LUXURY TREND REPORT 2021

Connection creates Value

METHODOLOGY

LUXURY TREND REPORT 2021

Online Ifop study

189 professionals from the Luxury sector
(Managers, Brand Managers, Marketing Directors, Agencies specialising in luxury goods, etc.)

By invitation, from the **8th to the 24th of November 2021**,
for this year’s edition of the Grand Prix Stratégies du Luxe

A RETURN OF SMILES SIMILAR TO THE PRE-CRISIS YEARS

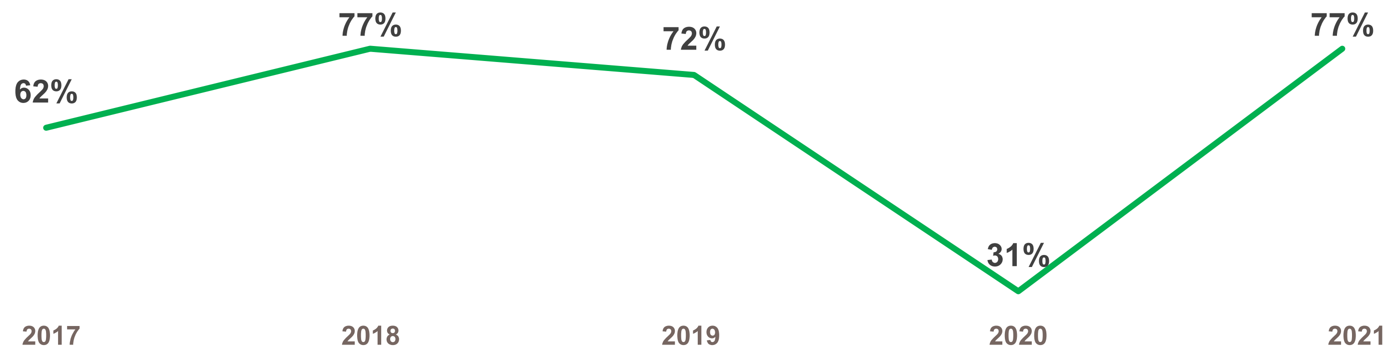
49%
A candid smile
2020: 9%
+40%
(2019: 48%)

28%
A shy smile
2020: 22%
+6%
(2019: 24%)

