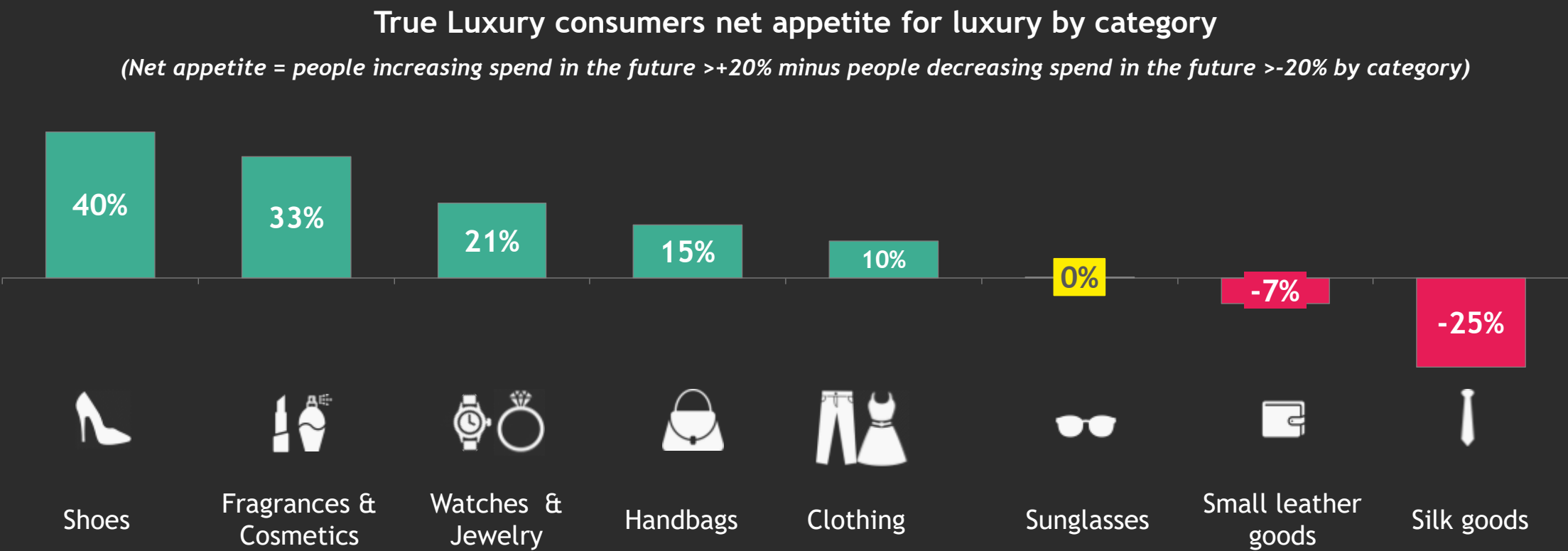
Top 4% of US consumers expect to increase spending on savings, travel, and fresh food in the coming year

Top 10 categories by affluent consumers' planned increase in spending next year

- | | | | | | |
|---|---|-----------------------------|----|---|---|
| 1 |  | Savings | 6 |  | Away from home food / restaurants |
| 2 |  | Vacation/leisure travel | 7 |  | Mobile electronics |
| 3 |  | Fresh fruits and vegetables | 8 |  | Fresh fish and seafood |
| 4 |  | Luxury leisure travel | 9 |  | Bottled water |
| 5 |  | Home furnishing and decor | 10 |  | Entertainment (e.g., tickets, reservations) |

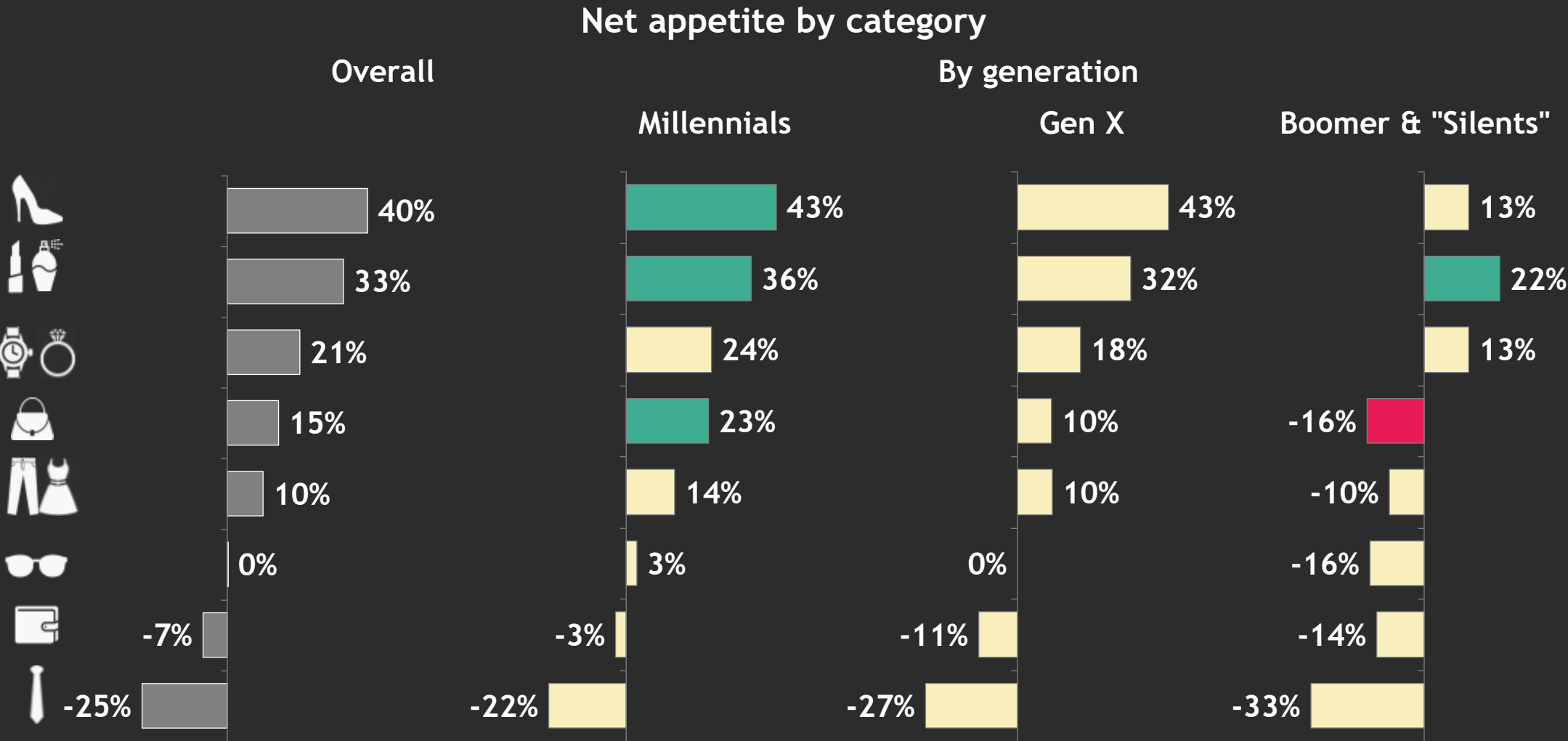
Top-10 category for overall population

In a slower personal goods luxury market, expected to be winners and losers also among categories



Source: BCG ad hoc study (12,000 luxury consumers in 10 countries)

Appetite driven by Millennials with shoes and Beauty; handbags polarizing



Source: BCG ad hoc study (12,000 respondents in 10 countries)



Acceleration of trading up &
trading down continues —
with Millennials doing most



Affluent consumers of any age, especially Millennials, are trading up more than average consumers



All ages



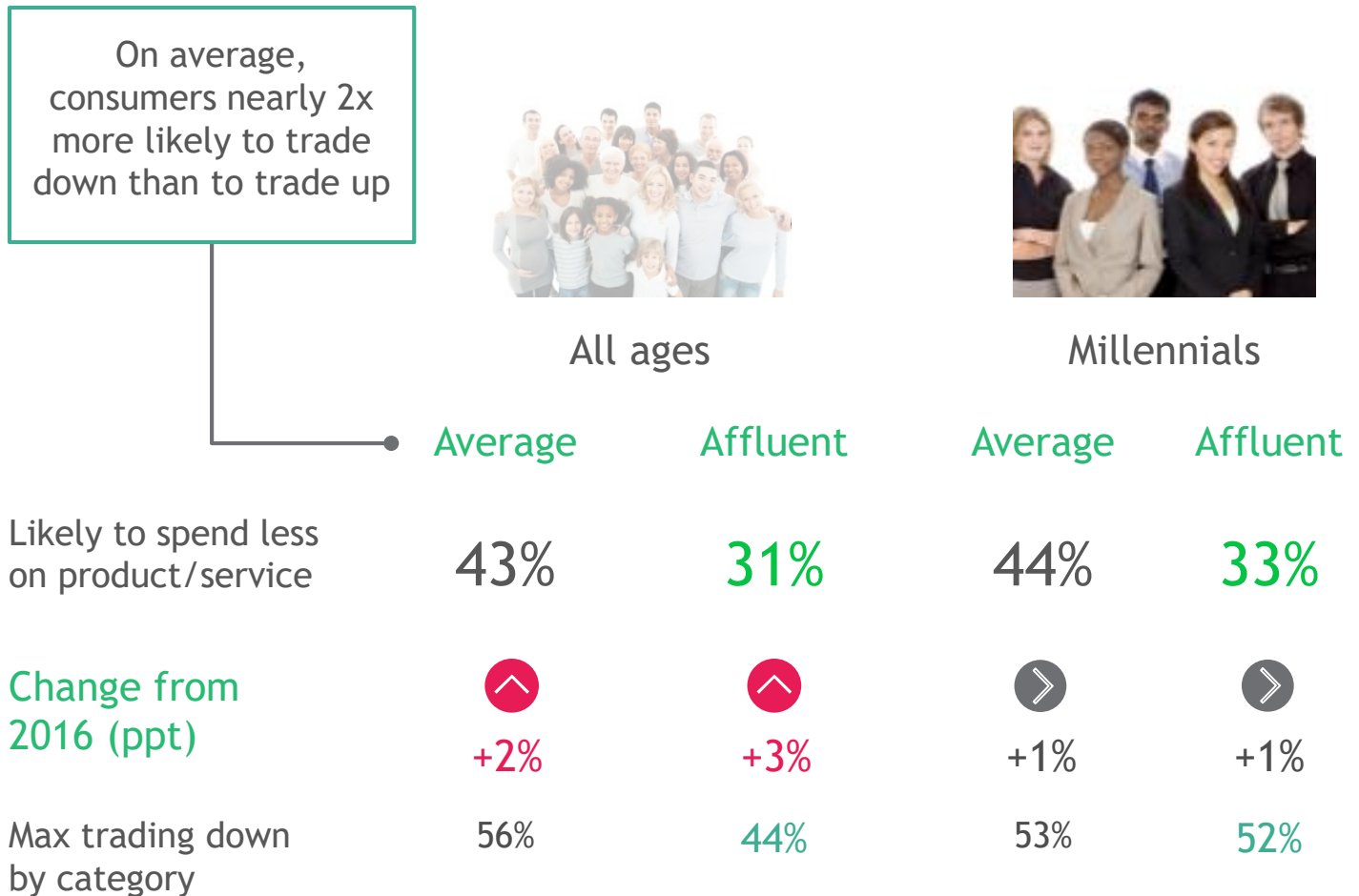
Millennials

	All ages		Millennials	
	Average	Affluent	Average	Affluent
Likely to spend more on product/service	25%	27%	30%	41%
Change from 2016 (ppt)	⬆ +2%	⬇ -4%	⬆ +3%	➡ 0%
Max trading up by category	33%	47%	43%	73%

Source: BCG, 2017 (4045 "n")



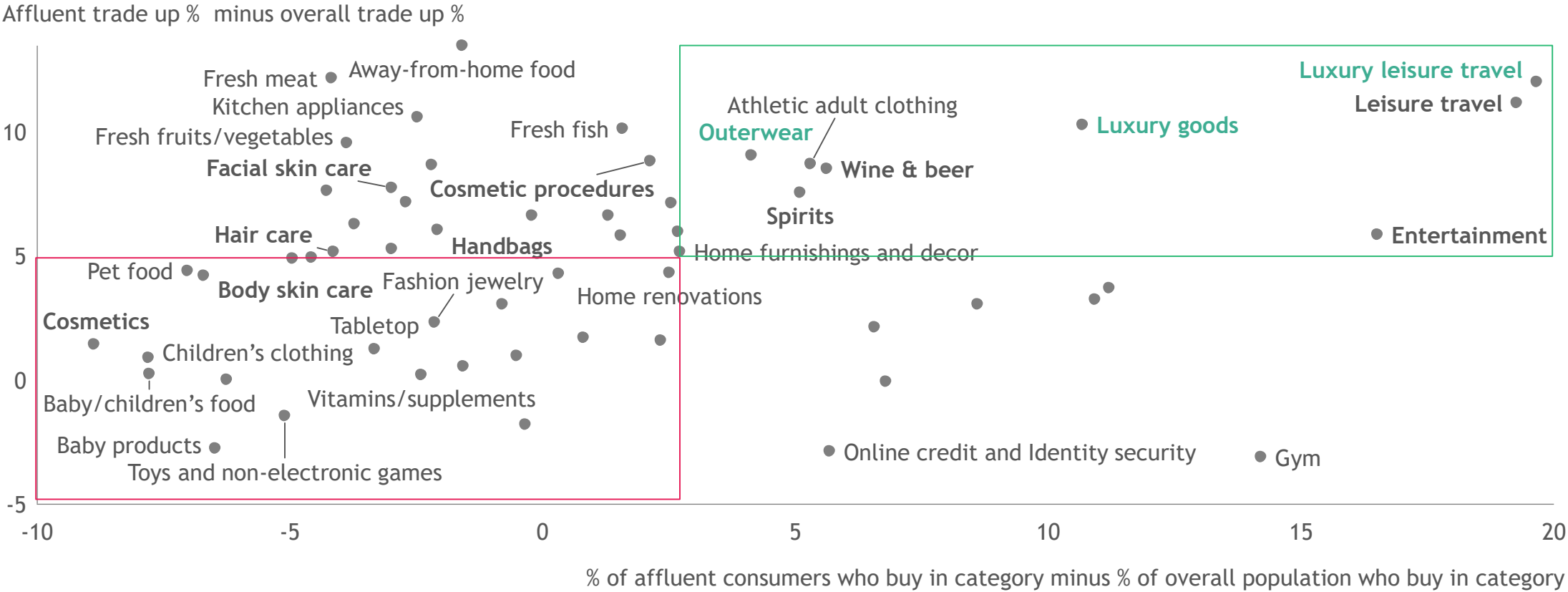
...and affluent consumers are less likely to trade down



