

Millennials as Key for Luxury Goods

April 13, 2017

Adapted by JMA (Source: Inside Retail Hong Kong)

According to US global consulting company Bain & Company, millennials will represent 40% of the global personal luxury goods market by 2025, and the characteristics of millennial behaviour are already passing to older generations, which accounted for 73% of luxury purchases last year.

Three Main Characteristics of Millennials:

- Peer Group Influence
- Fast to Make Purchase Decision
- Uniqueness to Reflect Personal Values

For consumers aged between 18 and 24, 14% make their first luxury purchase online, and digital traffic to websites of luxury brands is double the number of store visits.

By 2025, online and monobrand stores will become the two largest channels for luxury sales, each accounting for 25 %.

Bain & Company believes that stores will continue to play a critical role in the luxury market, accounting for 75% of purchases by 2025.

Asian consumers will continue to account for more than half of the luxury market, with generation Y (millennials) and generation Z accounting for 45 per cent.