21%
A nervous smile

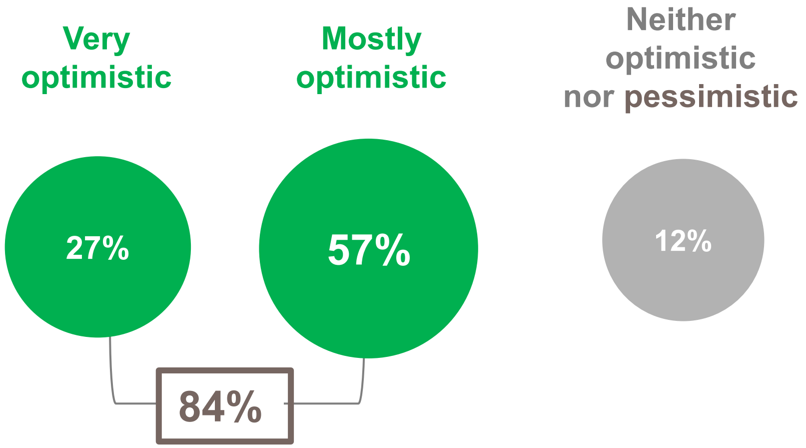
1%
A grimace

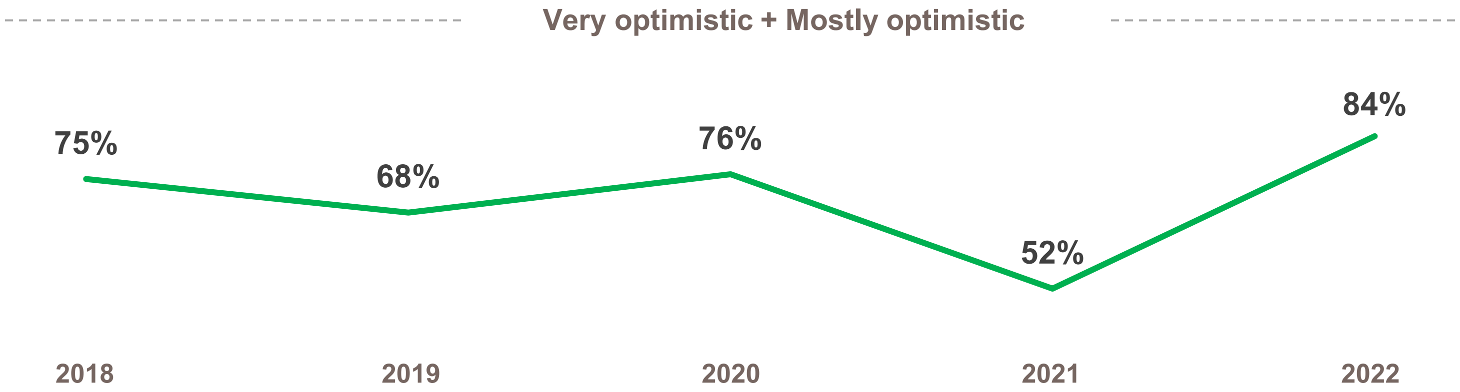
A candid smile + A shy smile



Q1 - In your opinion, which of the following expressions best illustrates the luxury goods sector in 2021?

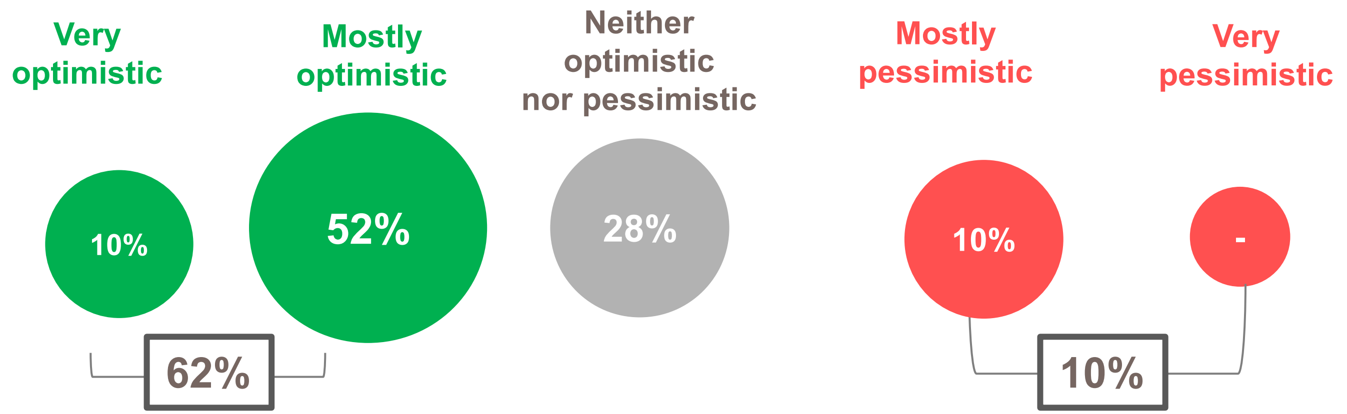
INCREASED OPTIMISM FOR THE LUXURY SECTOR

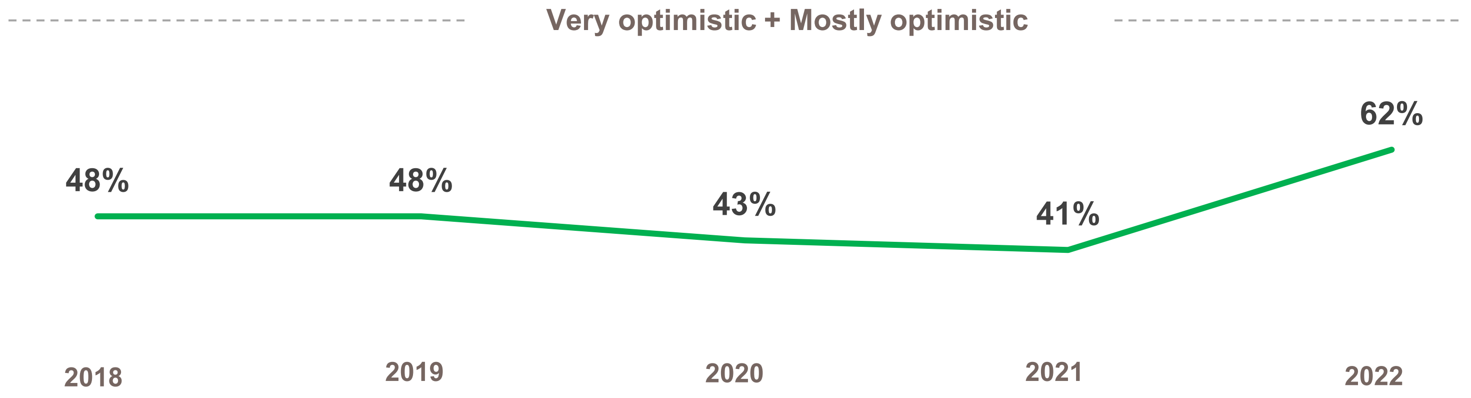




Q5 - More specifically for the luxury sector on a global scale, for 2022 would you say that you are...?