Source: BCG, 2017



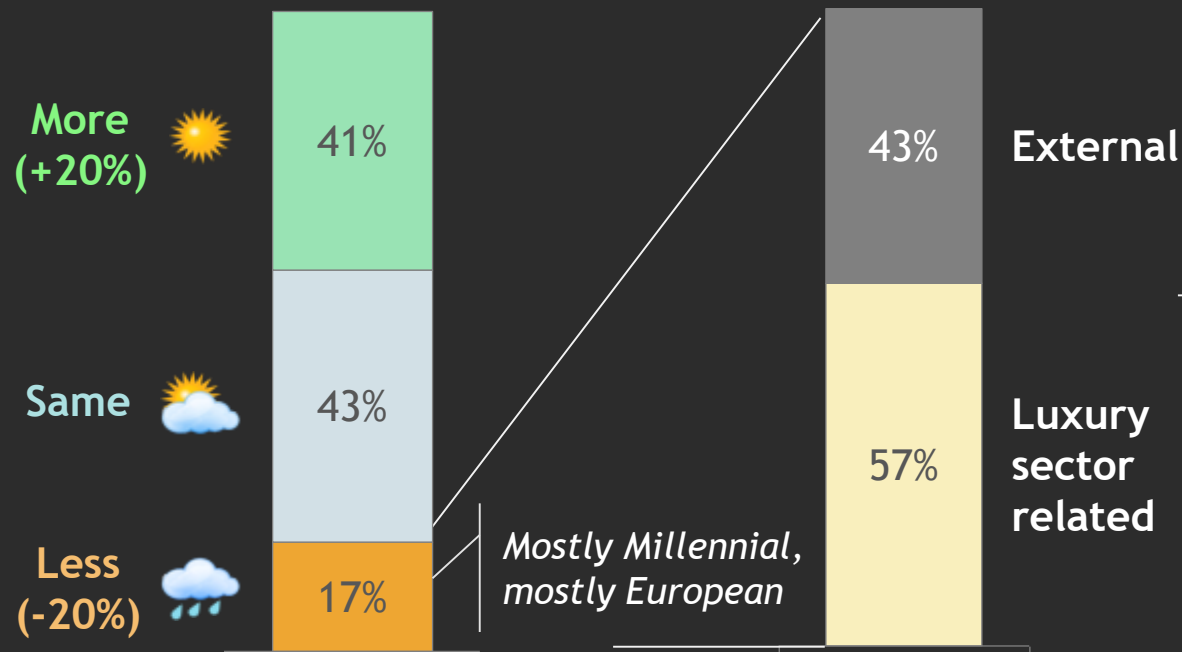
Top 4% of consumers much more likely to spend money on and trade-up in travel, entertainment, luxury, wine & spirits, fine dining, whole foods / proteins



1. Defined as individuals with annual income over \$150K (total n=394)
Note: Delta are the different between affluent and avg. consumers
Source: Consumer survey (n=4045)

Only 17% of luxury consumers declaring less luxury spend versus last year, mostly for reasons related to the sector versus exogenous ones

"This year have you spent more or less on luxury products vs. last year?"

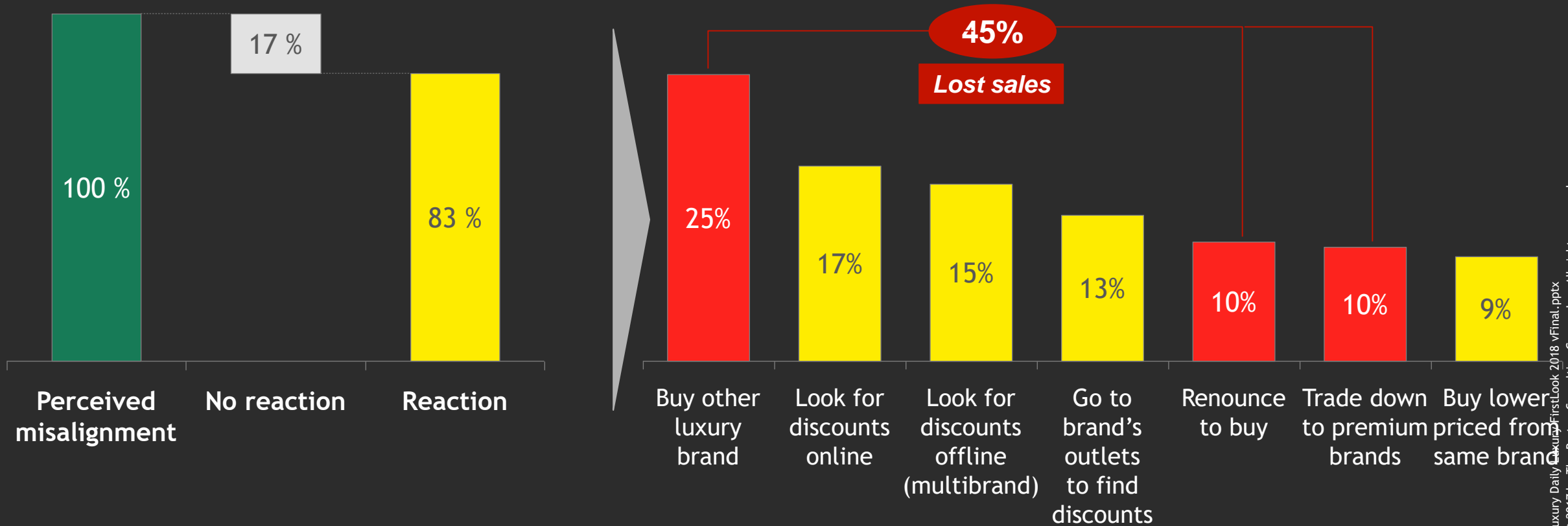


- Economic instability
- Travel less frequently
- Lower confidence in future income
- Fear of terror attacks

- Luxury prices increase
- Personal luxury saturation
- Less special occasions to attend
- Lower interest in luxury brands
- Partial shift to premium / fast fashion brands
- Brands selling too much non core categories

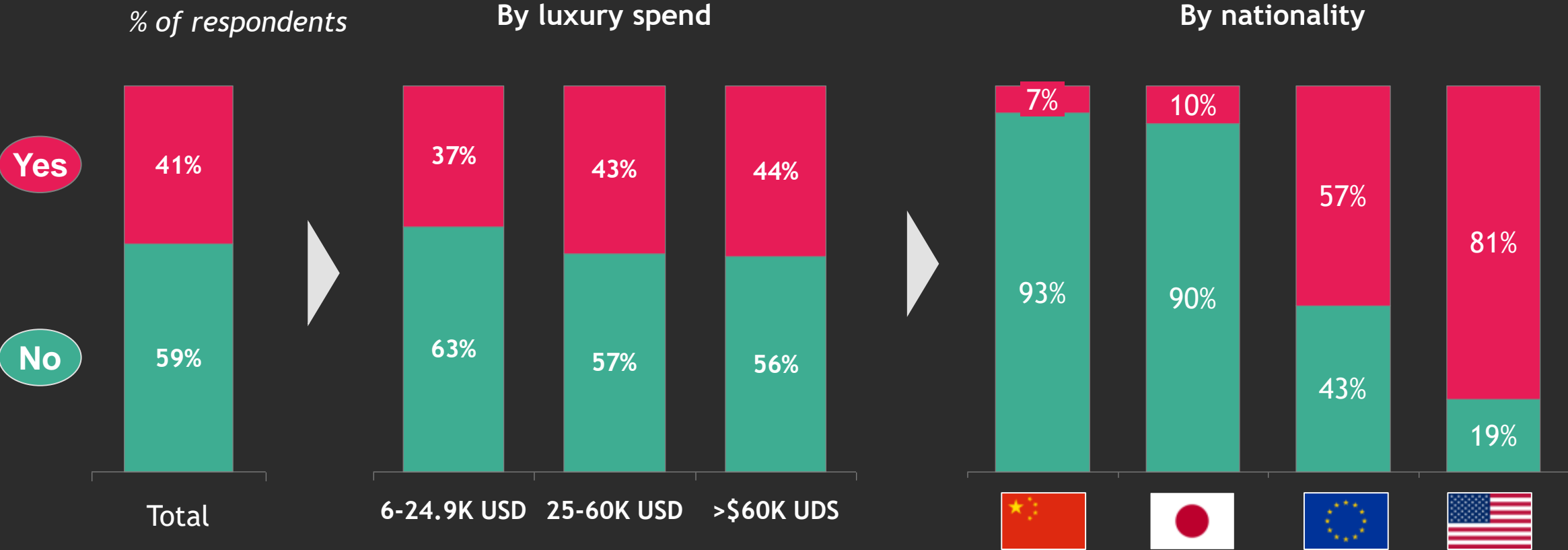
As luxury prices outpace inflation, most luxury consumers perceive lack of value, and ~1 out of 2 trade between "luxury" brands or trade down

% of respondents perceiving a price-value discrepancy with luxury goods



True luxury consumers are spending between luxury and premium brands;
65% trading down to premium, mostly in accessories, and 35% to Fast Fashion

"Do you have the feeling that you have partially shifted your spending from luxury brands to premium and / or fast fashion brands?"



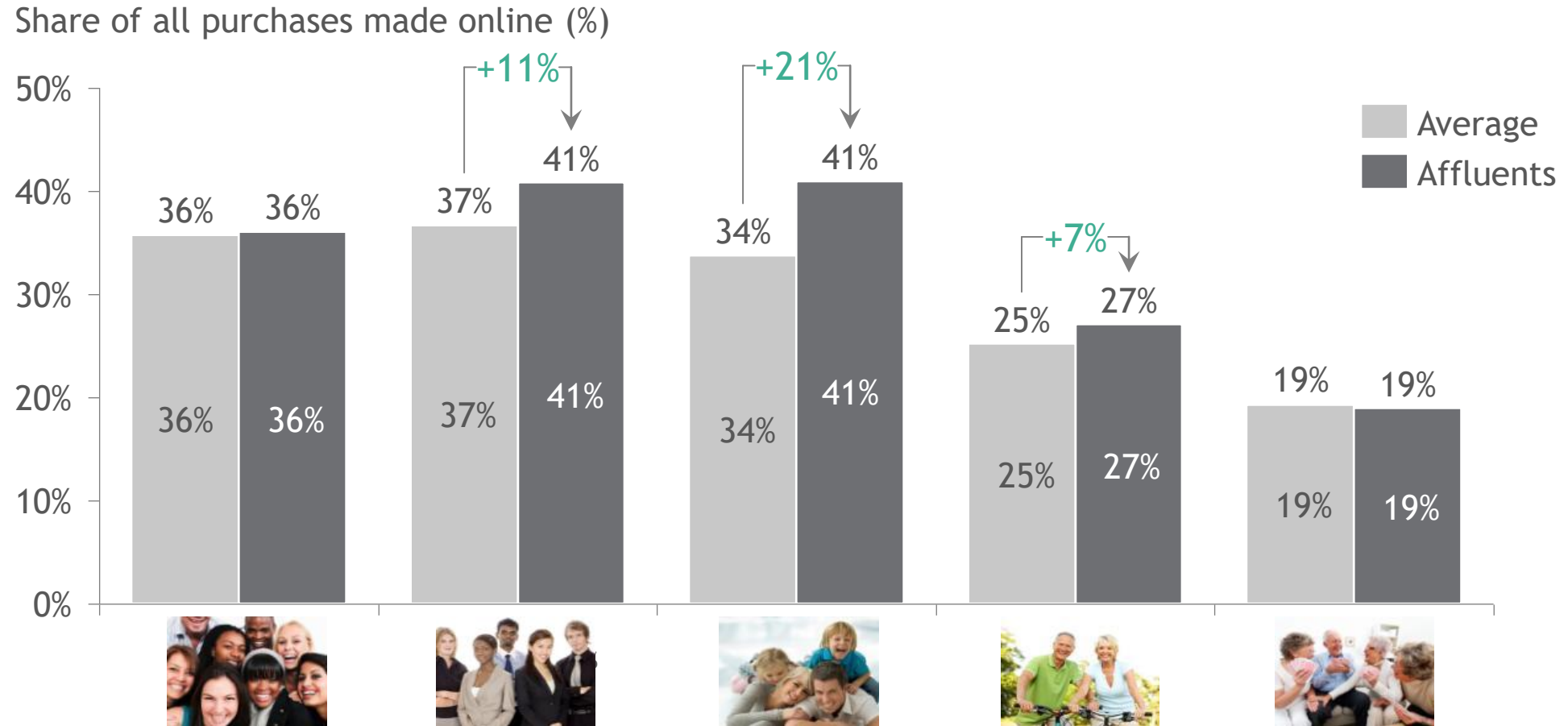
Source: BCG ad hoc study (12,000 respondents in 10 countries)



Key online categories nearing
~50% penetration

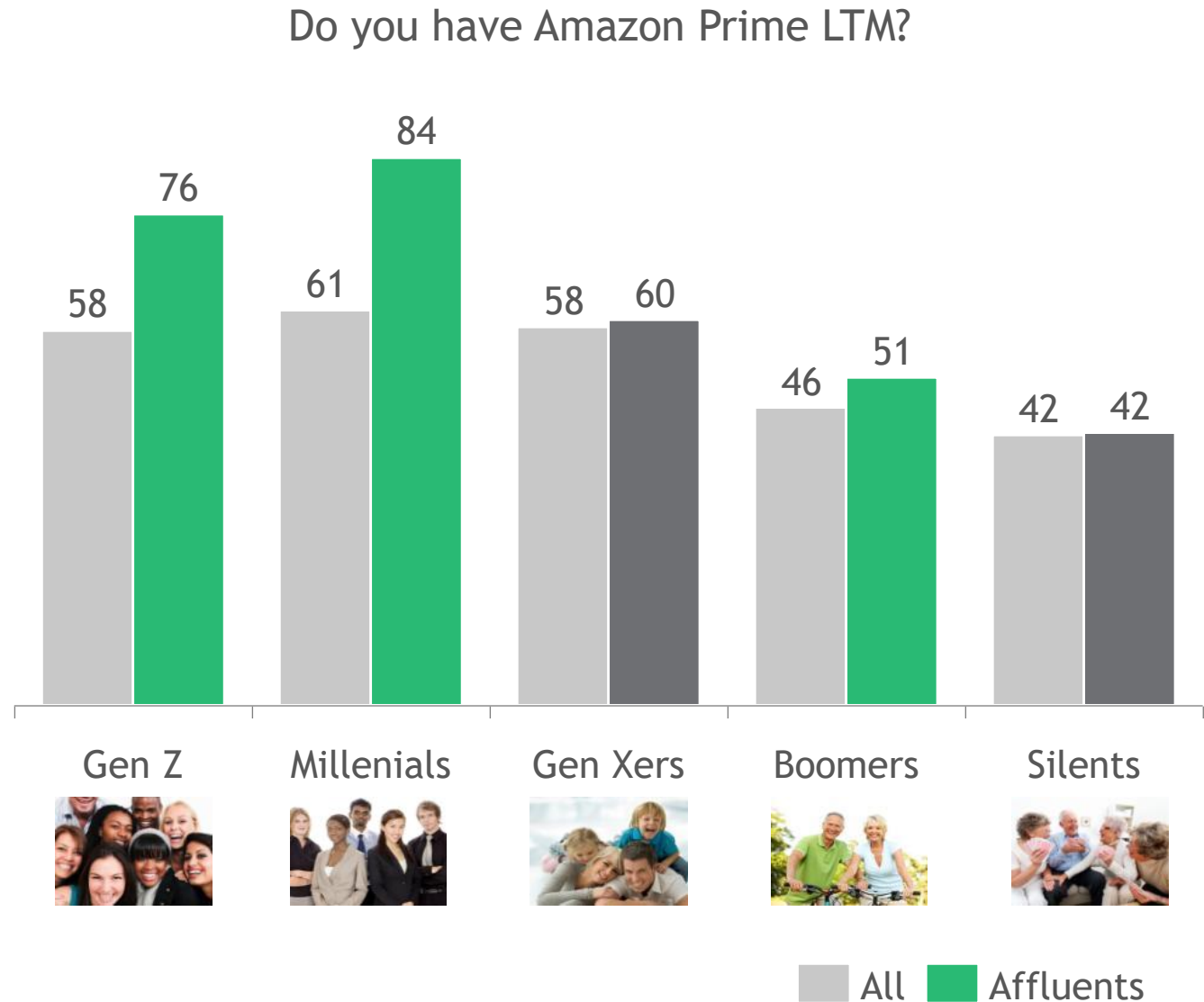


Top 4% of consumers are even *more* important to online





More than half of Gen Z, Millennials, and Gen Xers report Amazon Prime memberships, even higher for Affluents

