



The **Changing Luxury Landscape**

Introducing the new rules of luxury.



brainlabs

appinio

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Key findings

We've brought forward a new set of rules for luxury brands that want to achieve disproportionate cut-through in the most competitive landscape yet. Our data clearly shows precisely where brands need to focus their strategies **(Place)**, who needs to promote and how they need to do it **(Promotion)**, the shifting sentiment toward the product **(Product)** and how brands need to adapt their approach from exclusive to inclusive **(Price)**.



Place

58.6%

The majority of people (58.6%) prefer to shop in-store over online.

Experience is the focal point for consumers. Brands need to shift experiences offline to online through social.



Promotion

34.8%

34.8% of 16-24-year-olds think influencers impact their decision to purchase.

Influencer marketing is a must now in luxury strategies. But how you combine this with your overall strategy is key. It's not just about adding on influencer campaigns anymore.

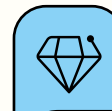


Product

36.9%

36.9% of audiences want more honest experiences from luxury brands.

Product quality is still a driving factor for consumers. But it's no longer enough. Going beyond the product placement and building the right content and experiences will be key to success.



Price

60.8%

60.8% of participants said their top reason for not buying a luxury product was: "Luxury products are hard to find or not readily available."

Bridging the gap between brand and consumer in the luxury industry is about shifting from exclusivity to inclusivity whilst still emulating a sense of rarity with the brand.



The Changing Luxury Landscape

Introducing the new rules of luxury

The luxury landscape has changed drastically in the last 5 years, with a pivotal shift in audience share. By 2026 [75%](#) of consumers will be Gen Z and Millennials. This isn't something to mull over for the future. It's something brands need to take action on now.

What worked five years ago is now outdated. Traditional forms of marketing just aren't cutting through the noise anymore. Plus, with growth in the luxury goods market set to slow this year, now is the time for brands to pivot their marketing strategies and rise above the competition. It really is make or break.

Looking at the most successful luxury brands in 2023 there is a crystal clear trend. The top 5 most profitable brands in the world also held **the highest share of voice on social media**. With a newfound movement from exclusivity to inclusivity, marketing strategies must transform and adapt with a sharp focus on social.

At Brainlabs, we create disproportionate cut-through for global challenger brands and ambitious luxury newcomers.

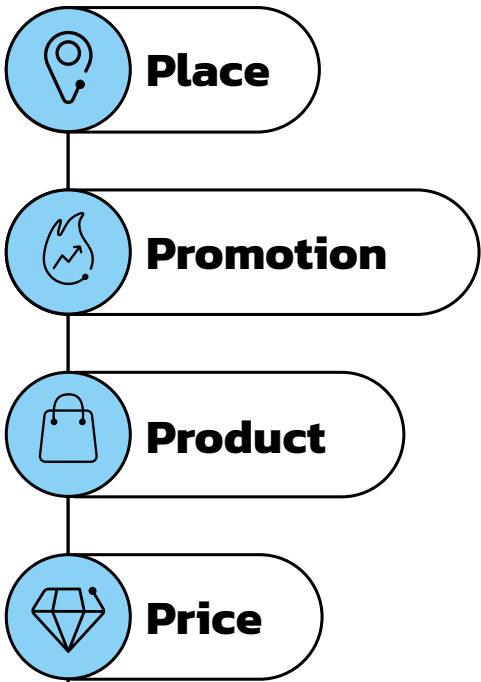
Through our efforts, we've noticed some significant industry developments and established our own methodology.

Now, we're sharing it with you.

In partnership with award winning market research company, Appinio, we're revealing the latest data on luxury consumers, what they want and how they're buying.

By combining this new information with our Brainlabs expertise, we've developed a set of principles that brands looking to be successful in 2024, need to follow.

Enter the new Rules of Luxury.