THE GLOBAL ECONOMY REGAINS A HINT OF OPTIMISM: THE REBOUND EFFECT

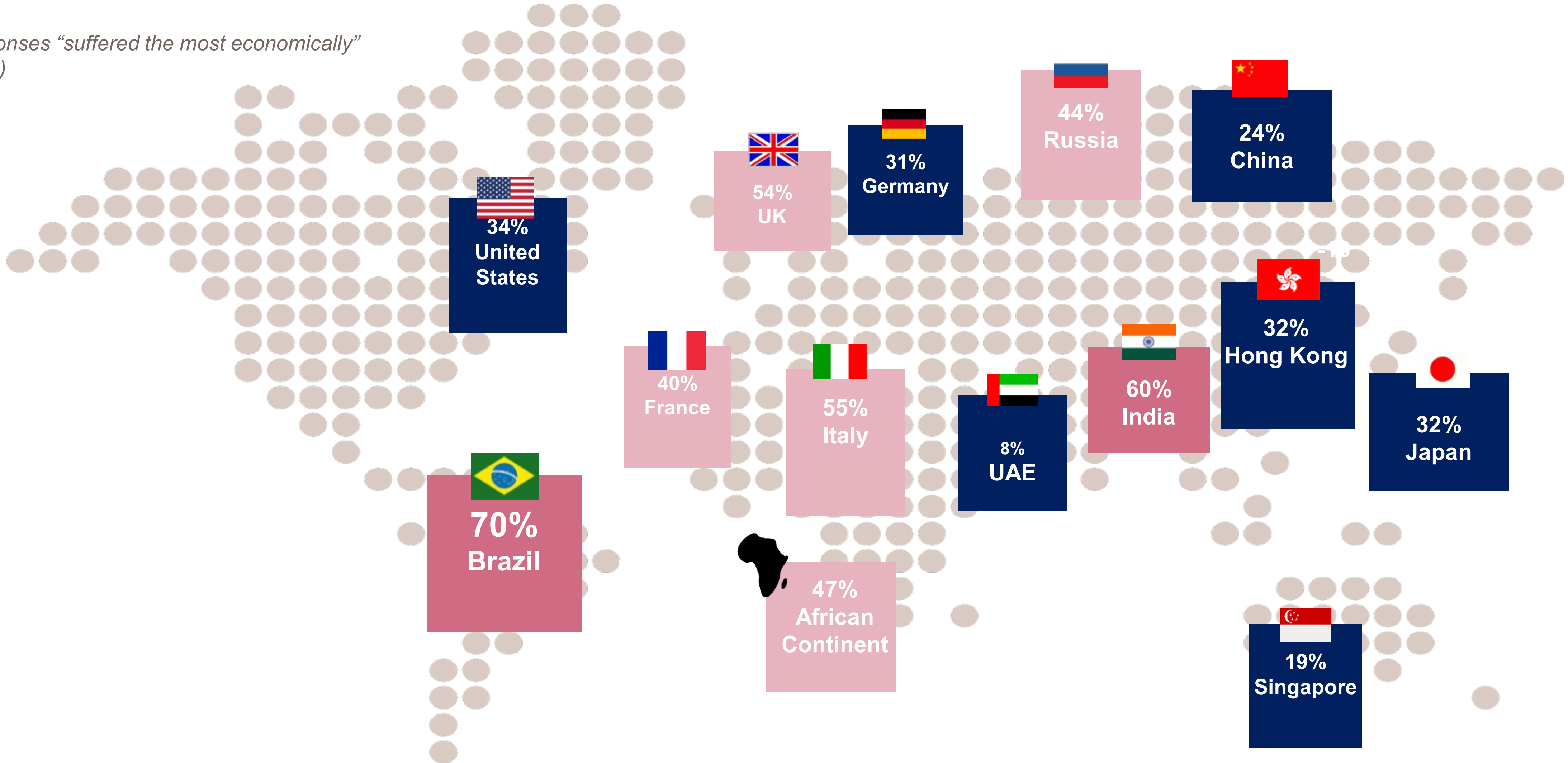




Q 4 - Thinking about the current global economic and financial situation (across all sectors), for 2022 would you say that you are...?