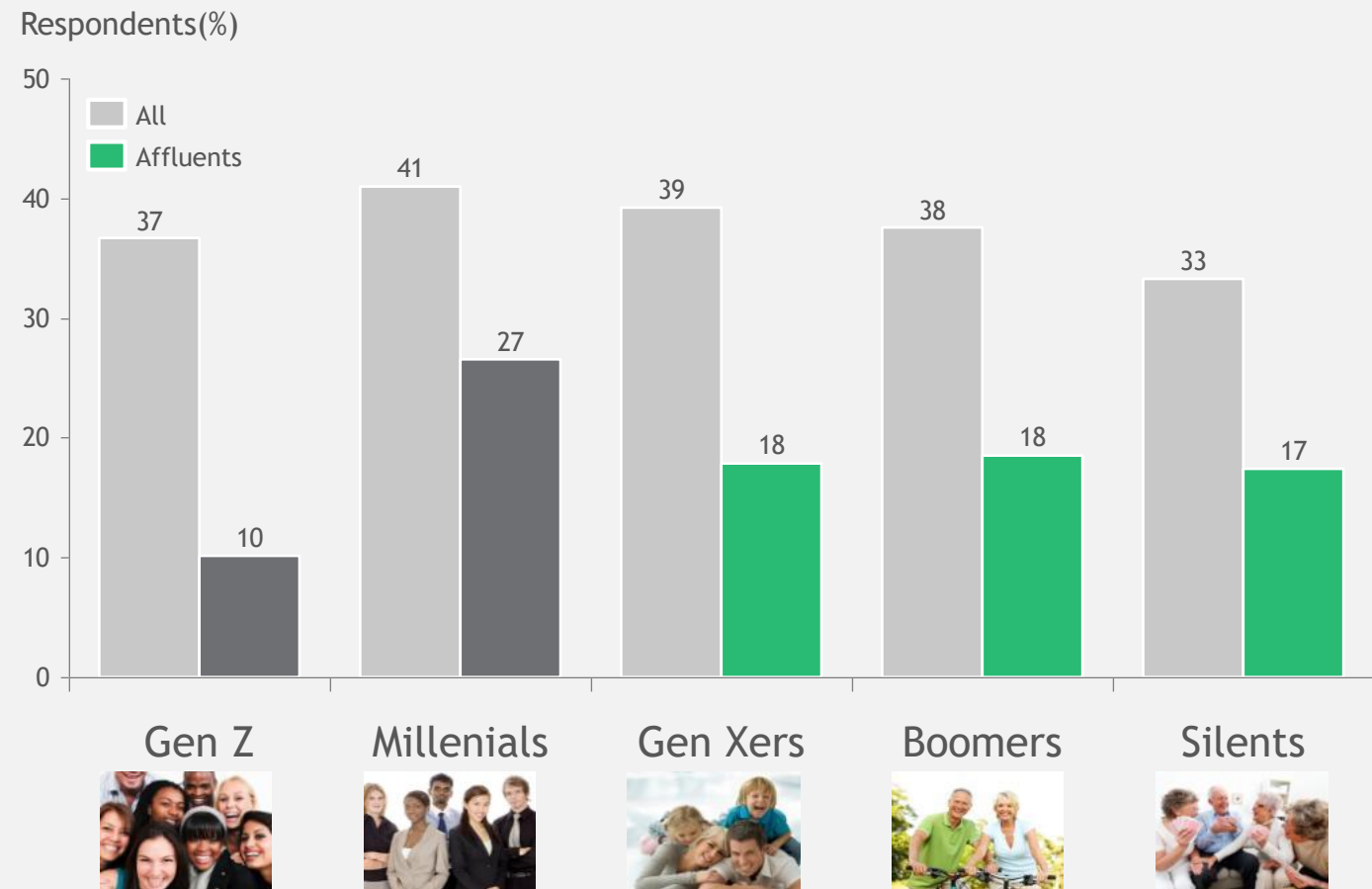


Note: Internet participants; not representative of overall population
Source: BCG, 2017 (2057 "n")



However,
Amazon less of
Affluents' total
online purchases

What percent of your total annual online purchases are from Amazon.com?



Note: Internet participants; not representative of overall population
Source: BCG, 2017 (2057 "n")



After a plateau of “predicting” future online category spend at 33-45%, consumers are signaling online/mobile could capture even higher levels

Top online categories	Perceived % spend online of category spend today (gross)	% anticipated spend online eventually (gross)
1 Vacation/leisure travel	47%	57%
2 Luxury leisure travel	38%	51%
3 Identity security services	38%	46%
4 Entertainment	38%	50%
5 Mobile electronics	37%	47%
6 Toys and non-electronic games	35%	46%
7 Education/books	35%	42%
8 Non-mobile consumer electronics	34%	39%
9 Pharmacy drugs	31%	43%
10 Pet food	31%	44%

Note: Only includes responses where consumer purchases in category
Source: BCG, 2017 (2057 “n”)



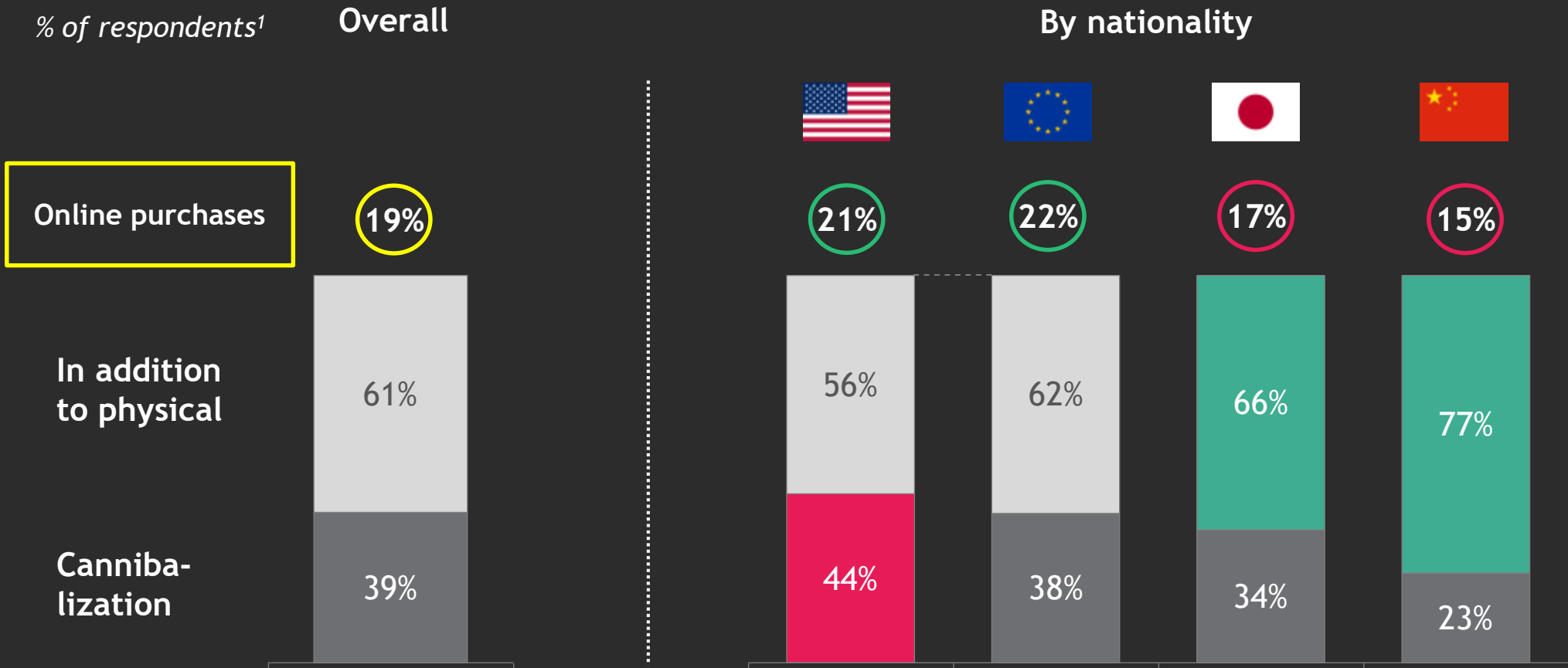
Millennials project increased online spend in 2018 in the Beauty categories, VMHS, and some life-stage categories like kids clothing

Rank	Top projected online increase spend categories for millennials	Lowest projected online increase spend categories for millennials
1	Entertainment (tickets, reservations)	Juices
2	Non-athletic adult clothing	Away-from-home food / restaurants
3	Body skin care	Candy and other sweets
4	Vitamins, minerals, herbs, or supplements	Chocolate
5	Cosmetics / makeup	Carbonated soft drinks
6	At-home food	Over-the-counter drugs
7	Non-athletic shoes / footwear	Fresh meat
8	Children's clothing	Bottled water
9	Facial skin care	Fresh fruits and vegetables
10	Bath and bedding	At-home food
		Also in overall top 10

Note: Only includes those who indicated purchase in product category within past 11 months
Source: BCG, 2017 (2057 “n” for ‘online’ section, with sample varying by spend category)

Consumers don't perceive online purchases as cannibalizing in store, in part due to return-in-stores traffic

"Do you have the feeling that your spending online is in addition to or cannibalizing (instead of) your luxury spending in physical stores? "



1. Considering the online channel among the top 3 channels used over the last 12 months
Source: BCG ad hoc study (12,000 respondents in 10 countries)



However, economics of stores are fragile to small changes in traffic or price

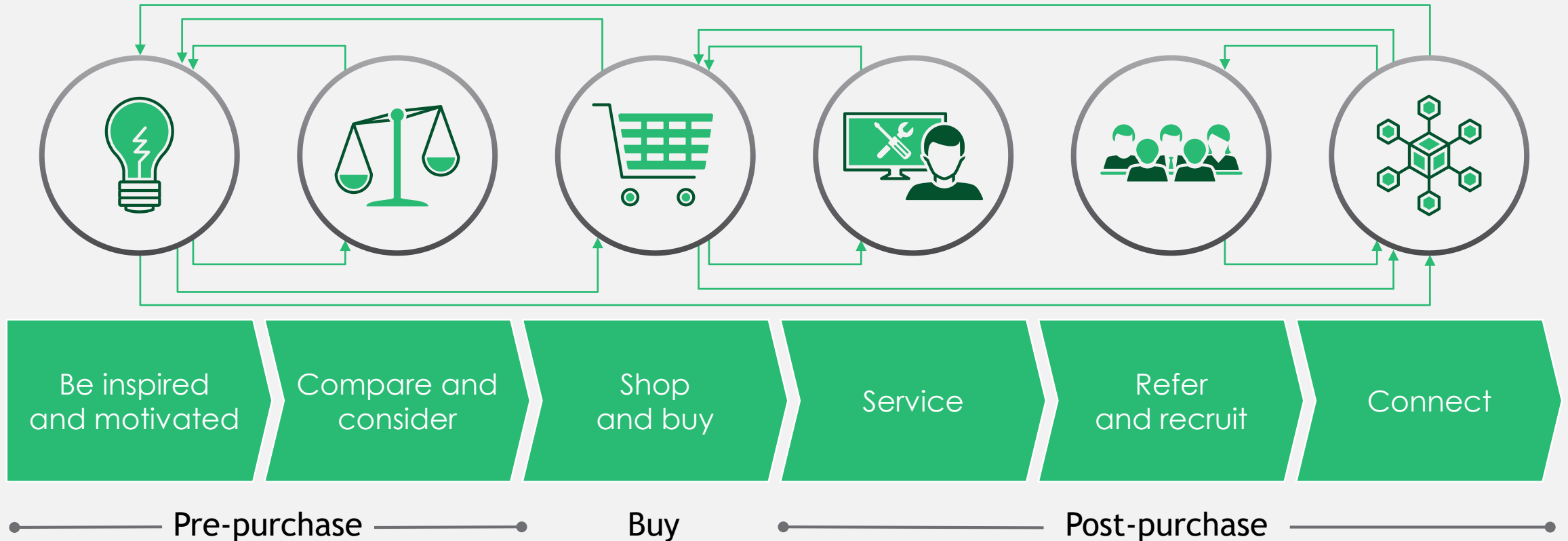
Changes in traffic or price realization (-10ppt) magnified in contribution impacts

	National DIY		Traditional National Grocer		National Premium Department Store	
	Actual	Under pressure	Actual	Under pressure	Actual	Under pressure
Store sales	100	90	100	90	100	90
COGS	66	59	77	69	65	59
Gross Margin	34	31	23	21	35	31
Labor	15	15	10	10	15	15
D&A	2	2	2	2	4	4
Rent	1	1	1	1	1	1
Taxes & other	3	3	7	7	7	7
Store contribution	14	10	3	1	8	4
	29% decline		67% decline		50% decline	



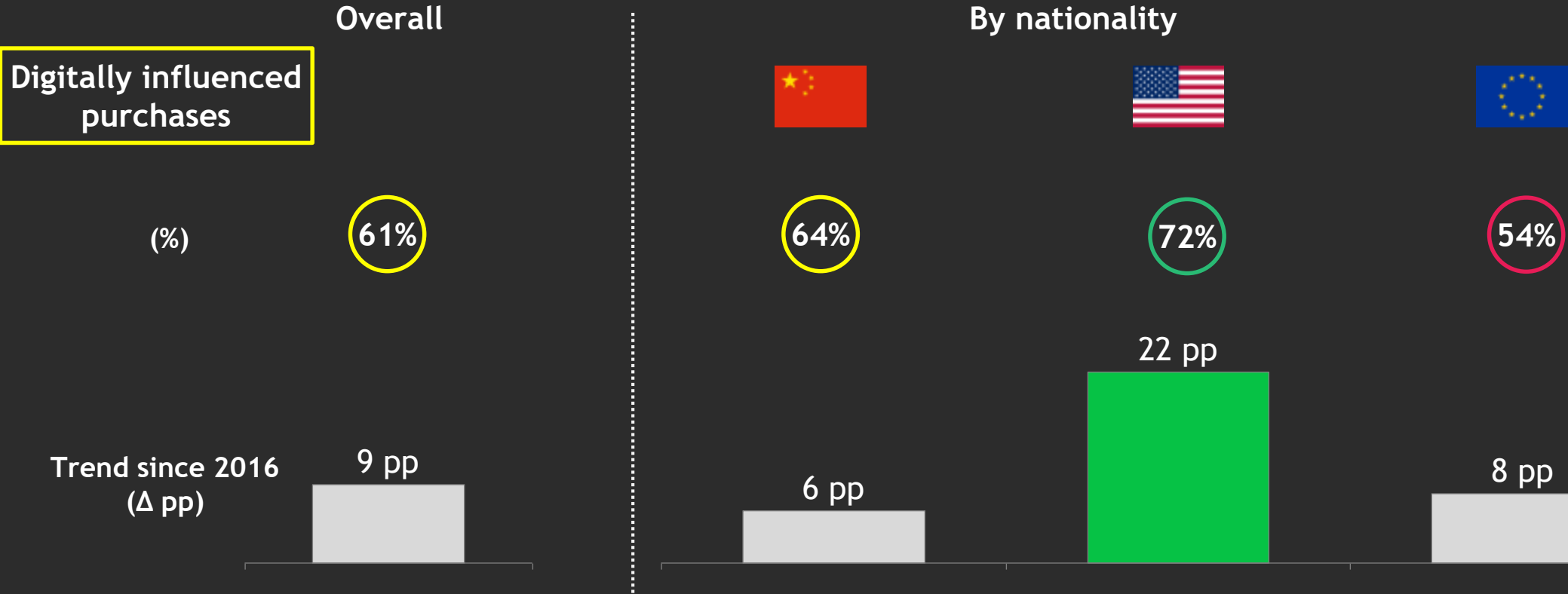
In luxury and premium,
digitally influenced
purchases are *now* most
purchases

Consumer journey in apparel today



In luxury, digital-influence growth fuelled by Americans, future growth by Chinese

"Where have you bought the last item purchased? Where have you researched it?"