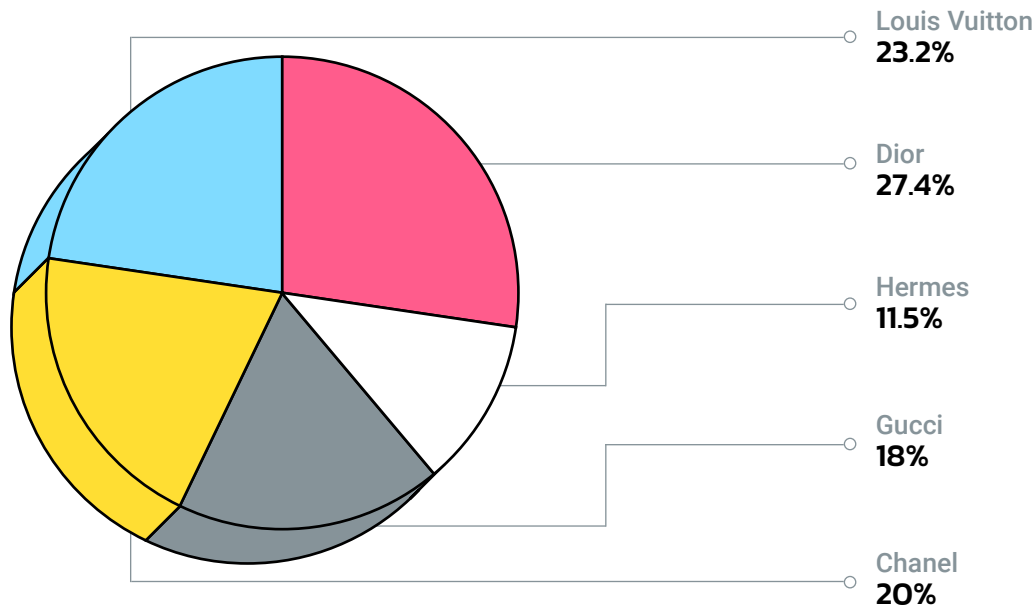


The Luxury Experience

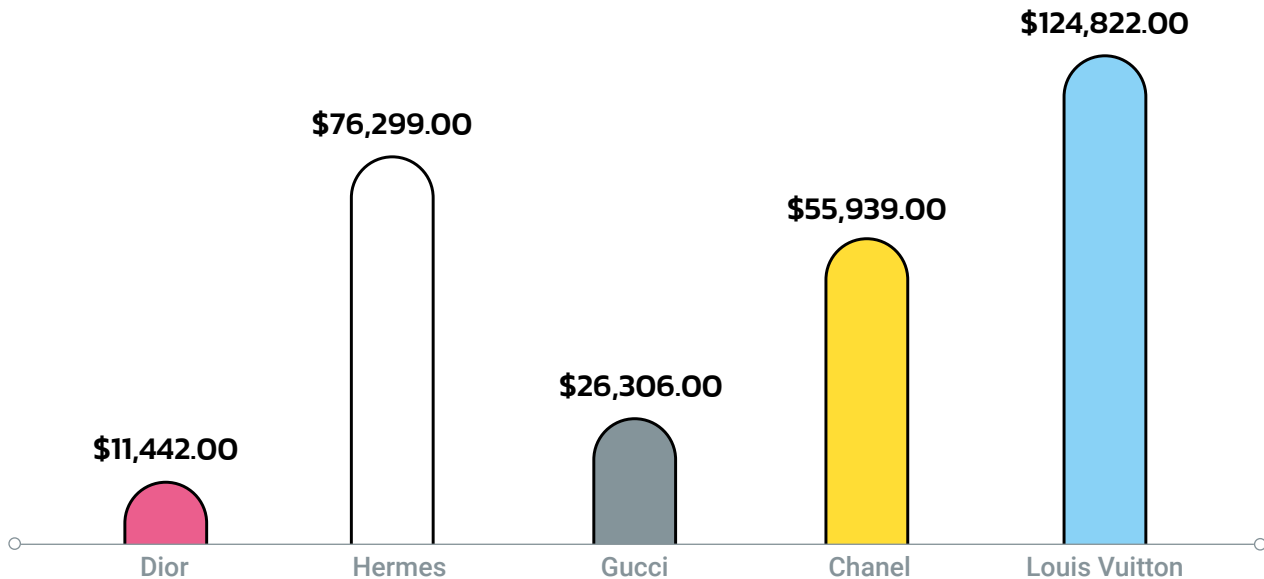
People are still buying luxury. The majority of our participants bought a luxury item in the last year. So despite the slowing of the market in 2024, customers are out there. But now, the market is more saturated than ever, and it's a more complex challenge to make your voice heard.

68% have purchased or rented luxury in the last year.

Top 5 Brands: 2023 % Split Social SoV



Top 5 Luxury Fashion Brands 2023 (\$Mil)



Luxury is not just about the product. It's about the experience as well. Why do people come to a Chanel store? It's not just about buying a handbag. They come for the feeling, the service, the excellence. For the atmosphere of simply being in that store. Experience is a fundamental part of the product. A product is no longer defined by just its materials. It's also the discovery, interaction and brand awareness that coexists with it.

Our data shows that experiences matter across the board. This is distinct for the luxury landscape as when looking at the overall retail market, people conduct their research online and only prefer to go in-store [when the price is higher](#). The majority of people (58.6%) prefer to shop in-store over online. The number one reason for this is trying before buying (54.3%), followed by tangible experience and preferring to see and touch the products (49.3%).

We also found that 63.6% of 16-26-year-olds want to shop in-store over online when it comes to luxury products. This is over 10% more than 27-42 year olds. Younger demographics, who are becoming an increasingly influential part of the spending pool, are looking for tangible experiences more than their older counterparts.



Younger people are buying online, right? Actually, 63.5% of 16-26-year-olds want to shop in-store.

So where is the place to be to achieve the right cut-through in a cluttered market full of challenger brands?
Social media.

Almost 4 in 5 people follow a luxury brand on social media and 96% find social media influential in their luxury purchasing decisions.

We know that often, the first touchpoint for consumers on their discovery journey is on social media. And since the majority of people already follow a luxury brand on these platforms, it's the first place they get to truly experience that brand. So the experience needs to be memorable.

To not only hold the attention of their immediate consumers but also their potential long-term allies, brands need to build a distinct, engaging social media experience within their overall strategy. That means looking into their social identity and creating a unique persona that acts as the first touchpoint of a brand ecosystem. With the majority of consumers finding social media influential to their purchasing decisions, brands need to be hyper-discoverable, distinct and flexible in their social strategies.