EUROPEAN COUNTRIES AND RUSSIA MOST IMPACTED BY THE COVID CRISIS. THE USA AND ASIA, LESS EFFECTED.

% of responses "suffered the most economically" (notes 4/5)

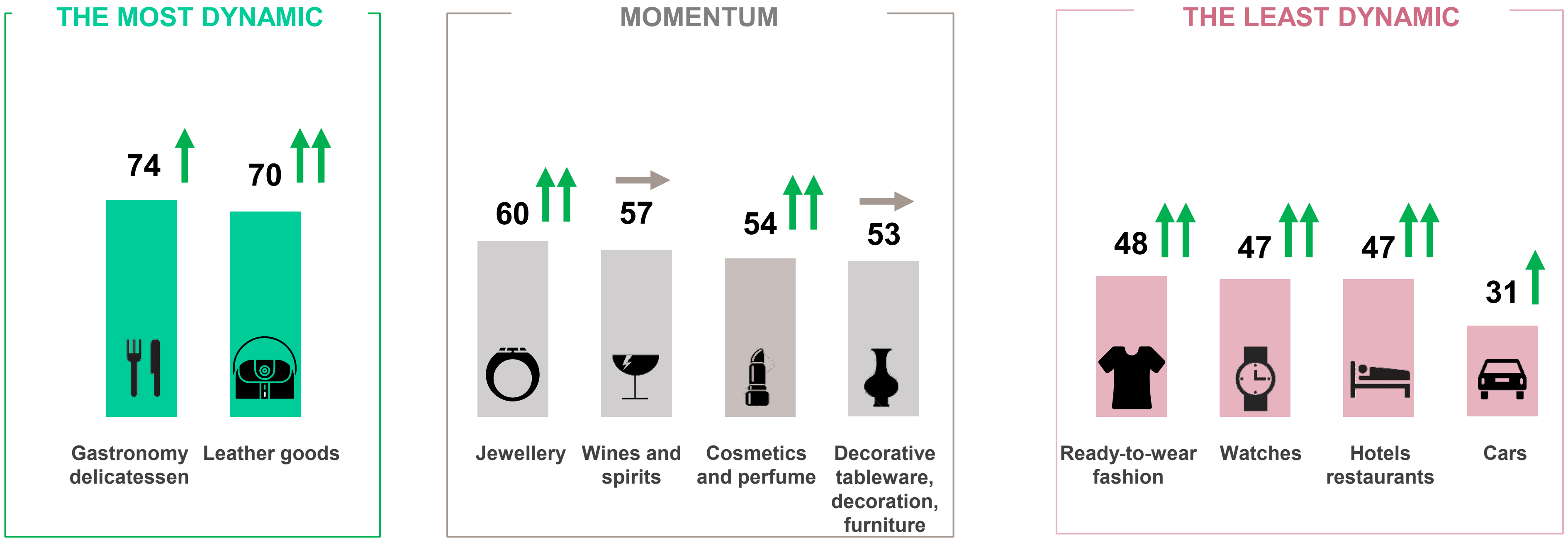


Q2 - Which of the following luxury goods markets do you think have suffered the most, economically, from Covid? Rate each of the following countries from 1 to 5, where 1 means minimal economic suffering...
Q3 - Which of the following 'traditional' luxury goods markets do you think have suffered the most, economically, from Covid?

PERSPECTIVES ON GROWTH THAT AFFECT ALMOST ALL SECTORS.

Compared to 2019, strong momentum in leather goods, watches/jewellery and fashion.
The hotel and restaurant sectors remain impacted by the crisis.

% "are going to grow" in the coming years



	Gastronomy delicatessen	Leather goods	Jewellery	Wines and spirits	Cosmetics and perfume	Decorative tableware, decoration, furniture	Ready-to-wear fashion	Watches	Hotels restaurants	Cars
2020	67	35	25	58	41	49	26	25	19	10
2019	73	56	44	58	55	24	36	37	76	29

\+ -

Q6 - Please tell us whether you think these different luxury goods sectors will grow, remain stable or decrease in the coming years.