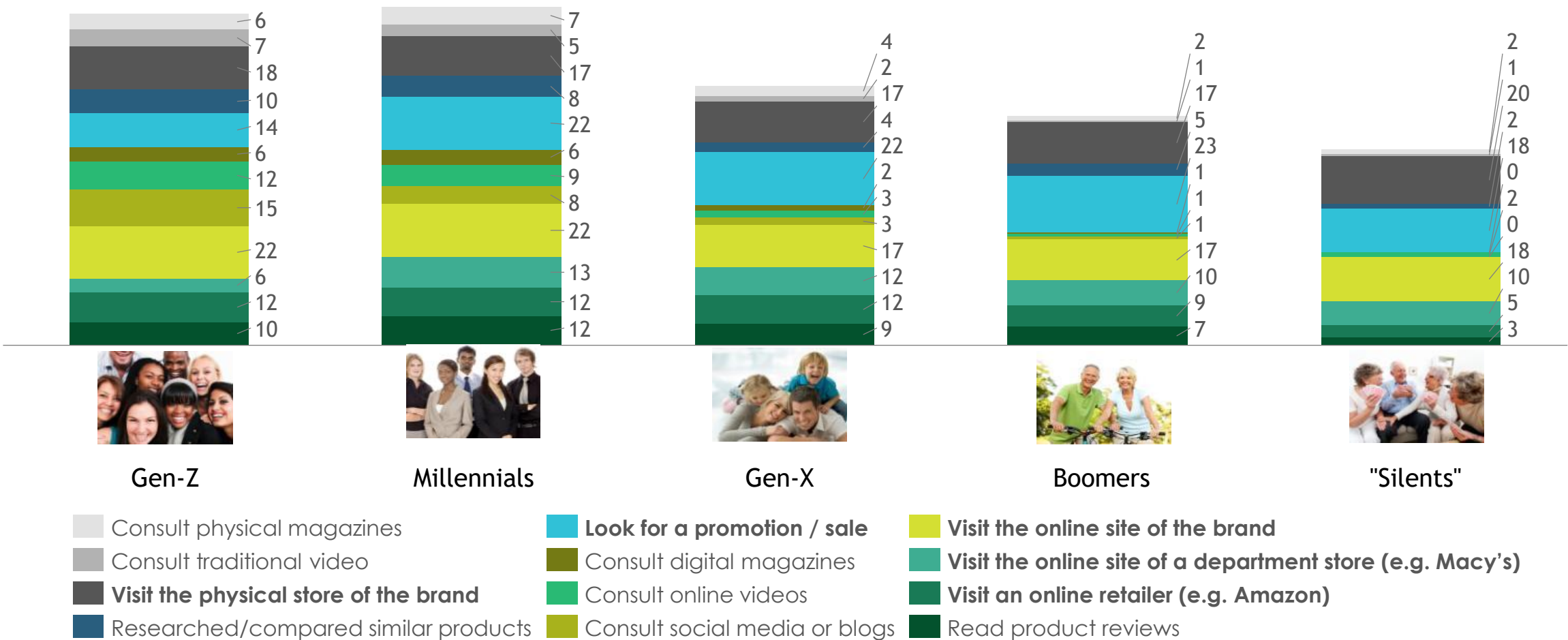


Source: BCG ad hoc study (12,000 respondents in 10 countries)



Divide seen between generations, with premium and luxury Gen-Z, Millennials most engaged *pre-purchase* and "Silents" least engaged

Share of respondents doing pre-purchase research prior to last shopping trip

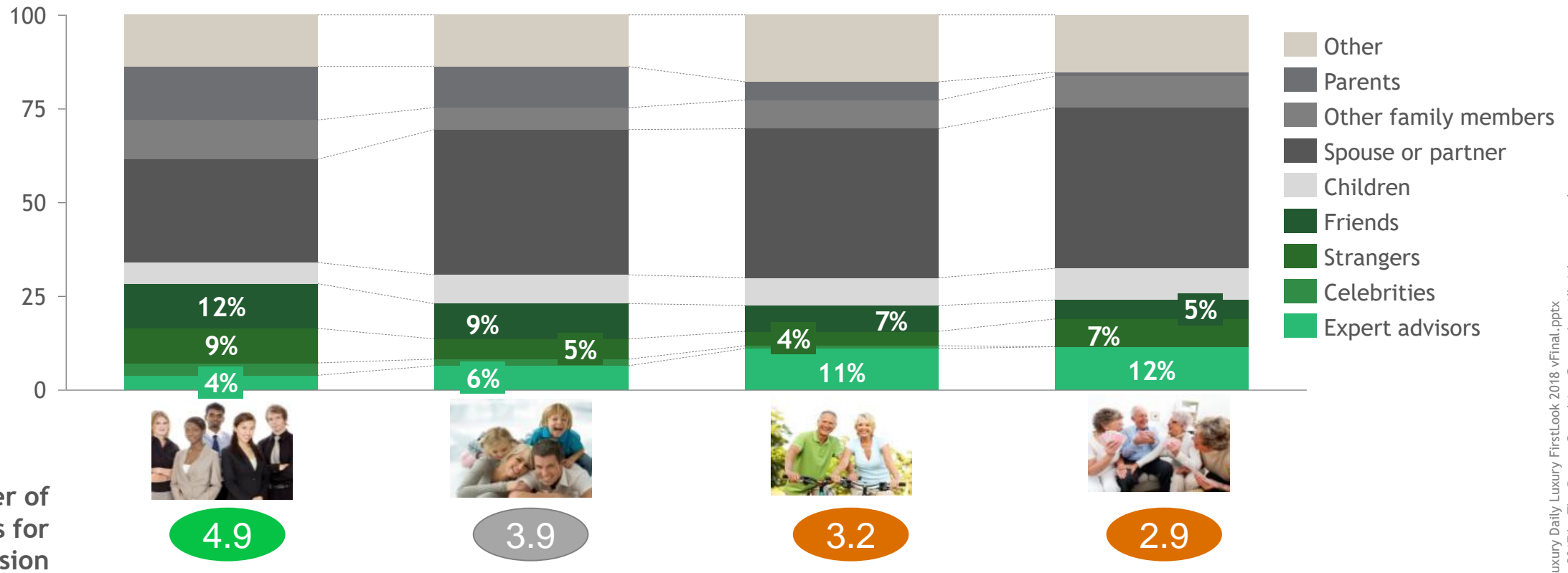




Millennials' personal goods purchases influenced by more people, and more likely from non-experts

Top influencers of personal goods categories for each age group

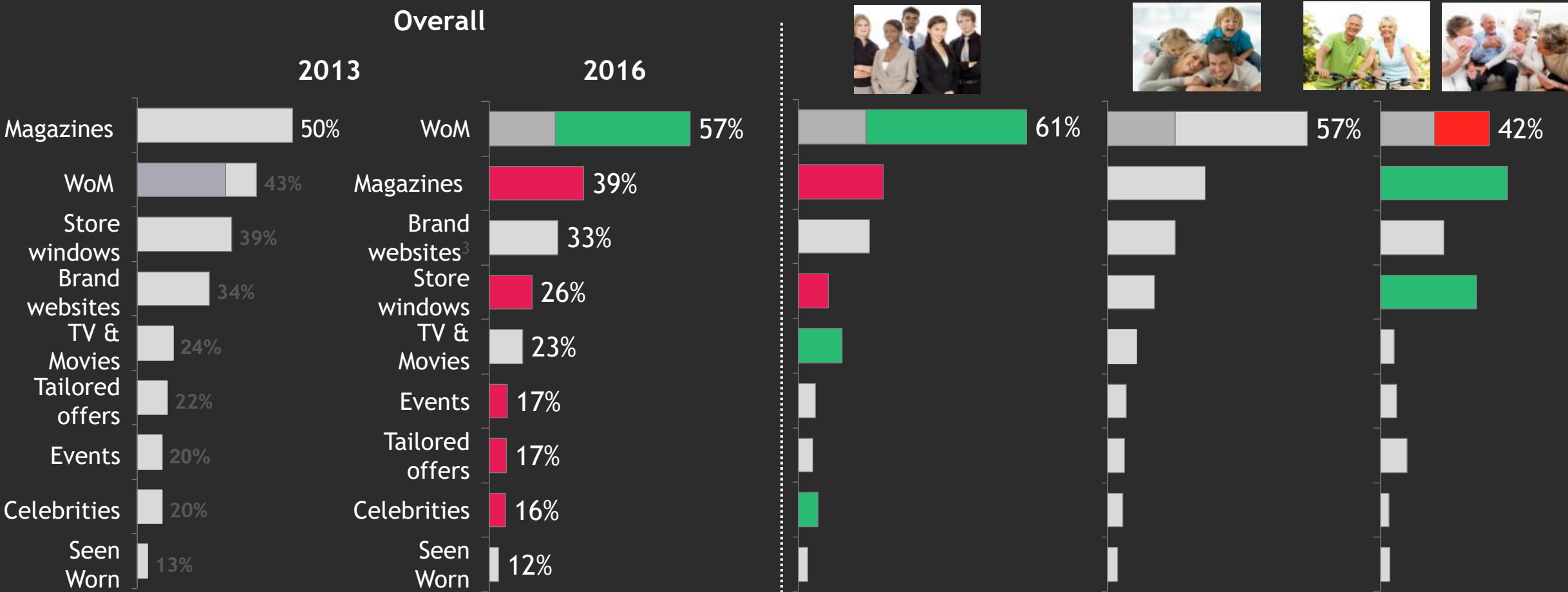
Respondents who said they are most influenced by other people (%)



Average number of influences for purchase decision

Word of Mouth surpassed print media as top recalled influencer, largely due to digital, one-to-many interactions

"Which of these levers has an impact on how you develop opinions or purchase decisions?"

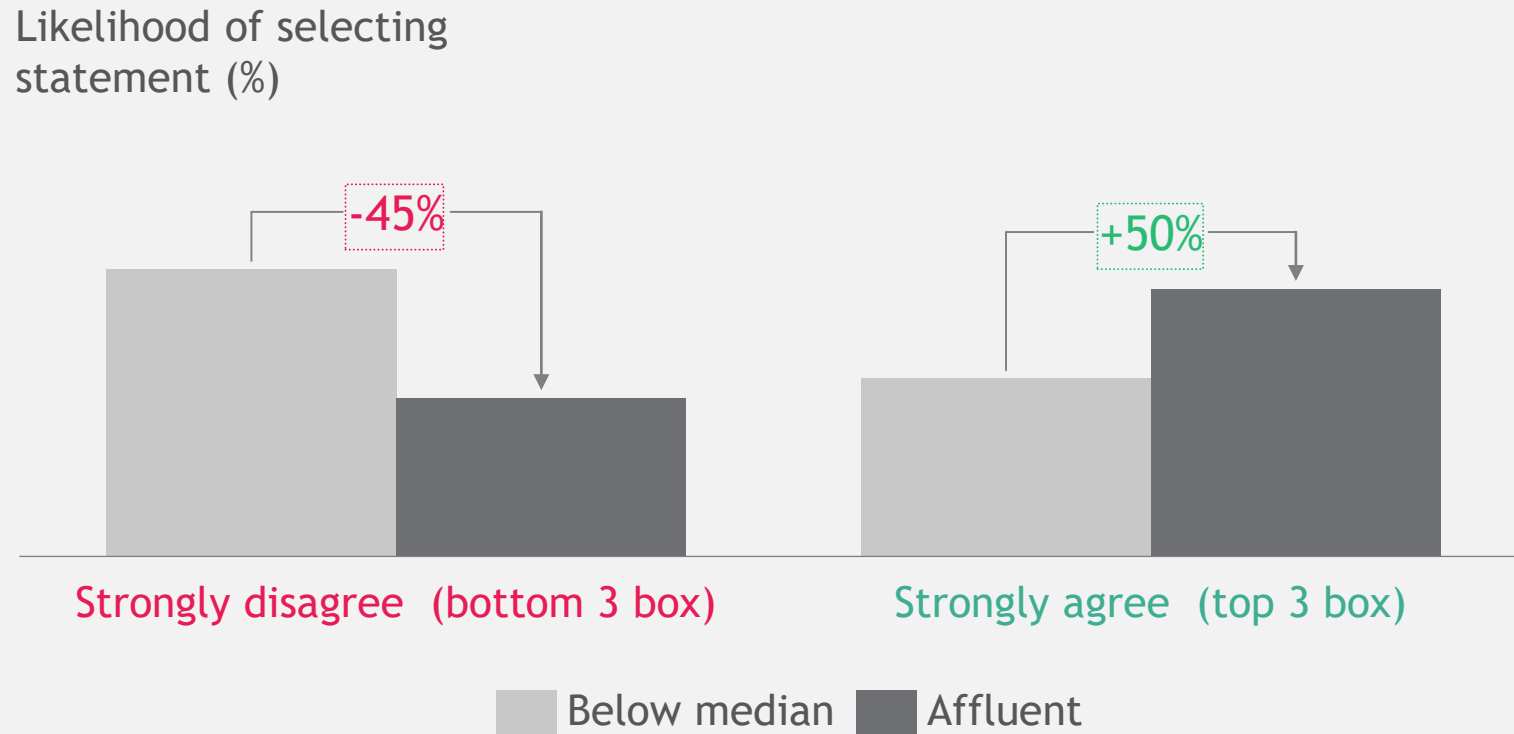


Source: BCG ad hoc study (10'000 respondents in 10 countries)