Place

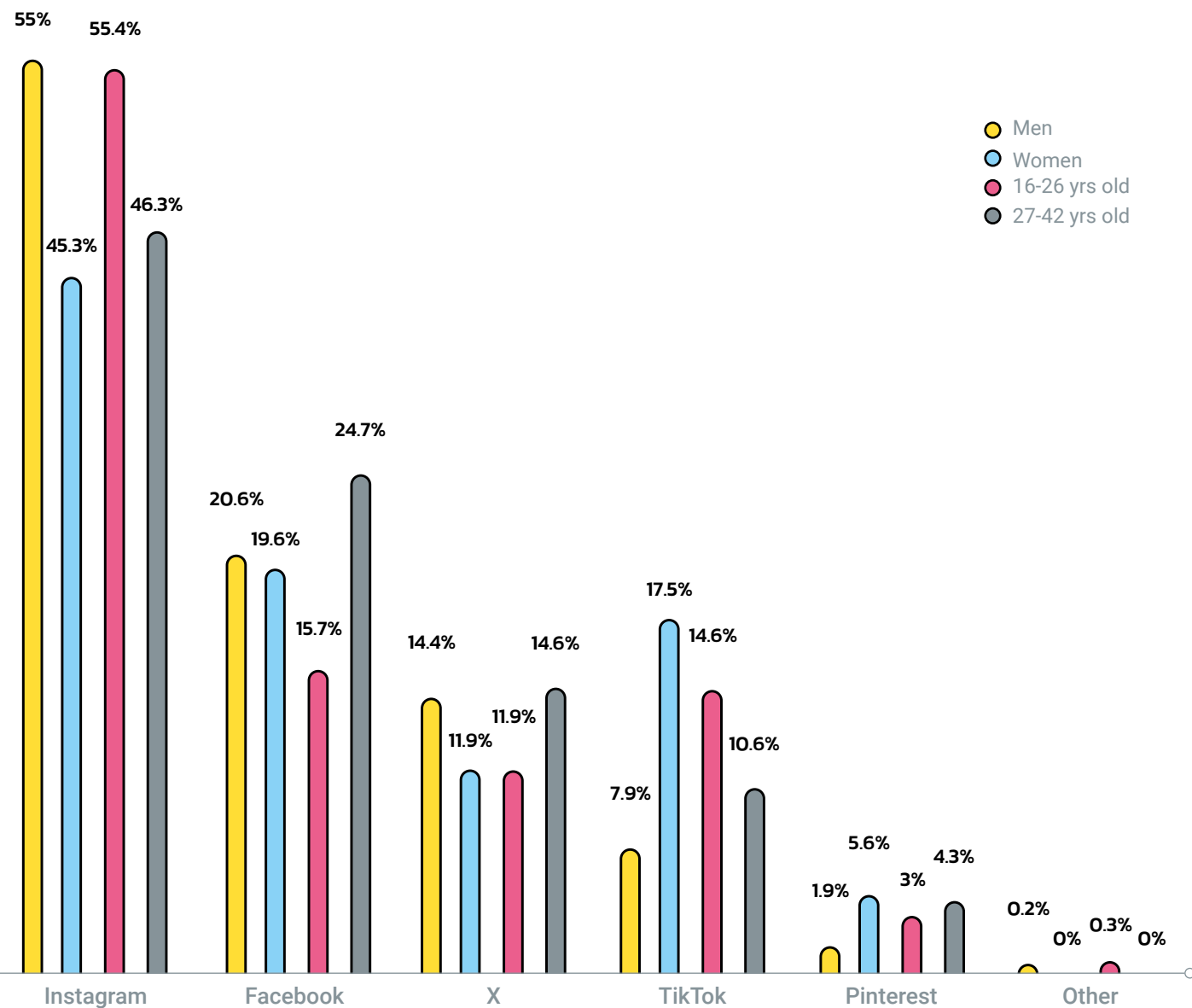
Where are luxury consumers buying now, and how can brands reach them?

The Top Luxury Channels

With so many platforms online, how can you know exactly where your audience is?

Here's what the data shows:

Which social channels are luxury consumers using?



TikTok is seen as one of the top most influential social platforms. But our data shows us that in fact, as a platform, it is being used least by luxury consumers, with 14.6% of women on TikTok, vs 55.4% on Instagram, 11.9% on X and 19.6% on Facebook.

This isn't to say that TikTok should, therefore, be ignored; in fact quite the opposite. Building hyper-targeted campaigns on the right platforms is critical to success. Knowing where the bulk of your audience is spending their time should be a key driver in your influencer strategy, as well as the type of content you're sharing.

X is a highly underutilised channel. Since our data shows that it's more popular with older demographics and male audiences, brands who are targeting these niches should consider being here.

Instagram is the place to be, or is it? Since the majority of luxury consumers spend their time on this top platform, it's crucial to not just go where the traffic is. Consider the type of content that your audience is consuming. More editorial content may not look so great on TikTok but may thrive on IG and vice versa. Rather than repurposing content across platforms, brands should allocate investment to content that speaks natively to their audience on each platform separately.

The assumed rule

Create product campaigns within the top social channels with the most amount of traffic.

The new rule

Focus on experiences on social channels that fit your target audience, their buying sentiment and the type of content you're creating.



In Action
Working with a global luxury beauty brand to bring experiences online

Product placement is a tricky topic in 2024. With influencer activations in most marketers' budgets, people are getting used to brand-influencer collaborations. Product placements are becoming obvious and old-hat. So how can you still push products through influencer marketing in new and unexplored ways?

The luxury experience is what sets luxury brands apart. There is a lifestyle that comes with your product. Bringing that to your consumers through digital is not easy.

We worked with one global luxury beauty brand to build a campaign where experience came before product placement. The brand took credible, authentic and high-performing creators to a stunning holiday destination to really disclose a specific lifestyle that can be lived. This focus on the experience meant the product actually came last, making the lifestyle around the product front and centre.

Where other product sales may not have been as high through their social efforts, this campaign brought more. This resulted in engagement rates that doubled industry benchmarks.

We thought 'How can we retarget this and make it more accessible in people's minds to purchase?' The answer was by giving the story and experience behind it.



Charlotte Littlewood
Influencer Account Director

Instagram

- Instagram is the top-used social media platform for luxury consumers.
- More male luxury consumers (55%) use Instagram than females (45.4%).
- It's more popular with 16-26 year olds, with 54.5% choosing it as their favoured platform.

50.4%

OF LUXURY CONSUMERS SAY INSTAGRAM IS THEIR TOP PLATFORM.

51.3%

OF UK PARTICIPANTS LISTED INSTAGRAM AS ONE OF THEIR TOP PLATFORMS.

55%

OF MALE CONSUMERS LIST IT AS THEIR FAVOURED PLATFORM, 10% MORE THAN FEMALE.

54.5%

OF YOUNGER PARTICIPANTS LISTED INSTAGRAM AS ONE OF THEIR TOP PLATFORMS, OVER 46.3% OF THEIR OLDER PEERS.



Facebook

- Facebook still remains a popular social media platform across the board.
- Facebook is more popular in the USA than in the UK, with a 7.4% difference between the audiences.
- Unsurprisingly, older demographics (24.7%) use it more often than younger people (15.7%).

20.1%

OF CONSUMERS PUT FACEBOOK AS ONE OF THEIR TOP PLATFORMS.

20.6%

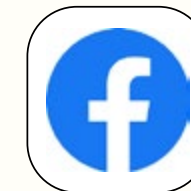
OF MEN HAVE PUT FACEBOOK AS A TOP PLATFORM, ONLY SLIGHTLY MORE THAN 19.6% OF WOMEN.

24.7%

OF 27-42 YEAR OLDS SAY IT'S A TOP PLATFORM OVER 15.7% OF YOUNGER PEERS.

23.7%

OF US CONSUMERS LISTED FACEBOOK AS A TOP PLATFORM, 7.4% MORE THAN UK CONSUMERS.