THREATS TO THE LUXURY GOODS SECTOR:

The second-hand market, rising competition from local luxury brands, less pressure on prices

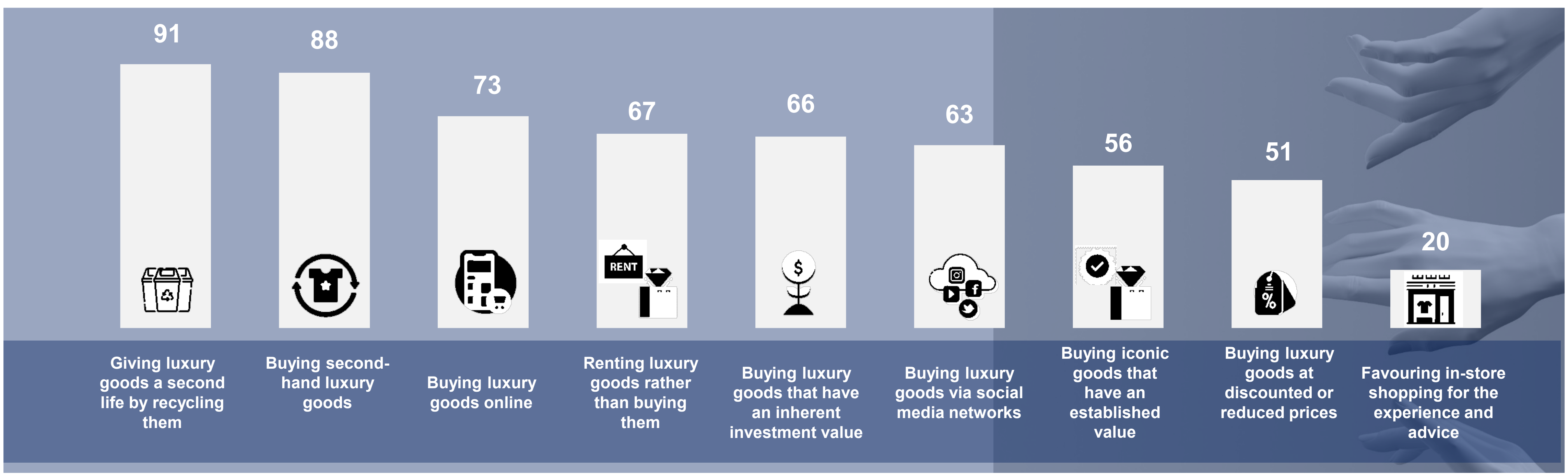
(In 1st + 2nd)

The growth of the second-hand market	38%	2020: +5
A loss of impetus in geographical growth areas	28%	2020: +5
A drop in the quality and excellent of the products	22%	2020: -7
Excessive demand for short-term profitability	21%	2020: +1
The new generations' lack of appetite for luxury	20%	2020: -2
Competition from new brands from emerging countries	19%	2020: +10

Q8 - The luxury goods sector is facing a number of potential threats. Which of the following threats do you think are the 3 most significant ones?

GROWTH OF SECOND HAND, SECOND LIFE AND RENTALS. ONLINE AND SOCIAL NETWORK SHOPPING WILL GROW.