Top 4% of consumers confident of their outsized influence and taste-making

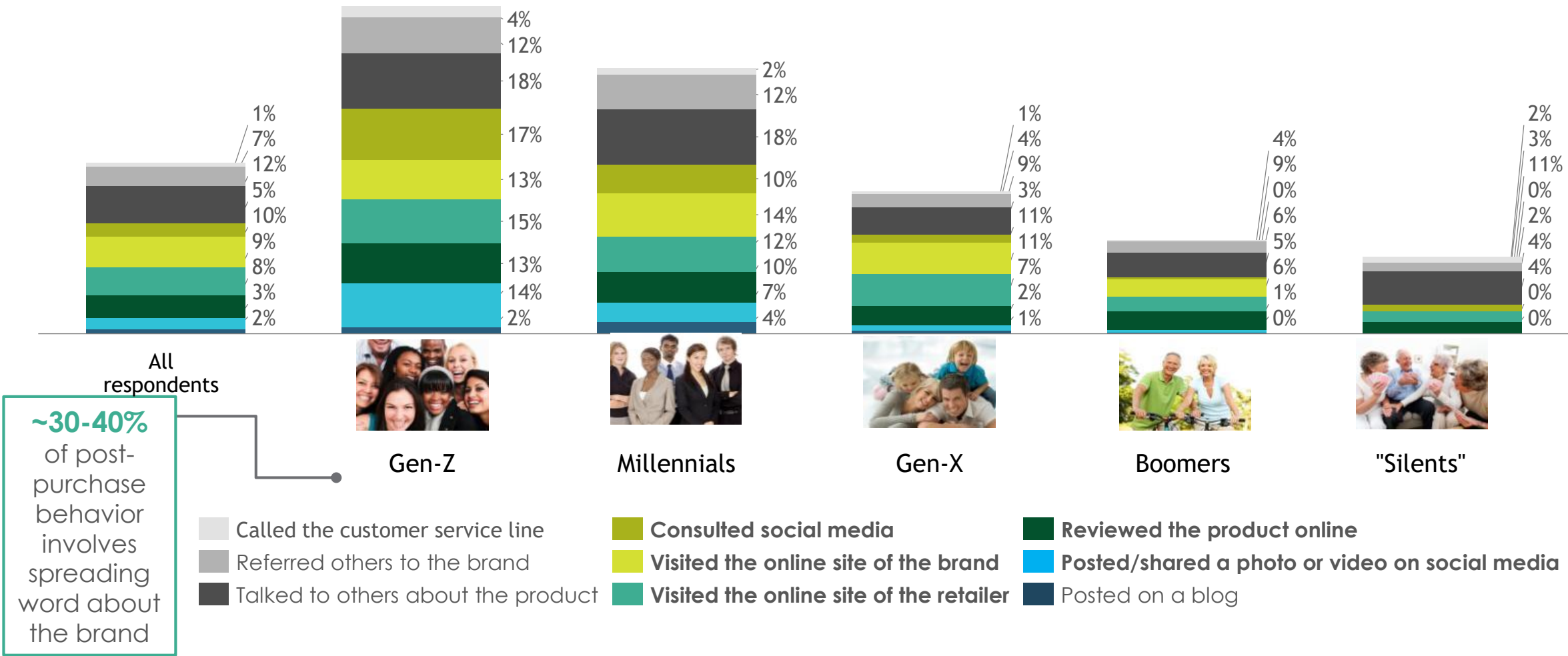
People seek me out for my knowledge and opinions





Gen-Z the most active premium and luxury consumers *post-purchase*

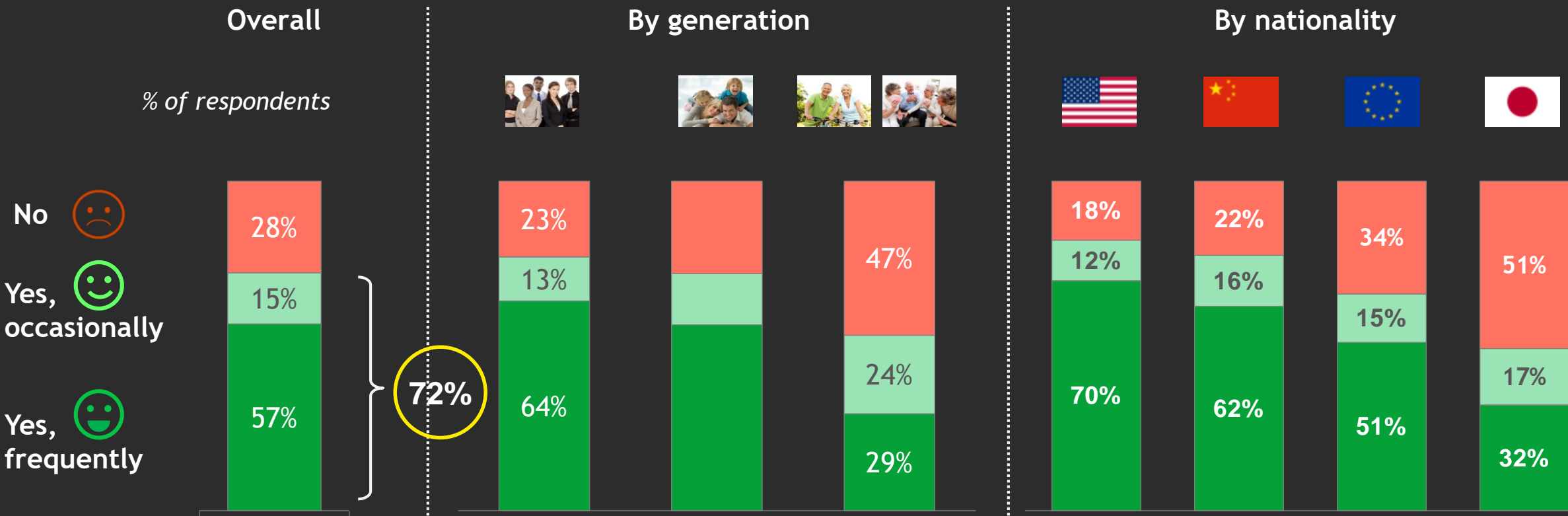
Share of respondents engaging in *post-purchase* behavior after last shopping trip



Source: BCG 2017 premium and luxury consumer survey

72% of true luxury consumers use social media to interact with their favourite luxury brands

"Do you use social media to interact with luxury brands?"



Source: BCG ad hoc study (12,000 respondents in 10 countries)

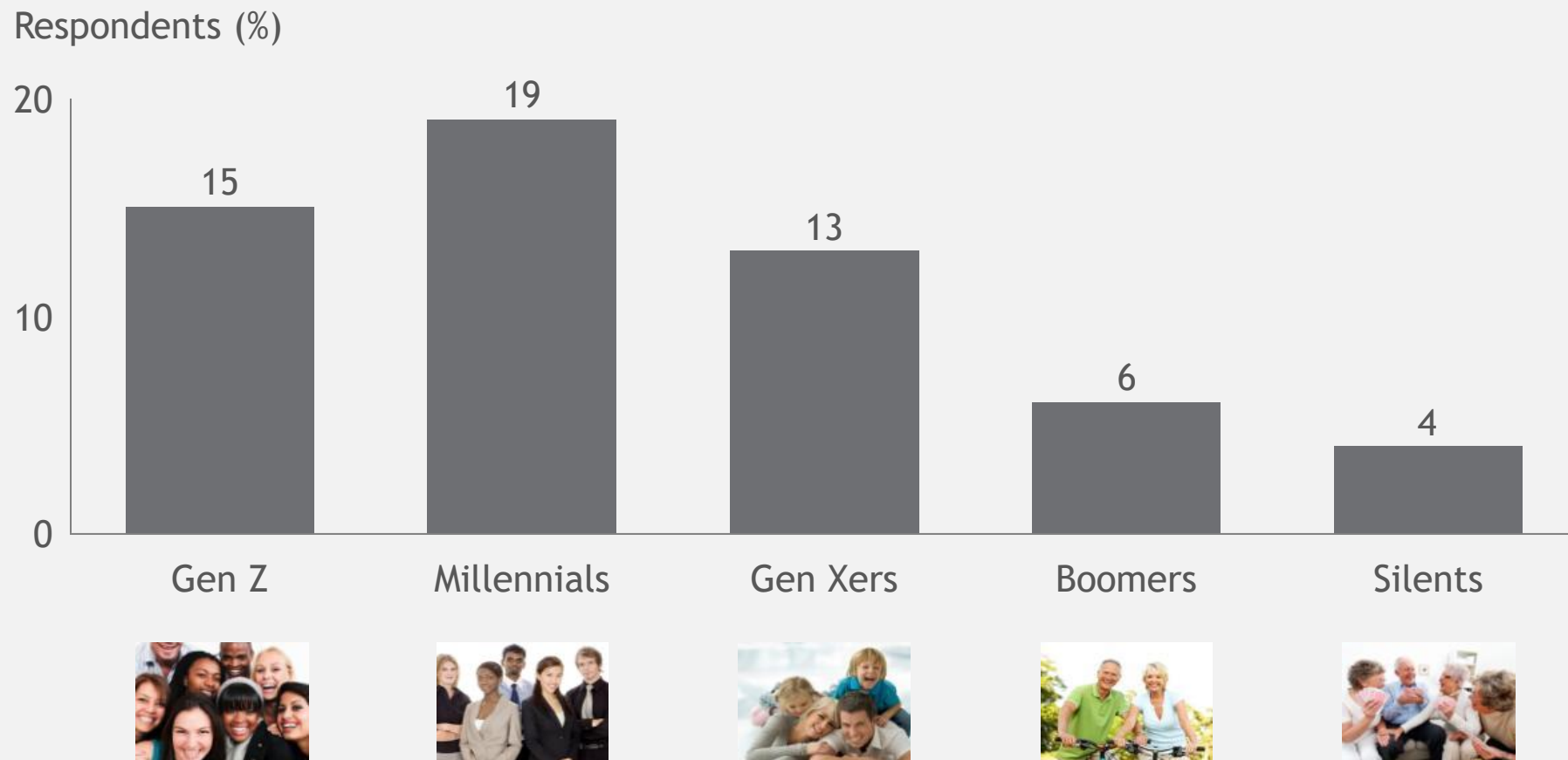


Role of purpose-driven
brands evolving, less clear
with Gen Z?



Relative to Millennials, Gen Z may have less affiliation with new brands, although in line with life-stage






Brands say something about who I am, my values



Source: BCG, 2017 (4045 “n”)

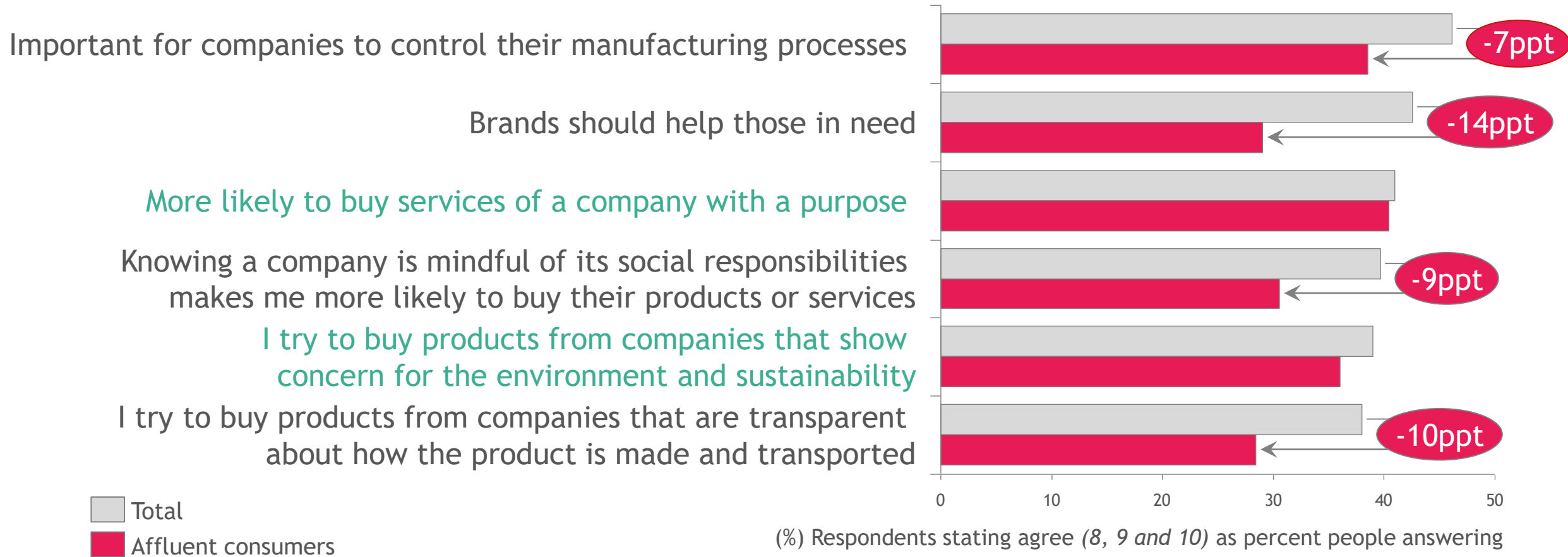


Gen Z appear less influenced by brand purpose/social responsibility than Millennials at their life-stage

	Gen Z	Millennials	Gen Xers	Boomers	Silents
					
I'm more likely to buy from companies/brands that					
Have a purpose beyond making a profit	18%	23%	20%	15%	14%
Are mindful of their social responsibilities	19%	26%	20%	15%	16%
Are transparent about how the product is made and transported	15%	24%	18%	15%	16%
Show concern for the environment and sustainability	17%	24%	16%	15%	16%