Lean into the right social media channel. Just because younger people are on TikTok or older people are on Facebook, doesn't mean a brand campaign would be best suited to either. A campaign we worked on for a luxury beauty brand had more of an Instagram aesthetic, so of course it did better on that channel.



Charlotte Littlewood
Influencer Account Director

13.2%

OF CONSUMERS LISTED X AS THEIR TOP PLATFORM..

14.5%

OF UK CONSUMERS USE X AS A TOP PLATFORM, 2.5% MORE THAN US CONSUMERS.

14.4%

OF MEN STATED X WAS A FAVOURED PLATFORM OVER 11.9% WOMEN.

14.6%

OF 27-42 YEAR OLDS USE X AS A TOP PLATFORM, 2.7% MORE THAN 16-26 YEAR OLDS.



12.5%

OF CONSUMERS USE TIKTOK AS A TOP PLATFORM

17.5%

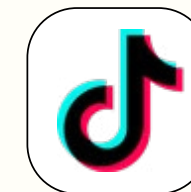
OF WOMEN LIST TIKTOK AS THEIR FAVOURED CHANNEL OVER 7.9% OF MEN.

14.6%

OF 16-26 YEAR OLDS STATE TIKTOK IS A TOP PLATFORM, 4.5% MORE THAN THEIR OLDER PEERS

15.5%

OF UK CONSUMERS USE TIKTOK, 6% MORE THAN US CONSUMERS.



X

- X sits in line with TikTok's popularity, but it seems to have more niche audiences.
- It is more popular with male audiences (14.5% choosing it as a favoured platform).
- Older audiences use it more than younger audiences, with 14.6% of 27-42 year olds choosing it as a platform they use most often compared to 11.9% of 16-26 year olds.

TikTok

- TikTok is a favourite platform for women, overtaking X and sitting almost in line with Facebook, with 17.5% choosing it as a platform they use often.
- TikTok is almost as popular as Facebook among UK participants. 15.5% of UK luxury consumers chose it as a platform they use most often, close to Facebook's 16.3%.
- TikTok is more popular among 16-26 year olds, with 14.6% of them choosing it as a top channel (just 1.1% less than Facebook).



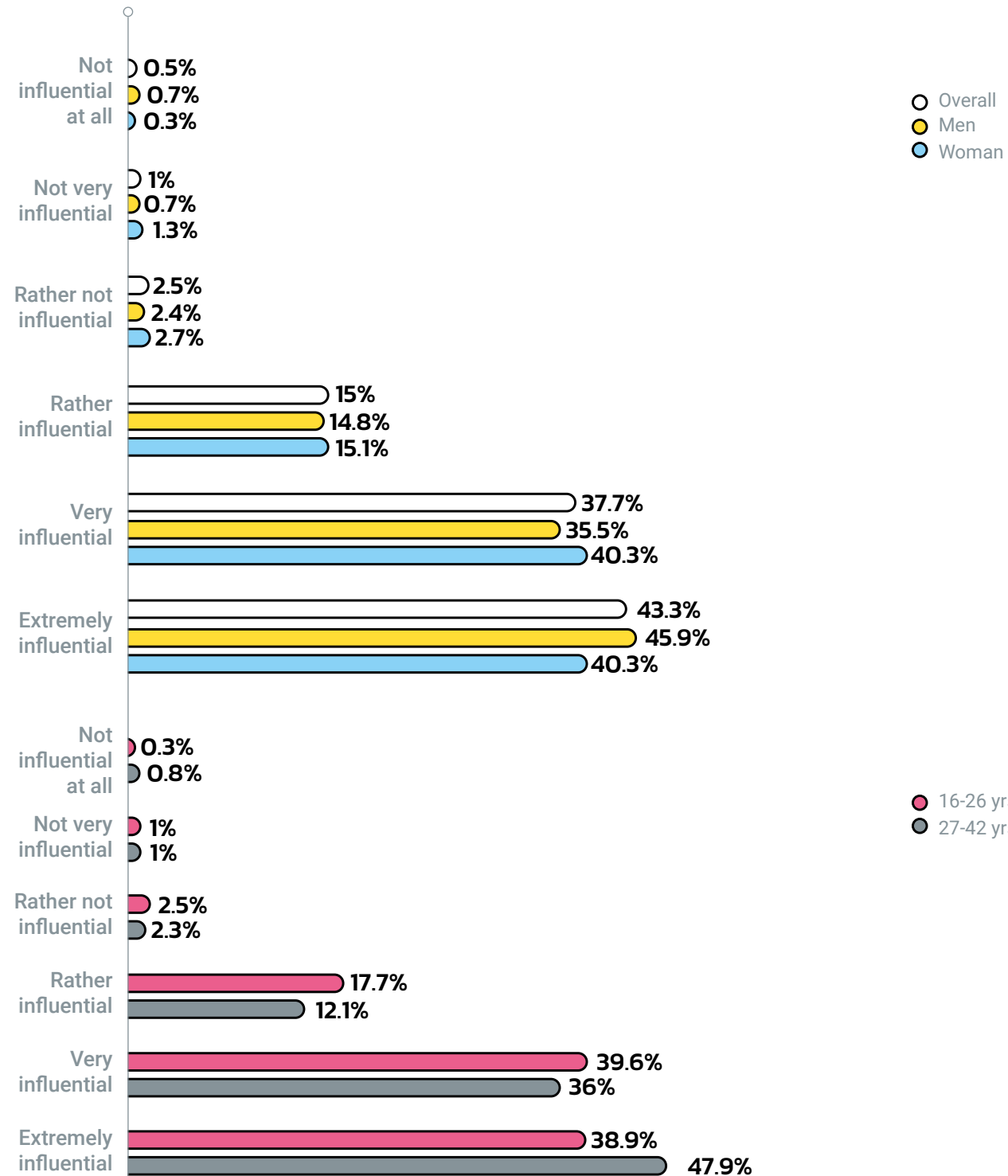


Promotion

Who should be promoting your brand, and how should this be executed?

The Right Influence

To what extent does social media influence your decision to purchase luxury items?