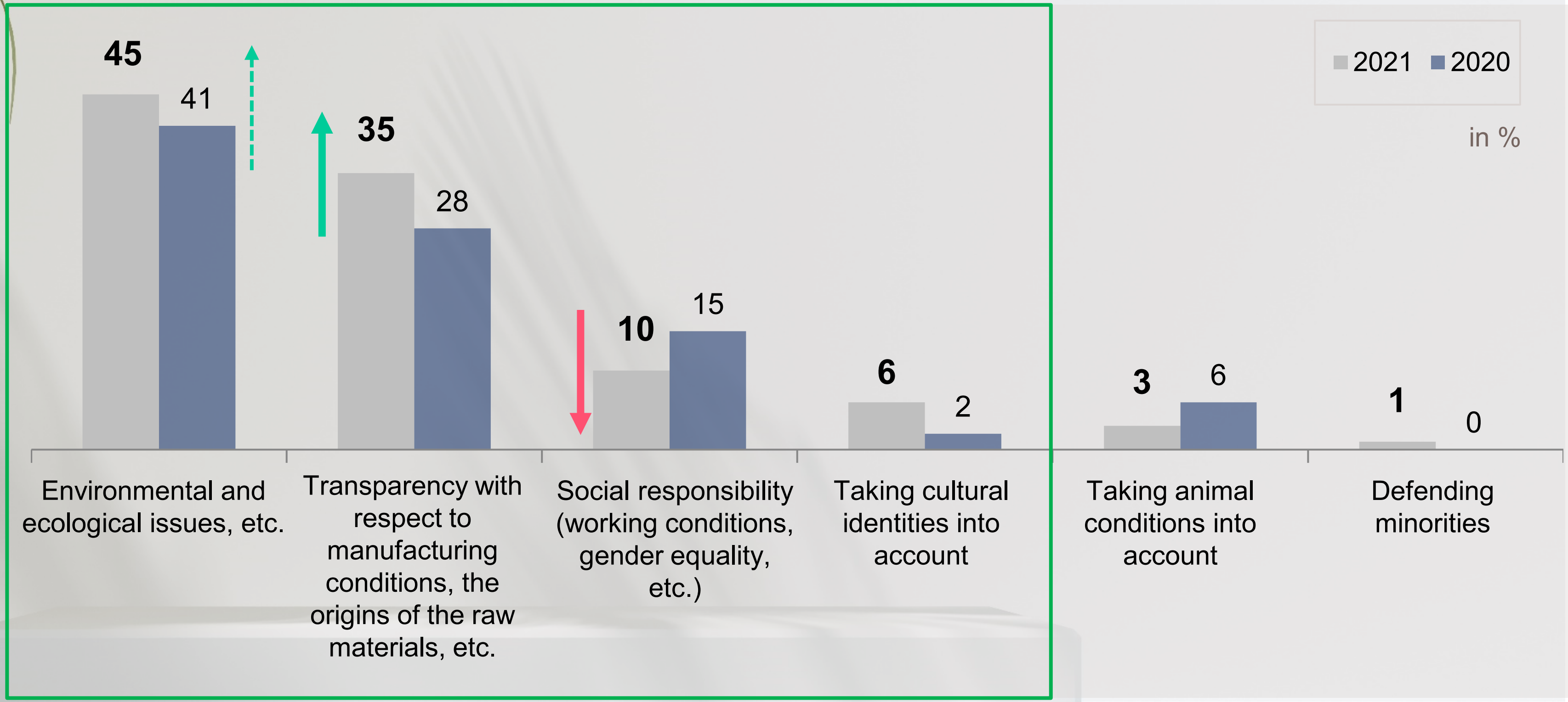
Shopping behaviours that will grow



Q40 - Below are some buying and consumption behaviours related to luxury products. For each one, please tell us if you think it is likely to grow, remain stable or decrease in the coming years.

2 COMITTMENT PRIORITIES: ECOLOGY AND TRANSPARENCY

THE MOST IMPORTANT THEMES
(in 1st)



Q10 - Among these themes, which are the 2 most important ones for Luxury Goods brands to commit to?

LUXURY GOODS BRANDS ARE MAKING PROGRESS WITH THEIR ENVIRONMENTAL COMMITMENTS

Q11 - Staying with these themes, what do yo think Luxury Goods brands' level of commitment is today?

CUSTOMERS FOREMOST EXPECT ENVIRONMENTAL COMMITMENT, PRODUCT EXCELLENCE AND TRANSPARENCYWITH RESPECT TO MANUFACTURING AND RAW MATERIALS. CUSTOMERS HAVE LOWER EXPECTATIONS WITH RESPECT TO SOCIAL RESPONSIBILITY AND SOLIDARITY.

INCREASING

(In 1st + 2nd + 3rd)

Respect for the environment	47%	2020: +11
Assuring product excellence	44%	2020: +3
Transparency with respect to manufacturing conditions, the origins of the raw materials	39%	NEW

DECREASING

Being socially responsible	32%	2020: -9
Offering pleasure, well-being	31%	2020: -12
Changing the pace of solicitations to a "slower" rhythm (communication, products, events, etc.)	11%	2020: -9
Demonstrating solidarity	8%	2020: -9

STABLE

Promoting their heritage, authenticity and expertise	27%
Favouring local	20%
Having a vision and ambition	19%
Having a strong, leading-brand voice	13%
Being sober, discreet	6%
Being more accessible	2%

Q12 - We are going to talk specifically about Luxury Goods customers. What do you think their expectations are with respect to Luxury Goods brands in the context of Covid? In 1st + 2nd + 3rd

Stéphane Truchi
CEO of the Ifop Group
+331 45 84 94 91
stephane.truchi@ifop.com

Marc Gicquel
Directeur of the Luxury Goods department
+331 75 34 95 75
marc.gicquel@ifop.com

Connection creates Value

www.ifop.com
Twitter @IfopLuxury