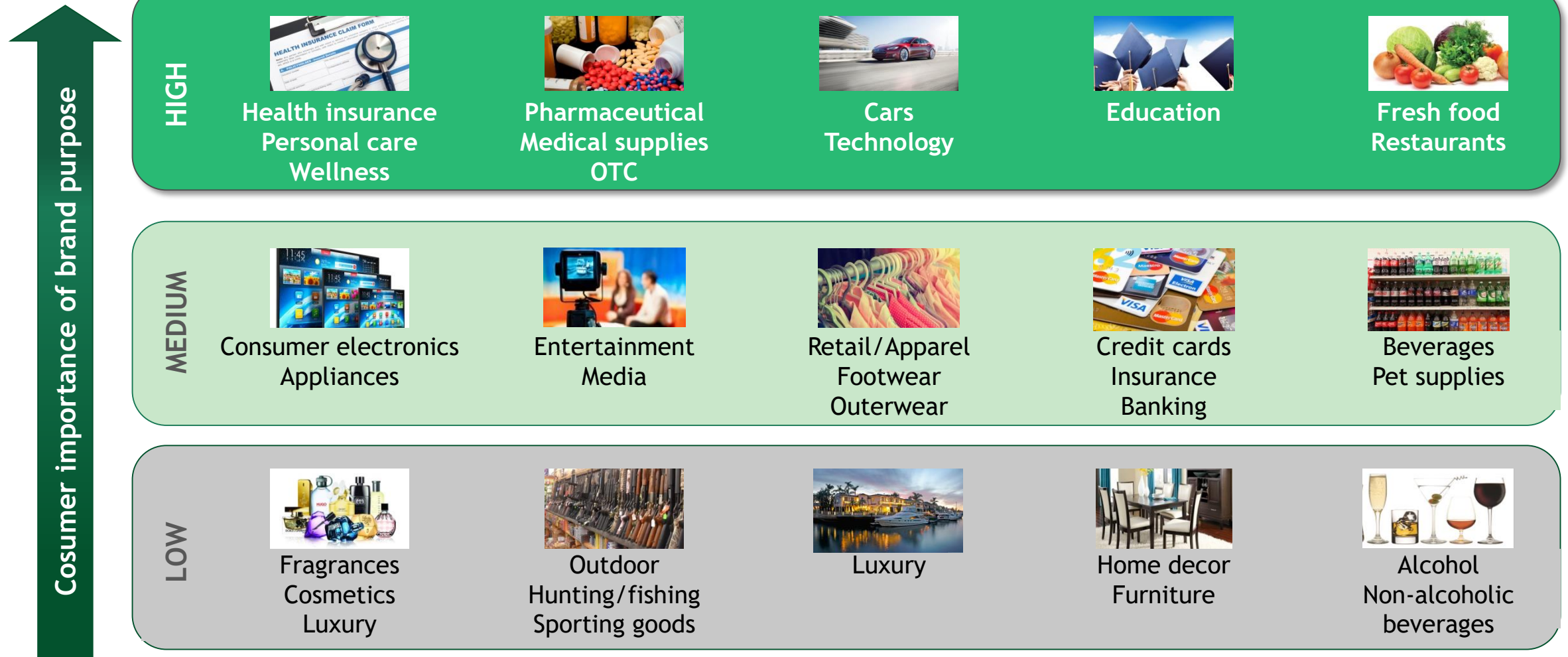
While overall market moving towards more conscious consumption, Top 4% report less belief /needs in brands as agents of social good





Brand purpose continues to be most important for food, health, and education; lowest for fragrance, luxury, travel, home, & alcohol

Important of brand purpose by product/service category



In summary



Increasing consumer confidence, despite tumultuous times; and for the first time in a while, increased spending in the US



Spend shifts toward "new status currency" of health and wellness and experiences continues, but less so with Gen Z



Acceleration of trading up and trading down, with Millennials doing the most



As luxury prices outpace inflation, consumers perceive a luxury value gap, resulting in lost sales and trading down



Key online categories approaching 50% online penetration



In luxury and premium, digitally influenced purchases are *now* most purchases








Role of purpose-driven brands evolving, less clear with Gen Z as well as in luxury

Thank you



And drop in anxiety—(or rise in resilience)—across generations, except Gen Z

How much do you agree or disagree with each of the following statements?

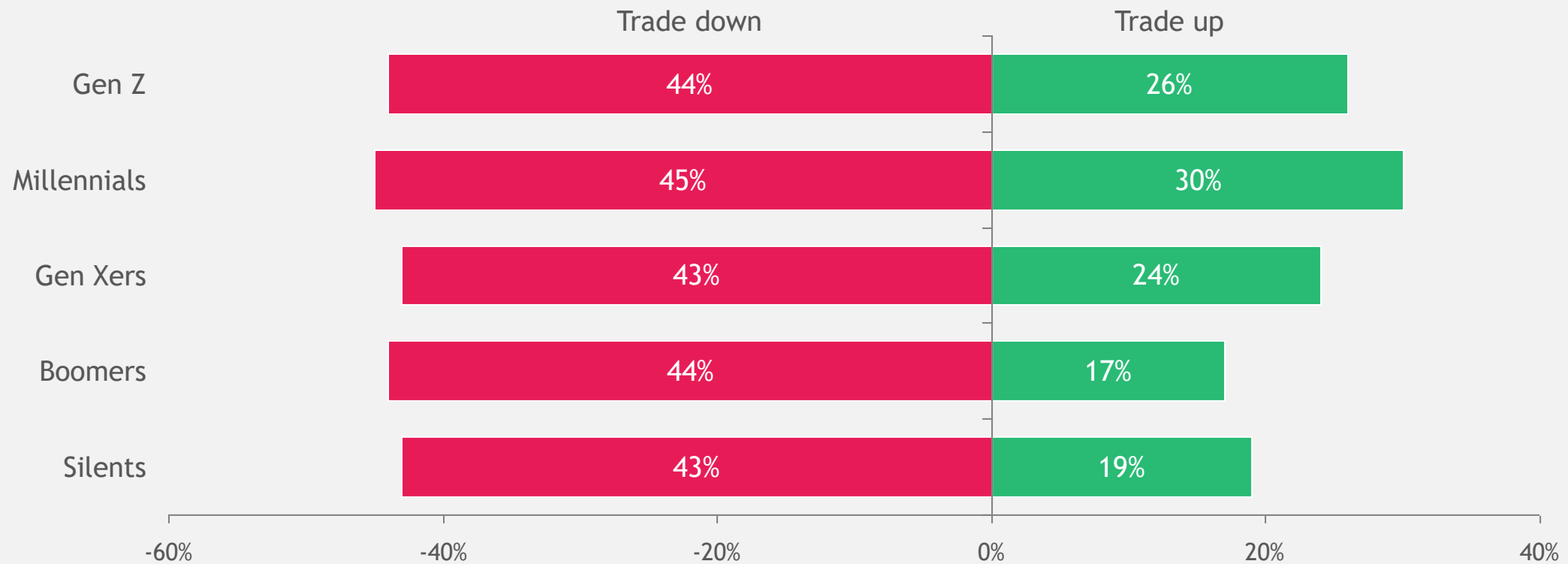
	Gen Z	Millennials	Gen Xers	Boomers	Silents
					
I feel anxious or nervous	30%	19%	11%	5%	2%
Change from 2016 (ppt)	⬆ 1%	⬇ -8%	⬇ -11%	⬇ -15%	⬇ -16%



Millennials are most willing to trade up and down; trade down is consistent; trade up typically ½ of trade down

Please indicate whether you are likely to spend more for the product/service because it is important to you to get a better, higher quality product/service

Likely to spend less on a product/service Likely to spend more on a product/service



Note: % change measured as absolute difference in percentage points between '17 and '16 survey






Source: BCG, 2017 (4045 "n")

% of respondents



Younger generations trading up more year-over-year, while older generations trending slightly down






Please indicate whether you are likely to spend more for the product/service because it is important to you to get a better, higher quality product/service

	Gen Z	Millennials	Gen Xers	Boomers	Silents ¹
					
Change in % willing to trade up vs. '16 (ppt)	⬆ 2%	⬆ 4%	⬇ -1%	⬇ -1%	⬇ -6%
Change in % willing to trade down vs. '16 (ppt)	⬇ 0%	⬇ -1%	⬆ 3%	⬆ 3%	⬆ 8%



Gen Z and Millennials trading up more than other generations & accelerating; Gen X in the trade-up mix

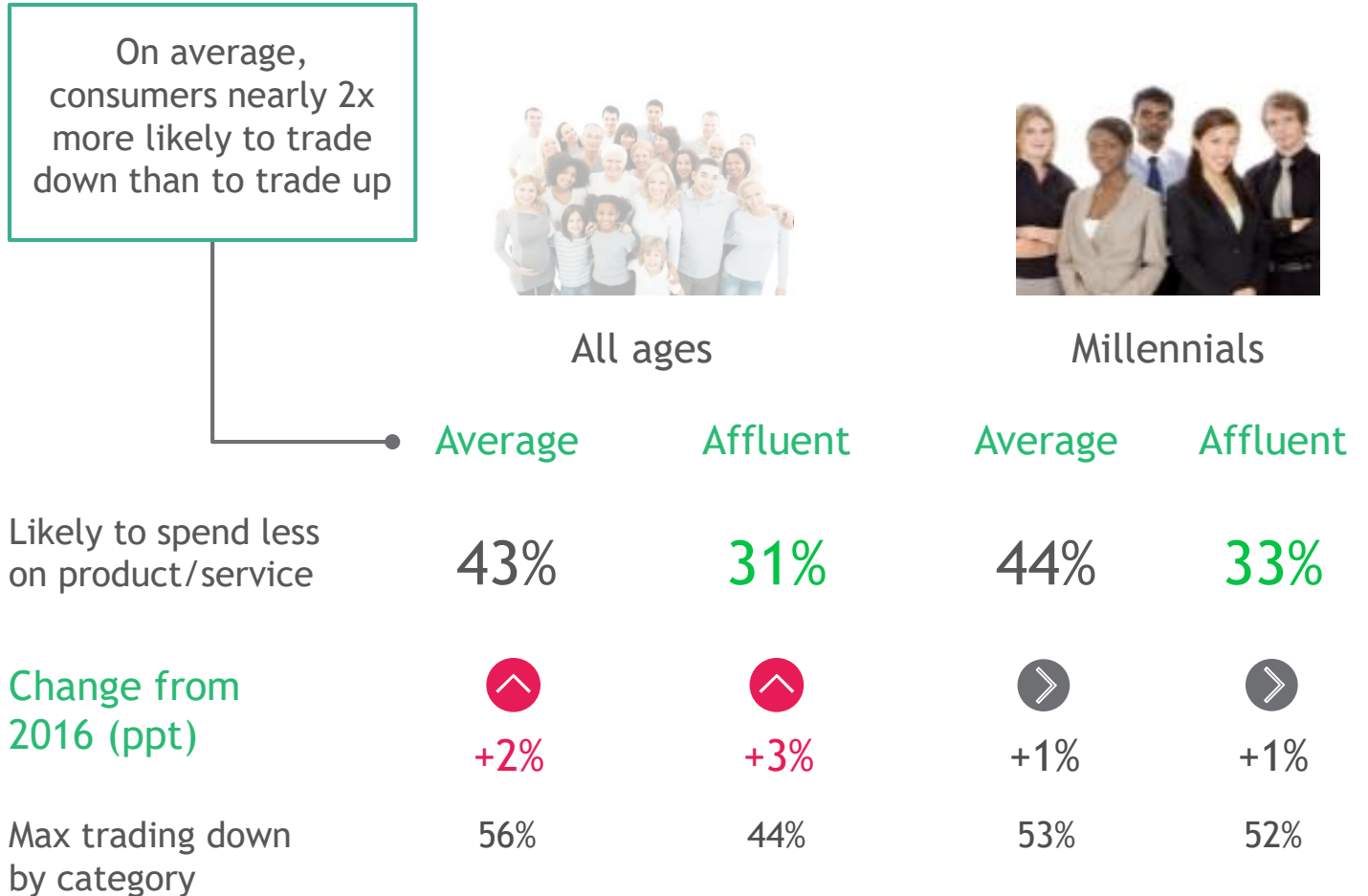
Please indicate whether you are likely to spend more for the product/service because it is important to you to get a better, higher quality product/service

		Gen Z	Millennials	Gen Xers	Boomers	Silents ¹
						
Likely to spend more on product/service		26%	30%	24%	17%	19%
Change from 2016 (ppt)		⬆ 2%	⬆ 4%	⬇ -1%	⬇ -1%	⬇ -6%
Range for trading up by category	Min	11%	20%	12%	6%	2%
	Max	51%	43%	36%	32%	29%

1. Online Silents
Source: BCG, 2017 (4045 “n”)



...and affluent consumers are less likely to trade down








Source: BCG, 2017 (4045 “n)



Trading down consistent for 1 /3rd of the population; continued squeeze in middle price points from Gen X and Boomers; Silents appear vulnerable

Please indicate whether you are likely to spend less for the product/service because it is important to you to get a better product/service

		Gen Z	Millennials	Gen Xers	Boomers	Silents ¹
						
Likely to spend less on product/service		44%	45%	43%	44%	43%
Change from 2016 (ppt)		— 0%	— -1%	^ 3%	^ 3%	^ 8%
Range for trading down by category	Min	21%	34%	30%	26%	19%
	Max	63%	53%	53%	59%	69%

1. Online Silents
Source: BCG, 2017 (4045 “n”)



Trading up is consistently highest in childcare, travel, education, children's food, and guns/hunting equipment

Rank	Top trade up categories for all consumers
1	Childcare
2	Luxury leisure travel
3	Education
4	Guns, hunting, and fishing gear (moving up)
5	Baby/children's food
6	Cosmetic procedures / services
7	Vacation / leisure travel
8	Luxury personal goods (back on the list)
9	Cars / automobiles
10	Better-for-you or better-for-your-baby personal care

Was a top-10 trade up category in 2016



Millennials continue to trade up for childcare, hunting, and are increasingly trading up for cosmetics

Rank	Top trade up categories for Millennials
1	Childcare
2	Guns, hunting and fishing gear (moving up)
3	Identity security services
4	Luxury leisure travel
5	Cosmetics / makeup
6	Cosmetic procedures / services
7	Cars / automobiles
8	Education
9	Baby / children's food
10	Baby gear & supplies ¹

Was a top-10 trade up category in 2016

1. Not an option in '16 survey
Source: BCG, 2017 (4045 “n”)



Trading down is most common in fashion, kitchen goods, toys, and portable packaged goods

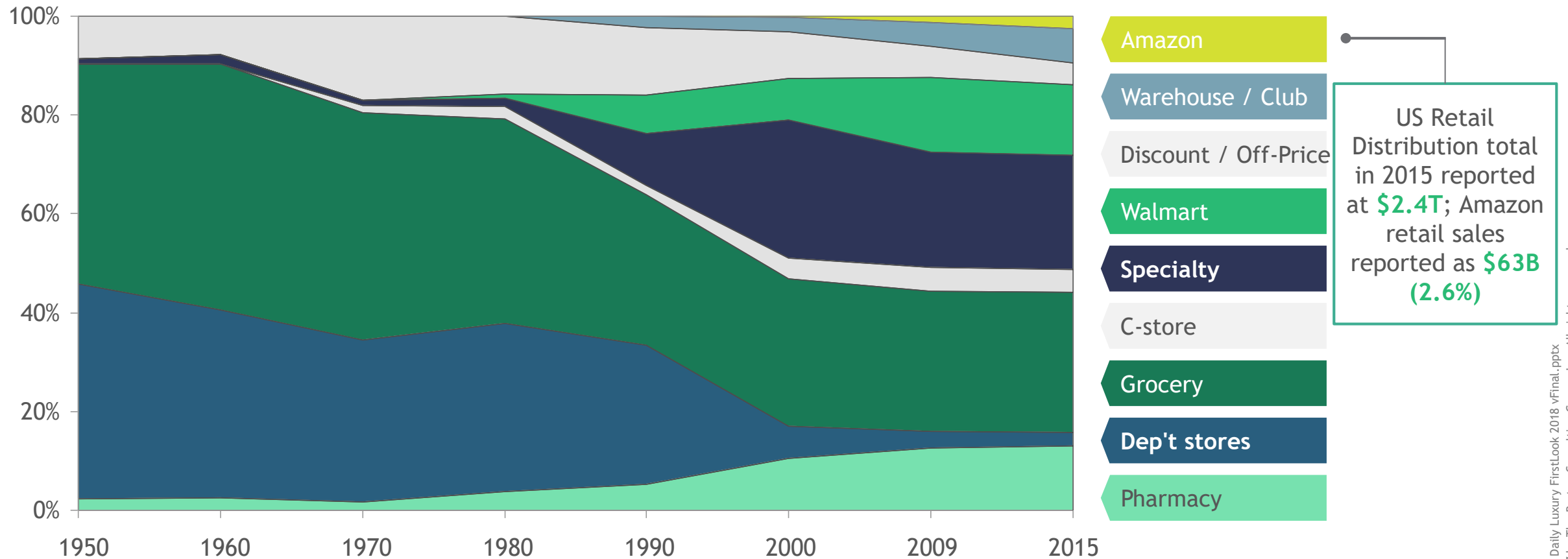
Rank	Top trade down categories for all consumers
1	Fashion accessories
2	Fashion jewelry
3	Tabletop (e.g., dishes, utensils)
4	Handbags (new to the list)
5	Toys and non-electronic games
6	Travel / portable packaged products
7	Carbonated soft drinks
8	Traditional home cleaning products
9	Non-athletic adult clothing
10	Pots and cooking utensils