Promotion

Who should be promoting your brand, and how should this be executed?

Who should be promoting?

Promoting your brand using traditional marketing methods has become more difficult than ever. There is a lot of noise, and with younger audiences becoming more discerning, brands need to create a distinct, targeted voice on social.

47.9% of 27-42-year-olds find social media extremely influential in purchasing luxury products compared to only 38.9% of 16-26-year-olds. This shows us that younger audiences are more likely to be sceptical of social media content despite using it for their inspiration. So somehow, brands need to cut through the noise and win them over, not just in the short term but for life. Creating the right social media content is the make-or-break tactic.

If influencer marketing isn't a part of your strategy, it needs to be. For those brands that already have it in their strategy, don't just think of it as an add-on. It's a channel that can drive huge reach and sentiment for your brand, but to put it into action effectively, it needs to be a part of the wider marketing mix. Simply activating a siloed occasional influencer marketing campaign isn't going to maximise your budget or drive the ROI you need.

Those thriving on social media are looking at influencers as part of their whole strategy, not as a stand-alone channel. Brands that marry a distinct brand tone of voice with targeted influencer campaigns and connect their strategies correctly will essentially win on social media.

34.8% of 16-24-year-olds and 33.6% of 27-42-year-olds think influencers impact their decision to purchase.





Promotion

Who should be promoting your brand, and how should this be executed?

How should they be promoting?

Trust influencers

Guess what? Creators know how to create. Sounds obvious but it bears repeating. Time and time again we see brands writing up overcomplicated briefs and even scripts for the creator to read. Influencers know what works. They understand their audience. They get what will resonate with them. Stop overprescribing. You need to trust the talent to get your brand message across without strict scripts or overly branded control.



Bytesights

We predict the future

Our in-house Bytesights Trend Spotter tool analyses historical social data and monitors hashtags and topics across TikTok and Instagram in real-time to predictively identify emerging trends before they become saturated. Brands who leverage this proprietary approach achieve 2x greater engagement on branded content and see a reduction in their cost per view of 44%. Effectively, it puts brands **ahead** of the conversation.

Jump on the trend “ripple” before it becomes a cultural “wave”

At Brainlabs, we see the ripple, wave and tide effect in socials over and over again. When a trend first emerges, it's like a ripple. This is where brands need to pay attention. Jumping on this trend now rather than later down the line will allow brands to ride that ripple as it becomes a wave, building momentum in the social sphere and then eventually becoming a cultural tide. The more you can find ripples and get involved with them, the more you will become a conversation leader, paving the way for brands in the same space. Better yet, you could become a conversation starter, creating your own ripples and aligning them with your target audience.

With new trends popping up each week and more and more creators, how do you determine which ones are worth honing in on? You do this by utilising a social listening tool. Our tool, Bytesights, helps us pinpoint the conversations, creators and communities on social media that have the quickest and most consistent growth and engagement rate, allowing us to put the right trend in front of the right audience at precisely the right time and ultimately, significantly increasing the chance of virality.



One last thing to note - virality should not actually be the end objective. Brands have gone viral before and not had the sales they were hoping for (just look at Solo Stove’s ad with Snoop Dogg in November last year - it had just under 2 million views on YouTube, but sales were dramatically low). Why? Influencer marketing campaigns can be implemented to get the right results for your brand. Yes, reach may be a key goal, but it isn’t the only aim to think about. Remember, influencer marketing can be used to achieve all kinds of goals when done correctly, from top-of-funnel to bottom-of-funnel results.

The assumed rule

Utilise influencer marketing as an additional strategy and focus on high-end, editorial produced celebrity partnerships.

The new rule

Think of influencer as a part of your overall strategy, tapping into trend “ripples”, working with the right talent and allowing for creative freedom.

We often see brands wanting to ‘go viral’ but also include their product/service throughout the whole video. If brands want to take a trend-led approach, they need to think about the content, what the purpose of the trend is, understand the hook, and fit their product/service in secondary. If you aren’t willing to let that control go, it feels inauthentic to the viewer.



Hannah Cole
Influencer Creative Lead

In Action
Brand and Performance Can Build Communities

One global luxury perfume brand worked with us to further amplify its brand positioning as the premium fragrance brand for a Gen Z audience. They needed to lean into both brand marketing and performance marketing tactics. Our strategy focused on building up their follower growth on TikTok through a robust content creation and paid amplification strategy whilst targeting broadly to start with and then targeting more granularly.

Using our Bytesights tool and strong understanding of Gen Z culture, we successfully achieved community growth by testing brand creatives such as fashion, beauty, skincare, perfume, aftershave, and vintage. Our campaigns team also ensured each creator amplified the brand messaging whilst also staying true to their own unique style of content.

Since starting our partnership, we have grown their TikTok account from 2,000 to an incredible 150,000+ following. Plus, their consumers have massively positive brand sentiment.

Through the combination of brand marketing and performance marketing, they are paving the way forward into 2024 and beyond.



Quality alone isn't enough

As we showed in Place, superior quality of the product is still one of the top reasons for people purchasing or renting from a luxury brand. But focusing on quality alone is simply not enough anymore. Consumers want more.

Luxury marketing now needs to be about becoming a part of something bigger. It needs to be less about the product and more about the exclusive “club”.

Bringing consumers into a world where they can experience more than just the product through social is crucial. A world where they can feel, live and engage with the brand in new innovative ways and feel included in the brand narrative. We already know that shopping in real life is still a preference when purchasing luxury goods, but to get to this point, you have to sell the experience of what being part of this club is. Through tangible online experiences, brands can move consumers down the funnel and eventually bring them in-store to complete their journey.

So, what do we mean by online experience?

Digital storytelling, gamification and experiential activations all play a part in creating a highly engaging, interactive social presence. The good news is luxury brands are already pros in building incredible interactive events. Just look back on the 2019 living experience pop-up Gucci did for their [100th year anniversary](#).

But now is the time to turn these experiences **digital**.

Our research found that consumers want specific types of content from luxury brands.

60.4% want more entertaining content from luxury brands, 47% want more live events, 42.4% want more interactive content from luxury brands, while 46.5% want more behind the scenes content.