Was a top-10 trade down category in 2016



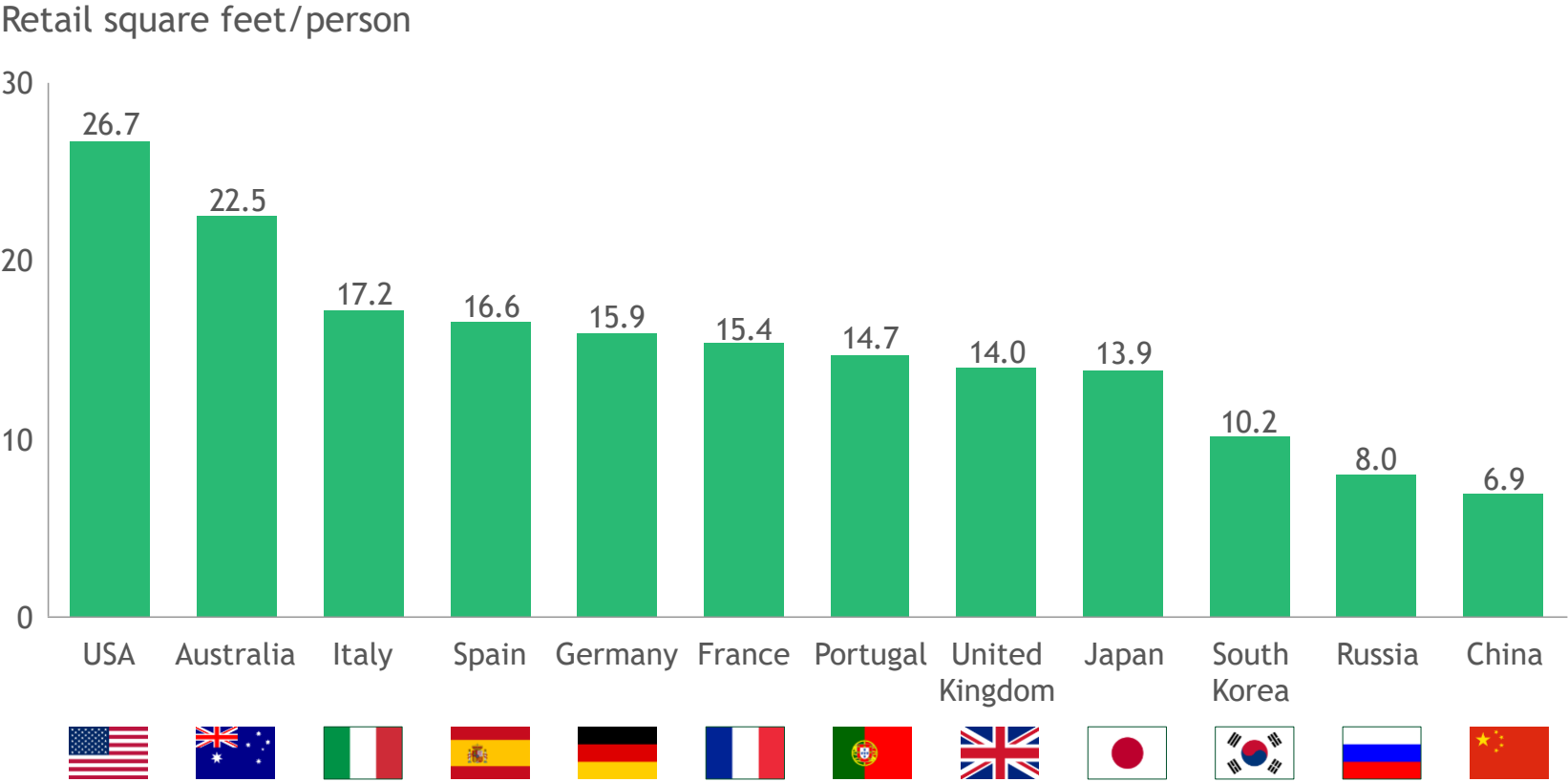
To overall US retail, the impact of Amazon looks over-blown...

US retail distribution over the past 60 years



Source: 2015 US Census Data; Amazon 10-K reports; Note: Total retail sales excludes Restaurants, Automotive sales, and Gasoline at C-stores
Note: Warehouse / Club includes Target, Costco, and other 452990 "General Merchandise" retailers; Discount / Off-price includes NAICS codes 452112, for example T.J. Maxx; Walmart represents Wal-Mart and Sam's club US revenue; Specialty includes Specialty apparel retailers, home furnishings stores, sporting goods and hobby stores, and electronics and appliances stores; Department stores includes traditional, non-discount department stores such as Sears and Belk's. \$2.4 Trillion refers to all retail spending excluding restaurant, automobile purchases, and gasoline purchases.

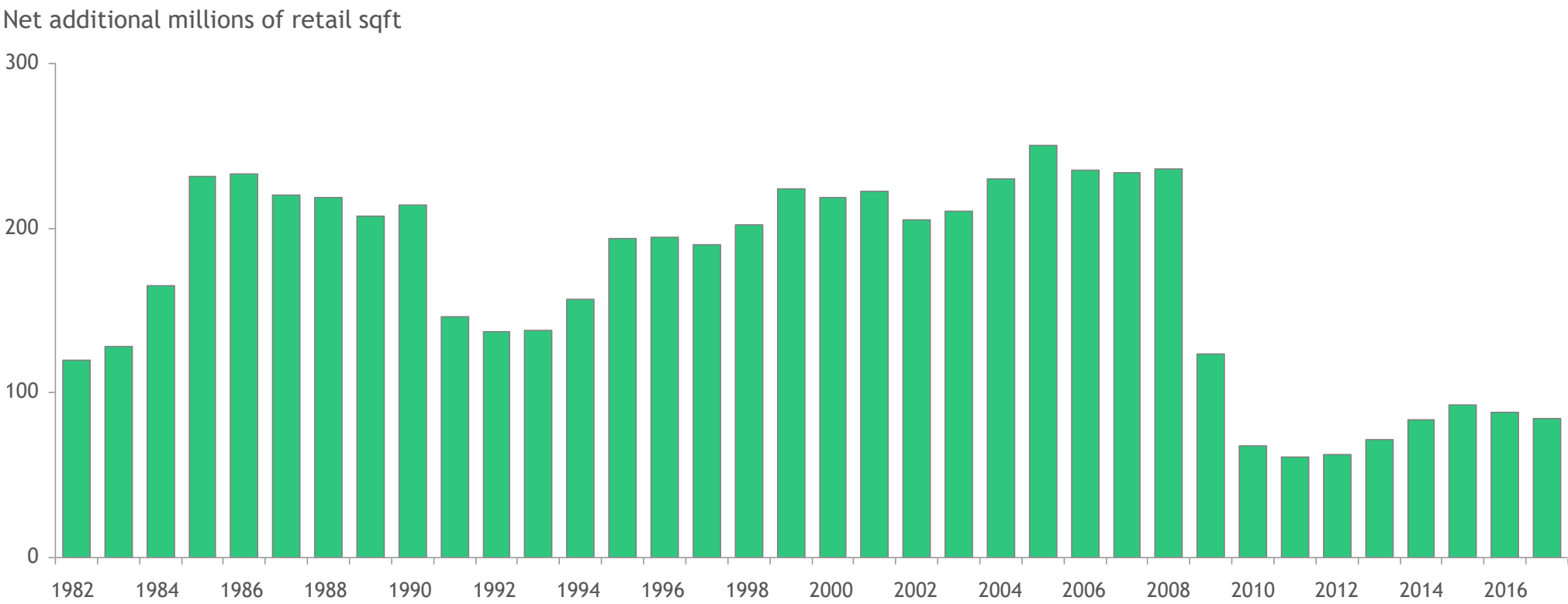
In addition to changing consumer behavior reducing store traffic, US is relatively over-stored



US likely to have to work through this problem first



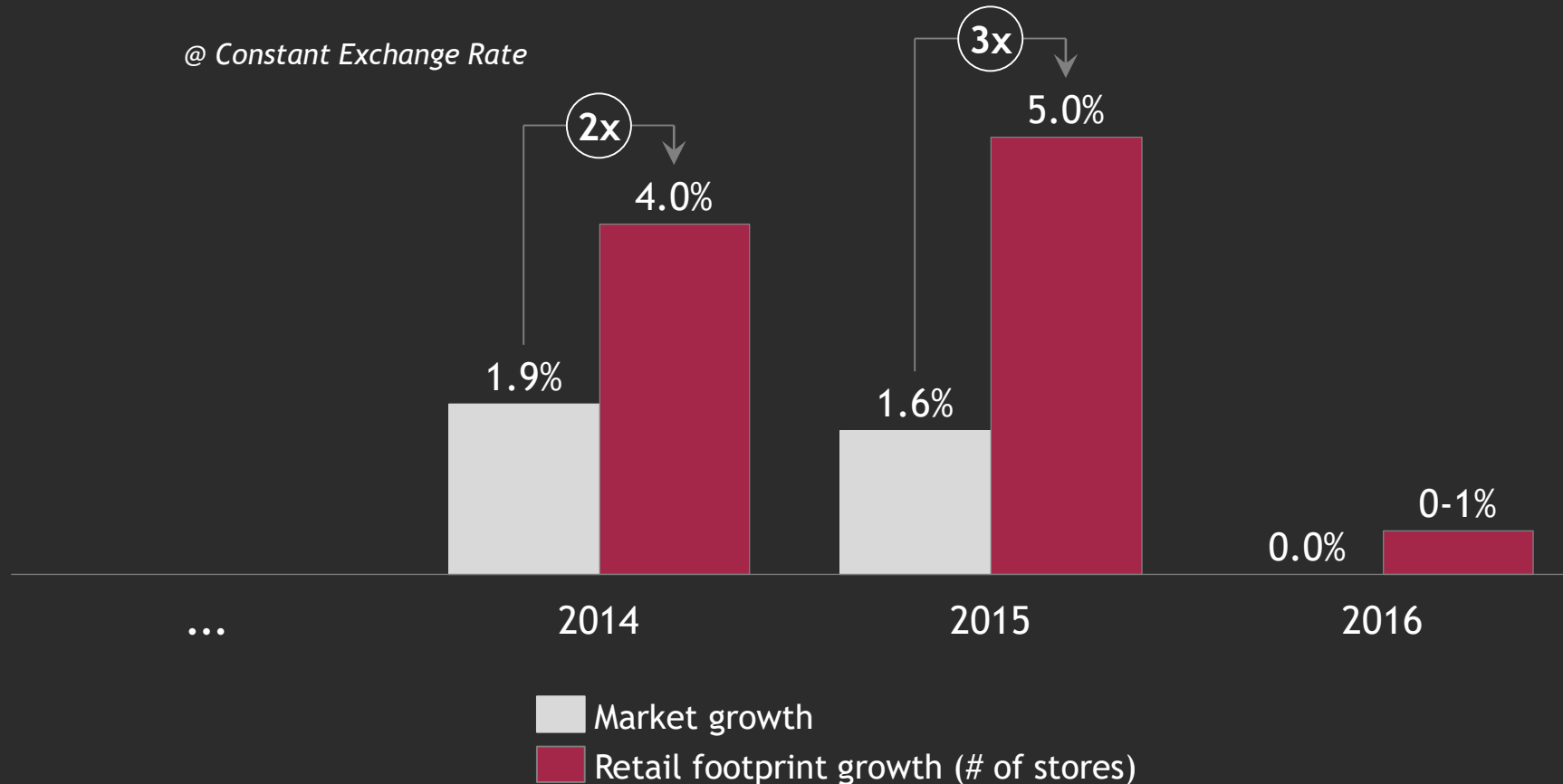
Despite being over-stored, US still recently adding net new retail square feet, though at slower pace post-recession



Source: CoStar Group; National Retail Market Q1 2017 report. 2017 data based on future construction to be delivered.

Too many luxury stores opened in the past verses market growth

Global retail footprint¹ growth vs. personal luxury market growth (2014-2016)













1. # stores
Source: BCG Analysis, "Luxury Goods Store Wars" - Bernstein



Travel & services continue to show greatest online penetration, followed by electronics, toys & games

Top 10 categories by online share of category spend

- | | | | | | |
|---|---|---------------------------------------|----|---|---------------------------------|
| 1 |  | Vacation / leisure travel | 6 |  | Toys and non-electronic games |
| 2 |  | Luxury leisure travel | 7 |  | Education/books |
| 3 |  | Identity security services | 8 |  | Non-mobile consumer electronics |
| 4 |  | Entertainment (tickets, reservations) | 9 |  | Pharmacy drugs |
| 5 |  | Mobile electronics | 10 |  | Pet food |



Amazon is not only a young consumers effect

Have you made any purchases from Amazon.com in the last year?