Perhaps most notably, 72.2% of consumers shared that they would purchase luxury goods in the metaverse. Older demographics, surprisingly, were even more inclined than their younger peers to say they would buy a virtual item.

One thing is clear.

Digital experience is becoming almost more key than owning the physical product itself.

But brands need to go even deeper.

Experience isn't just about active participation and branded activations. It's now about finding the right experiences for your audience and finding what resonates with them.



Stories matter



My favourite item would have to be that necklace for my wife **because she cherished it.**



The ring for my wife, my suit that I bought not too long ago, my main Rolex.”



I love the quality and craftsmanship of these bags, and they always **make me feel special** when I use them.”

Luxury brands likely already know that their brand experiences are all about those special moments. Our data confirms this. People want to buy luxury for intimate, emotional reasons whether that be an engagement, a birthday, a promotion at work or a special treat for yourself.

Brands now need to consider how they can recreate these emotional connections through social.

36.9% of luxury consumers want more honesty from luxury content.

People want honesty and authenticity in branded content. Influencer activations can provide that authenticity (when done correctly). But simply building an influencer campaign and putting out paid ads is not going to cut it.

Luxury brands need to...

...adapt their content styles

This can be particularly challenging for many heritage luxury brands, but those who lean into content styles that we know younger audiences love will win on socials in the changing landscape of luxury. There is a significant shift for successful luxury brands - moving from ultra-editorial to the socially native. Since 36.9% of audiences want more honest experiences from luxury brands, making ‘real’ content will win over loyal consumers and differentiate you from the competition.

This is the future.

The growth of TikTok’s raw formats and its impact across all platforms is a testament to this. One brand that has found the perfect medium here is Gucci. Not only have they successfully and authentically built partnerships with Influencers like Francis Bourgeois but they have edited their style to be more like a “social creator” rather than a “luxury brand” on platforms. Focusing on the quirky, trending and bizarre along with branded beautiful imagery, they have a significant share of voice on socials and the edge on their competitors.

...use real stories.

Picture this. A mother takes her daughter to Tiffany’s for a birthday surprise. She uploads the experience to TikTok. Suddenly, they have 2.5 million views and 128.9K likes. This is exactly what happened with one TikTok user’s video.

Is this down to luck? Great content? A heartwarming story? It’s actually down to a combination of all of these. Collaborate with influencers and customers to build UGC (user-generated content) and share the meaningful stories and experiences that brands likely already have.

CREDIT: @nicnok.tictok



...harness social lives

LIVE marketing is still an underutilised tool within social media marketing and since 47% of consumers want to see more of this kind of content, it's time luxury brands bring it into their strategy. Combining influencer-led campaigns with strategic live events can dramatically increase reach, engagement, and followers.

There's more opportunity for fashion brands to build loyalty with new consumers. Within luxury beauty, it's harder to infiltrate. People are loyal to their skincare routine and this is especially true for older audiences like millennials. Luxury beauty brands should be nurturing these already loyal consumers and tapping into more Gen Z audiences to win over younger customers who are yet to pledge their loyalty.



Charlotte Littlewood
Influencer Account Director

...build long lasting communities

Top-of-the-funnel and bottom-of-the-funnel results are always a focus through influencer campaigns, but what about the middle? Brands have to get to a point where they aren't just winning people over at the point of sale; they need to build loyalty and maximise customer lifetime value by bringing them into the brand "club". Engage with them. Talk to them. Build relationships by commenting on creator content and leading conversations. Where do people's loyalties currently lie? 66.2% of our participants consider themselves loyal to a luxury brand, and 26.7% said they were not.

Men were more loyal to brands, with 71% of them saying "yes" to this question compared to only 61% of women. Across age groups, the results were mostly equal, with both Gen Z and millennials saying they were loyal to a luxury brand.

The assumed rule

Focus on product quality and rarity with editorial high-end content.

The new rule

Hone in on authentic stories around the product, shift to more relaxed content styles and highlight user-generated content.

In Action

Influencer Stories To Build In-Person Sales

We worked with Estée Lauder to revitalise their Double Wear Foundation for Gen Z and millennial audiences with authentic influencer content. The 'My Shade My Story' campaign engaged over 1000 influencers, leading to a 70% jump in engagement rates and significant business wins: a 2.2 point increase in market share and 15% more sales at Boots.

The point here was to share real stories that resonated with viewers to drive in-person sales. It shows it's possible. With the right tools and expertise, you can not only drive online sales but also push in-person experiences through digital.



The exclusive-inclusive shift

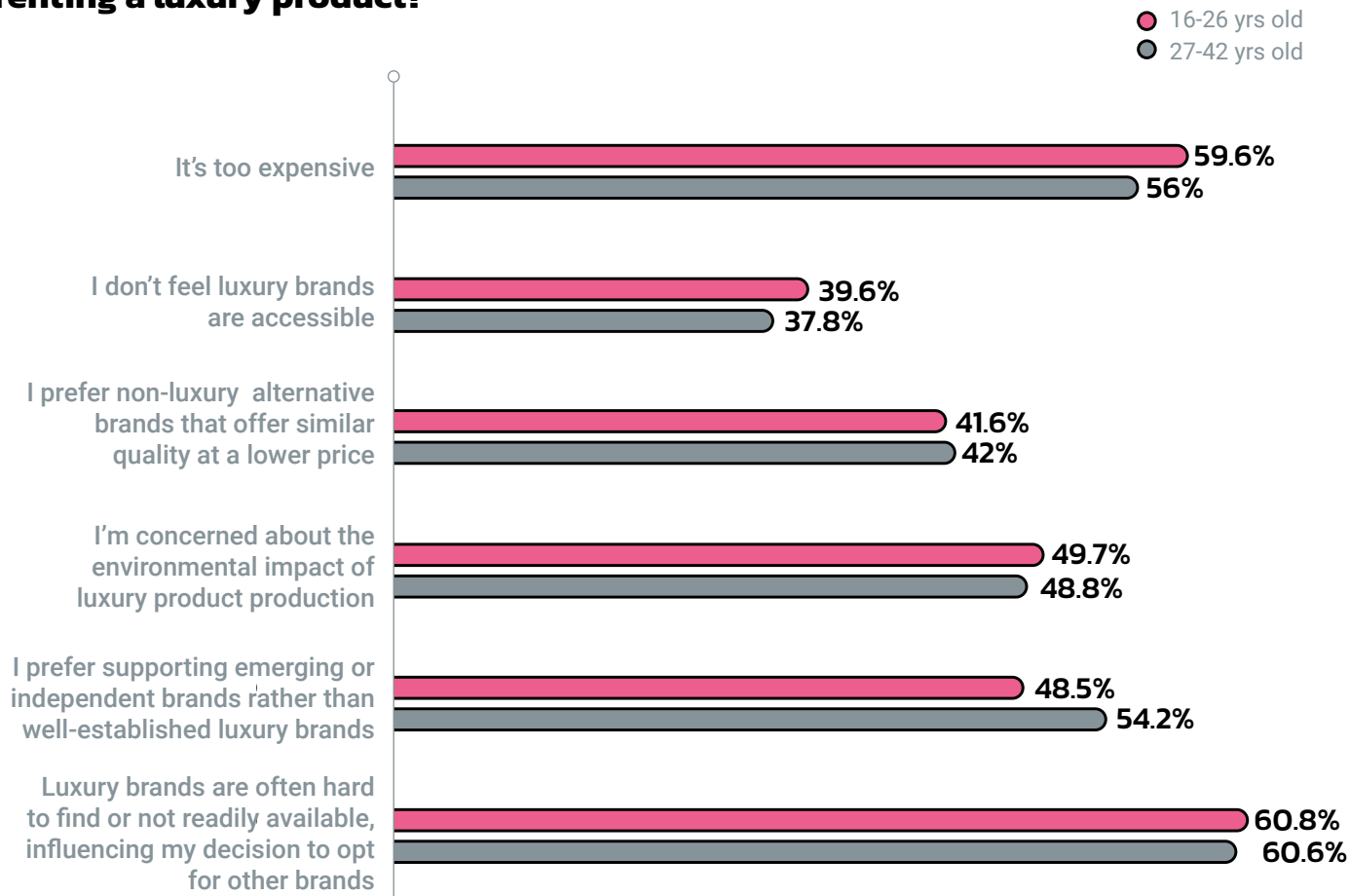
Luxury is in a unique market position where higher pricing is both a blocker and an incentive.

57.8% of consumers say price is their top reason for not buying or renting. On the other hand, 58.2% of consumers buy luxury because it is exclusive/rare. The higher price point creates exclusivity.

But interestingly, the top reason people don't buy or rent luxury isn't actually price - it's availability.

60.8% of participants said their top reason for not buying a luxury product was: "Luxury products are hard to find or not readily available."

What are the top reasons for not purchasing or renting a luxury product?





Making products more available doesn't mean losing the feeling of exclusivity. You can look to build unique, loyal communities of brand lovers through mini-launches of mid-range products with limited time events or look to build a social community through one-off rewards. Drive CLV by reaching younger audiences with exclusive mid-range drops then nurture them within the brand community until they are ready to buy the higher-end products later.



Helen Clow
Growth Director

So the question is, how do you maintain that feeling of exclusivity while still making a brand discoverable and more available to consumers?

Brands need to shift from “exclusive” to “inclusive”.

Inclusivity is the way forward for Gen Z and Millennials. But that doesn't mean removing a luxury brand's exclusive feel. It's about creating communities and bridging brand-consumer gaps, both financially and accessibility-wise.

Making changes to how you make your products more accessible but still feel exclusive is a tough tightrope to walk. But we've got some ideas on how you can do it:

1 Brand collaborations

The majority of consumers (55%) want to see more collaborations with other brands and influencers. Louis Vuitton showed us how this is done with their 2023 collaboration with Supreme to bring NYC skatewear to Parisian luxury, with fans camping outside stores days before the product drop just to be part of this exclusive cultural moment.

2 Producing mid-range products

40.6% of participants wanted more mid-range priced products. Younger participants chose this more than older ones. Building mid-level product ranges can help solidify relationships with younger consumers. As they grow and their net worth grows, brands will drive customer lifetime value by winning them over early. So, build more mid-level products that can generate CLV.

3 Utilising luxury rental outlets

Although purchasing a luxury item is still at the top of people's agendas, brands need to be aware of the 36.5% who prefer a combination of purchasing and renting products.

27-40-year-olds were more likely to rent a luxury product (23.6%), whereas younger participants (19.8%) were less interested. It goes to show that although younger age groups may be slightly more focused on the sustainability and ethics of the brands they interact with, renting is not as much on their mind.

Brands have an opportunity to embrace rental consideration instead of blocking it out. Our data shows that consumers are open to the idea of renting, and since the number one reason our participants are not buying is having products readily available, renting is an important product tool to acknowledge.

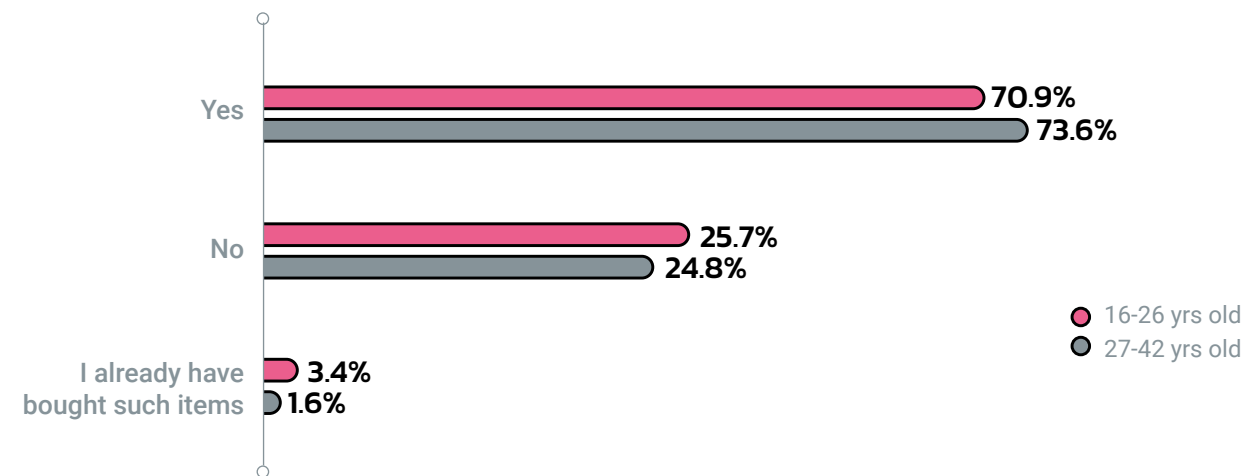


4 Don't forget virtual

Consumers of all ages are interested in buying virtual luxury products. In fact, older demographics were slightly more interested than their younger peers.