Gen Z

77%



Millennials

85%



Gen Xers

82%



Boomers

80%



Silents¹

68%

(~70% online today)

1. Online silents

Note: Internet participants; not representative of overall population

Source: BCG, 2017 (2057 “n”)



Gen Z and Millennials buying life-stage categories on Amazon, including experiential categories like Beauty



Top 10 Amazon spend categories for <u>Gen Z</u>	% who buy on Amazon
Cosmetics / makeup	18%
Fashion accessories	15%
Athletic / outdoor footwear	12%
Hair care	10%
Non-athletic adult clothing	10%
Body skin care	9%
Fragrances / perfume	8%
Fashion jewelry	8%
Mobile electronics	7%
Handbags	7%



Top 10 online spend categories for <u>Millennials</u>	% who buy on Amazon
Toys and non-electronic games	18%
Vitamins, minerals, herbs or supplements	14%
Non-athletic adult clothing	13%
Children's clothing	13%
Cosmetics / makeup	12%
Fashion accessories	12%
Mobile electronics	12%
Hair care	11%
Home furnishings and decor	11%
Body skin care	11%

In top 10 across all generations

Note: Only includes those who indicated purchase in product category within past 11 months. 'n/a' indicates weighted "n" <30
Source: BCG, 2017 (2057 "n" for 'online' section, with sample varying by spend category)



Amazon has consideration and conversion among younger consumers in even experiential categories like Beauty

Top 5 reported online Beauty purchase channels, for each age group (past 12 months)



Founders/Millennials 16 to 34

- 1 Amazon (8x median)
- 2 Multi-brand beauty specialty (3x median)
- 3 General online site, e.g., mass retailer
- 4 Department store site
- 5 Single-brand online site



Gen Xers 35 to 54

- 1 Amazon (7x median)
- 2 Multi-brand beauty specialty (2x median)
- 3 Department store site
- 4 eStore of a rep
- 5 General online site



Boomers 55 to 64

- 1 Amazon (7x median)
- 2 Multi-brand beauty specialty (2x median)
- 3 Home shopping channel site
- 4 General online site
- 5 Department store site



Pre-Boomers 65+

- 1 Amazon (3x median)
- 2 Multi-brand beauty specialty
- 3 Department store site
- 4 Home shopping channel site
- 5 General online site



Consumer reasons for shopping Amazon primarily assortment range, ease, shipping, shipping speed and availability/access over price or value

Segment gifting category	Overall	Gen Z	Millennials	Gen Xers	Baby Boomers	Silents
1. Wide range of products and brands available	61%	53%	52%	57%	72%	75%
2. Easy to use website	61%	54%	57%	61%	64%	67%
3. Free shipping	55%	55%	48%	56%	60%	59%
4. Best value for my money	53%	56%	54%	51%	55%	52%
5. Fast shipping times	52%	53%	55%	51%	52%	47%
6. Available 24 / 7	52%	42%	50%	55%	54%	49%
7. Convenient ordering process (e.g., 1-Click Ordering)	39%	29%	34%	40%	42%	54%
8. Dependable shipping times	38%	32%	37%	36%	42%	42%
9. Dependable product quality	33%	24%	28%	33%	37%	43%
10. Easy to return	32%	24%	34%	33%	31%	33%
11. Responsive customer service	25%	18%	23%	26%	26%	31%

Note: Only includes participants who purchase from Amazon
Source: BCG, 2017 (4045 “n”)



Gen Z and Millennials buy many of the same items online as other consumers, though over-index on beauty products, pet food, furniture, essential oils



Top 10 online spend categories for <u>Gen Z</u>	% of spend online
Non-mobile consumer electronics	48%
Education / books	40%
Entertainment (tickets, reservations)	39%
Mobile electronics	38%
Pet food	35%
Toys and non-electronic games	34%
Cosmetics / makeup	31%
Fashion accessories	27%
Body skin care	27%
Outerwear (jackets, coats)	26%



Top 10 online spend categories for <u>Millennials</u>	% of spend online
Vacation / leisure travel	39%
Luxury leisure travel	34%
Mobile electronics	33%
Entertainment (tickets, reservations)	33%
Lawn, garden and outdoor furniture	31%
Toys and non-electronic games	30%
Identity security services	29%
Education / books	25%
Essential oils	25%
Non-mobile consumer electronics	24%

In top 10 across all generations

Note: Only includes those who indicated purchase in product category within past 11 months. 'n/a' indicates weighted "n" <30
Source: BCG, 2017 (2057 "n" for 'online' section, with sample varying by spend category)



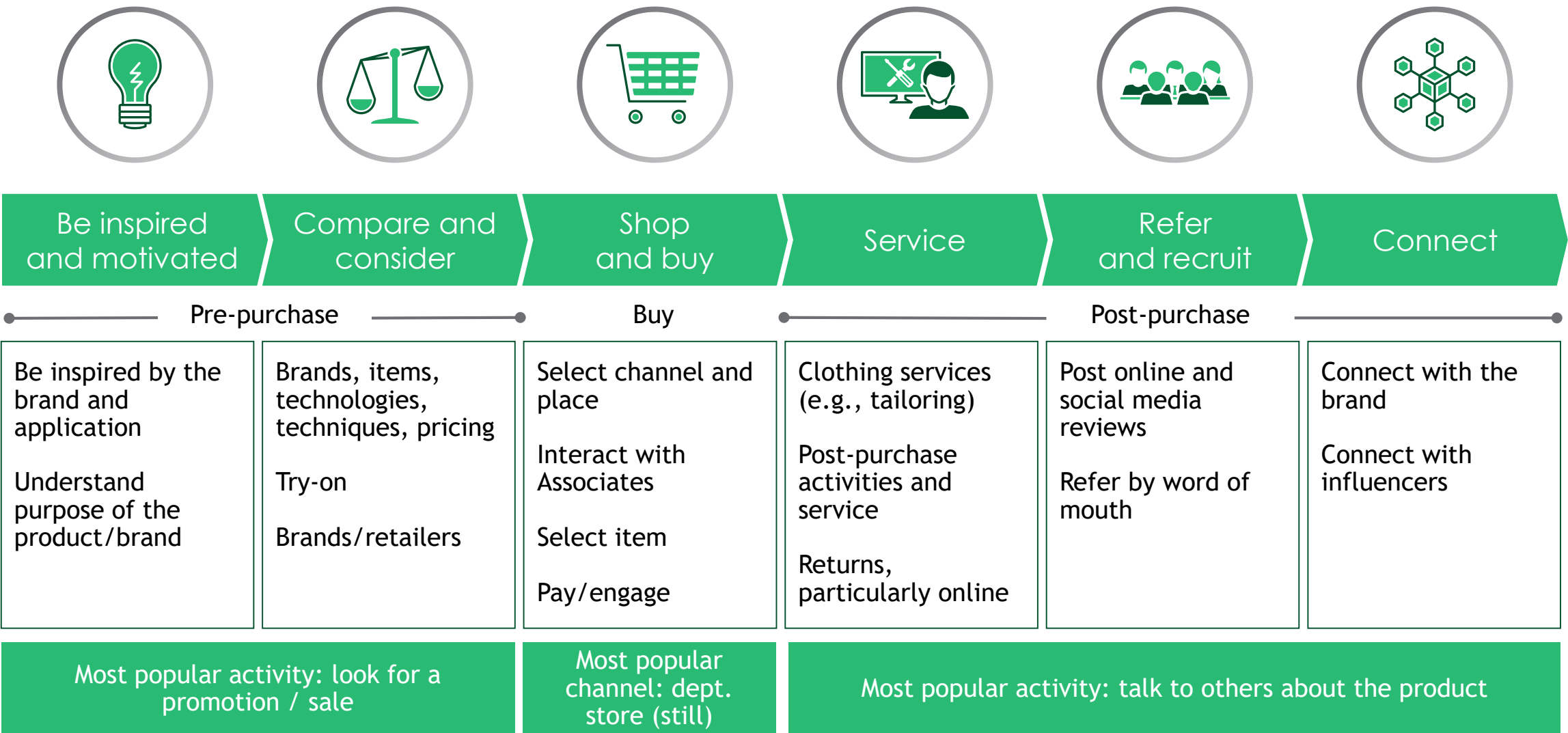
Consumers plan to most increase online spending on child-related products and identity security, with less online spend on kitchen products & junk food

Rank	Top projected online increase spend categories for all respondents	Lowest projected online increase spend categories for all respondents
1	Childcare	Fresh fruits and vegetables
2	Identity security services	Preventative healthcare/diagnostics/testing
3	Guns, hunting and fishing gear	Fresh fish and seafood
4	Baby/children's food	Away-from-home food / restaurants
5	Cosmetics	Home cleaning products
6	Children's clothing	Juices
7	Toys and non-electronic games	Candy and other sweets
8	Luxury leisure travel	Fresh meat
9	Better-for-you/baby personal care products	Chocolate
10	Education	Carbonated soft drinks

Note: Only includes those who indicated purchase in product category within past 11 months
Source: BCG, 2017 (2057 “n” for ‘online’ section, with sample varying by spend category)



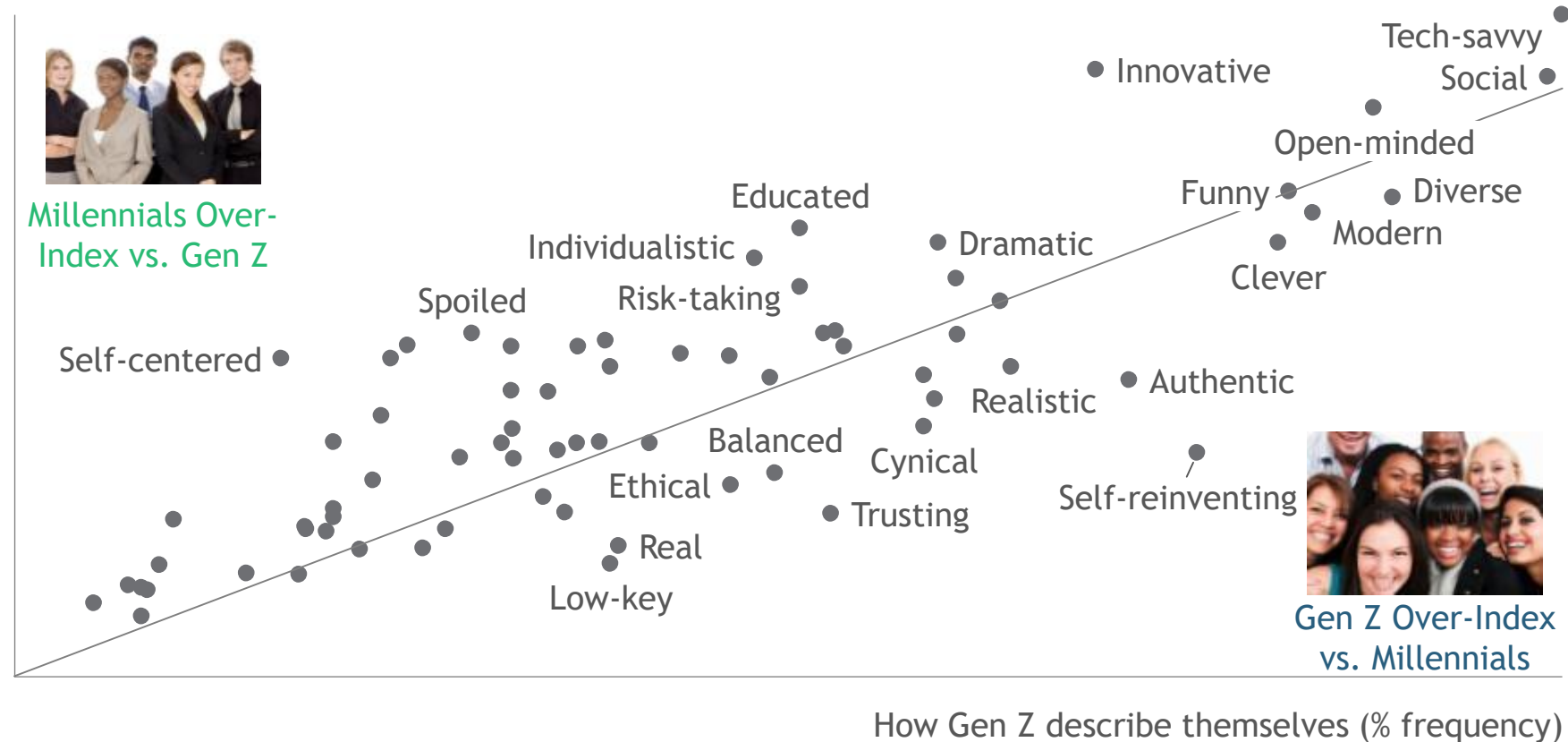
Discrete activities for each step on the premium / luxury consumer journey





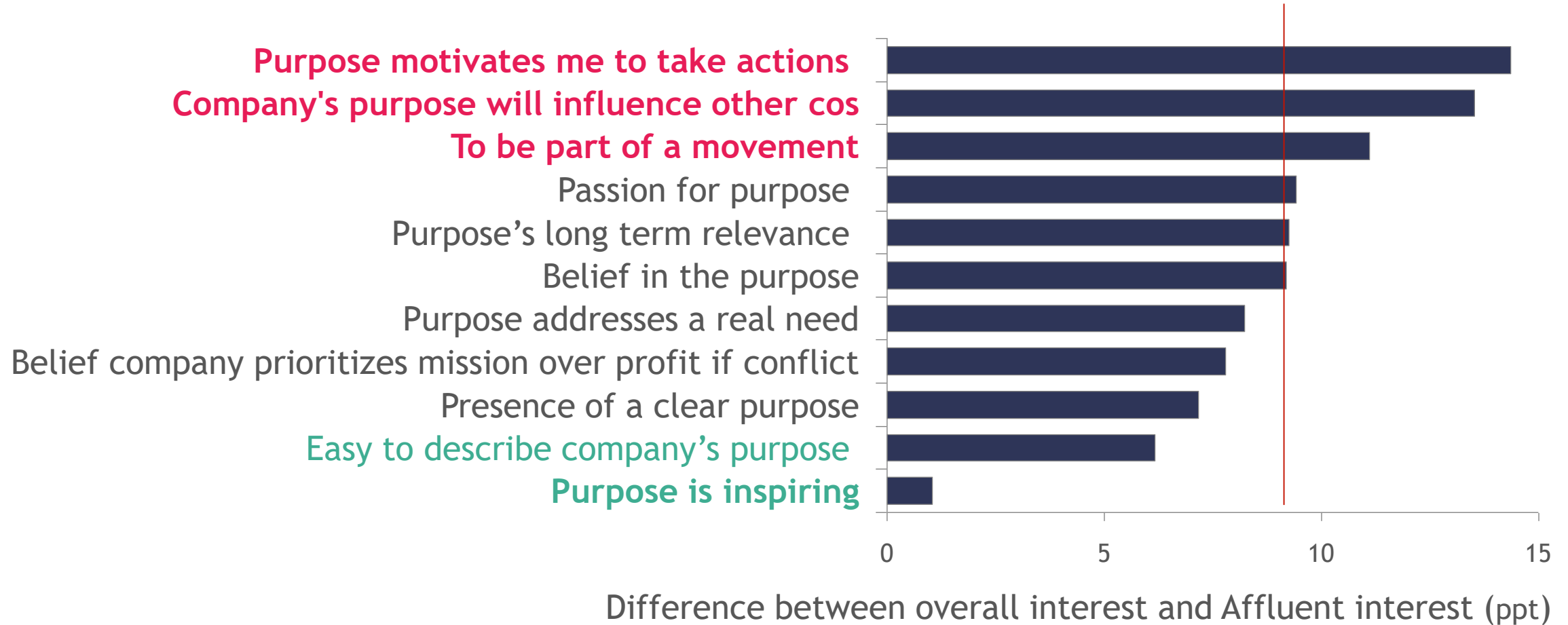
Gen Z appear to be self-defining the generation in opposition to Millennial stereotypes

How Millennials describe themselves (% frequency)





While Top 4% find brand purpose inspiring, skeptical of the relationship of commerce to motivate social good



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A close-up photograph of a lit sparkler against a dark background. The sparkler is positioned on the right side of the frame, with numerous bright, golden-yellow sparks radiating outwards in all directions. The sparks vary in length and intensity, creating a dynamic and celebratory visual effect. The background is a deep, dark blue or black, which makes the bright sparks stand out prominently.

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