The Metaverse may have been overhyped, but VR and AR technology is not going anywhere. If brands want to be more accessible to target demographics, then they should look at collaborating with virtual reality companies like Roblox. But just as influencer marketing shouldn't be separated from a brand's marketing strategy, VR and AR need to be part of a bigger game plan. Build virtual products that feed into online and offline experiences and work influencer activations, PPC and SEO strategies into this.

Would you be open to buying a virtual luxury fashion item?



5 Embrace underutilised platforms

There is more than one way to pitch a product. With so many channels available, it's essential to pick the right ones that will bridge the gap between brands and their consumers. We are quick to choose platforms we know and trust, but it's worth diving into unexplored territory.

TikTok Shop, Instagram Shopping and Facebook shops are constantly going through new evolutions. Although these features may not be the right place to market a luxury product at the moment, keep an eye on their movements in 2024. The more accessible luxury brands can make their product whilst still staying authentic, the more they'll bridge the gap and win over younger audiences for life.

Discord and Reddit are notoriously underutilised by brands but can be a perfect place to build and nurture your brand community.



A Note On Influencer Platforms

Influencers are driving sales outside of social media, too. Apps like LTK (Like To Know) are a testament to this. Creators are building shops on these channels and promoting the products here, as well as on social platforms.

Brands have to think outside the box and find fresh channels to drive sales through the creators they partner with.

Platforms like TikTok shop, LTK, Discord and Reddit may not be massively popular places for marketing luxury right now. But luxury brands need to ask themselves, are they bold enough? Maybe it's time to be the first to make a name on an unexpected platform or shopping feature. Just make sure you have a comprehensive multi-channel strategy to support it.



Helen Clow
Growth Director

The assumed rule

Highlight exclusivity in all comms.

The new rule

Move from exclusivity to inclusivity by embracing community, collaboration, rental possibilities and virtual channels.



The future outlook

Through working with our luxury clients and conducting competitor research, we have seen time and time again how luxury brands are missing the mark. Unfortunately, in 2024, they simply can't afford to anymore. The luxury consumer landscape has already changed drastically and we're seeing massive shifts in the way campaigns are working. With younger consumers having increased buying power, making changes within your social strategies isn't something to plan for. It's something to deliver now.

Social is the **Place** brands need to be. But simply being on social channels is not enough. Brands need to develop a distinct voice on the right social media platforms, cutting through the noise and landing in the laps of their ideal customers.

Every **Promotion** has to maximise budget and increase ROI. To do this, brands must see influencer marketing as a complimentary part of their full strategy, not just an add-on. Letting creators do the creating and jumping on trends ("ripples") before they become "waves" will allow them to ride the swell of social growth. To do this effectively, they need to implement social listening strategies and the right influencer activations.

With the **Product** focus expanding from just "quality," brands need to consider the wider experience of every product they promote. New content styles are a must within social channels, and brands have to focus on honest, real, authentic stories, whether that be through user-generated content or influencer partnerships.

As **Price** points remain both a barrier and a benefit to luxury brands, treading the line between rarity and accessibility is tough. Through the right collaborations and an emphasis on community, moving from an exclusive outlook to an inclusive approach will prove successful.

So what does the future hold? Younger audiences are soon becoming the number one customer for luxury brands (if they aren't already). So, winning them over is more crucial than ever. Gain their loyalty now and you'll increase your customer lifetime value, solidifying your brand's position in both the current and future market.

Experience isn't going anywhere. From every luxury brand's beginnings, it's always been about experience. But what is constantly evolving is how customers tap into that luxury experience.

Today, they are looking for digital experiences on social. Tomorrow? We'll have to keep you updated.

But what we do know is that we are constantly adapting our approach for the future based on the data we find and the results we achieve for our luxury clients. And between us, blending science with experienced social creative, packs some pretty punchy results.

Methodology

We've collaborated with Appinio to discover what multigenerational audiences across the UK and the USA really think about the luxury sector. How they buy from luxury, interact with luxury and what they want from luxury. This data outlines how luxury brands must change their marketing strategies to drive customer lifetime value in 2024. Using UK and USA representative samples, our data has been broken down by age, gender and region.

Method

Mobile questionnaire administered via the Appinio app.

The survey took place on January 8th 2024.

Data can always be viewed at search.appinio.com

Survey country
United Kingdom

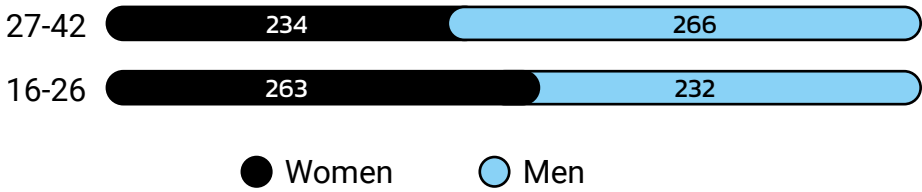
Sample

1000
Participants

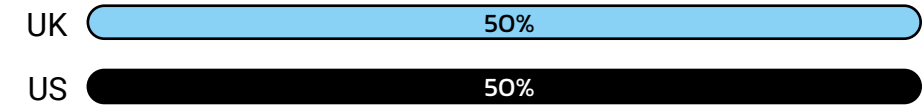
29
Average age

appinio

Age & Gender



Country



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