

# LUXURY TRACKING REPORT & ANALYSIS — TABLE OF CONTENTS

1Q2004 Luxury Consumer Tracking Service Fielded March 2004  
Special Report: Luxury Brands & Their Role in Luxury Purchases

## Luxury Tracking Report & Analysis

<b>Chapter 1: Luxury Brands &amp; Their Role in Luxury Purchases</b> .....	<b>1</b>
<b>Introduction</b> .....	<b>1</b>
<b>Features of Luxury Brand</b> .....	<b>1</b>
<b>Luxury Brands are Like Other Brands—Only More So</b> .....	<b>3</b>
<b>Luxury Brands Only Very Important for Certain Product Categories</b> .....	<b>7</b>
• Figure 1-1: Luxury Brands Influence in Purchase, 2003 & 1Q2004.....	<b>9</b>
<b>Home Luxury Purchases—Price/Value Trumps Brand in Home Luxury</b> .....	<b>10</b>
• Figure 1-2: Influencers on Last Home Luxury Purchase.....	<b>11</b>
<b>Personal Luxury Purchases—Big Three Influences Are Product Brand, Price/Value and Store Brand</b> .....	<b>13</b>
• Figure 1-3: Influencers on Last Personal Luxury Purchase.....	<b>14</b>
<b>Experiential Luxuries—Reputation/Brand of Service Provider Is Number One</b> .....	<b>14</b>
• Figure 1-4: Influencers on Last Experiential Luxury Purchase.....	<b>16</b>
<b>Consumers Buy Brand Performance; Luxury Brand Means Better Performance</b> .....	<b>16</b>
<b>Luxury Branding: Price/Value and Dealer/Store Brand Work Together</b> .....	<b>20</b>
• Figure 1-5: Influencers on Home, Personal, ExperientialLuxury Purchases.....	<b>20</b>
<b>Chapter 2: Luxury Tracking Study Topline Findings</b> .....	<b>23</b>
<b>Luxury Consumption Index Drops 2.2 Points to 97.8</b> .....	<b>23</b>
<b>Many Luxury Consumers Feel Better Off Now than Two Months Ago</b> .....	<b>24</b>
• Figure 2-1: Financial Well-Being, 1Q2004 and 2003.....	<b>24</b>
<b>Luxury Spending Trails Financial Well-Being</b> .....	<b>25</b>
• Figure 2-2: Luxury Spending Trends, 1Q2004 and 2003.....	<b>25</b>
<b>About Half Expect to Spend Same on Luxuries in Coming Twelve Months</b> .....	<b>26</b>
• Figure 2-3: Expected Luxury Spending Next Twelve Months .....	<b>26</b>
<b>Experiential Luxuries Are Most Purchased in 1Q2004</b> .....	<b>27</b>
• Figure 2-4: Luxury Purchases Incidence, 1Q2004 and 2003.....	<b>27</b>
<b>Typical Luxury Consumer Spent \$2,500 on Luxuries in Tracking Period</b> .....	<b>28</b>
• Figure 2-5: Total Luxury Spending 1Q2004 and 2003.....	<b>28</b>
• Figure 2-6: 1Q2004 Luxury Spending by Income.....	<b>29</b>
<b>Chapter 3: Home Luxury Purchases: Detail Finding on Home Luxury Purchases</b> .....	<b>30</b>
<b>More Than Half Luxury Consumers Purchase Home Luxuries</b> .....	<b>30</b>
• Figure 3-1: Home Luxuries Purchase Incidence & Expected Purchases.....	<b>31</b>
• Figure 3-2: Total Home Spending, 1Q2004.....	<b>31</b>
• Figure 3-3: Where Luxury Shoppers Buy Home.....	<b>32</b>
<b>Art &amp; Antiques—Purchase Details</b> .....	<b>32</b>
• Figure 3-4: Art & Antiques Shopping Choices.....	<b>33</b>
• Figure 3-5: Art & Antiques Brand Awareness & Usage.....	<b>34</b>

<b>Electronics &amp; Photography Equipment—Purchase Details</b> .....	<b>34</b>
• Figure 3-6: Electronics & Photography Equipment Shopping Choices.....	35
• Figure 3-7: Electronics & Photography Equipment Brand Awareness & Usage.....	35
<b>Home Decorating Fabrics, Window &amp; Wall Coverings</b> .....	<b>35</b>
• Figure 3-8: Home Decorating Fabrics, Windows & Wall Covering Shopping Choices.....	36
<b>Furniture, Lamps &amp; Floor Coverings—Purchase Detail</b> .....	<b>37</b>
• Figure 3-9: Furniture, Lamps & Floor Coverings Shopping Choices.....	38
<b>Garden, Outdoor, Lawn &amp; Patio Products—Product Detail</b> .....	<b>38</b>
• Figure 3-10: Garden, Patio, Outdoor Shopping Choices.....	39
<b>Kitchenware, Cookware &amp; Housewares—Purchase Detail</b> .....	<b>39</b>
• Figure 3-11: Kitchenware, Cookware, Housewares Shopping Choices.....	40
<b>Kitchen Appliances, Bath &amp; Building Products—Purchase Detail</b> .....	<b>40</b>
• Figure 3-12: Kitchen Appliance, Bath & Building Products Shopping Choices.....	41
<b>Linens &amp; Bedding Products—Purchase Details</b> .....	<b>42</b>
• Figure 3-13: Linens & Bedding Shopping Choices.....	43
<b>Tabletop, Dinnerware, Flatware, Servingware—Purchase Details</b> .....	<b>44</b>
• Figure 3-14: Types of Tabletop Products Bought.....	45
• Figure 3-15: Tabletop Shopping Choices.....	46
• Figure 3-16: Tabletop Brand Awareness & Brand Usage.....	46
<b>Chapter 4: Personal Luxury Purchases</b> .....	<b>48</b>
Detail Finding on Personal Luxury Purchases.....	48
<b>About Half of Luxury Consumers Made Personal Luxury Purchases</b> .....	<b>48</b>
• Figure 4-1: Personal Luxuries Purchase Incidence, 1Q2004 and 2003.....	49
• Figure 4-2: Personal Luxuries Spending, 1Q2004 and 2003.....	49
• Figure 4-3: Where Luxury Shoppers Buy Personal Luxuries, 1Q2004.....	50
<b>Automobiles &amp; Recreational Vehicles—Purchase Details</b> .....	<b>50</b>
<b>Clothing &amp; Apparel—Purchase Details</b> .....	<b>51</b>
• Figure 4-4: Clothing & Apparel Shopping Choices, 1Q2004.....	52
<b>Fashion Accessories—Purchase Details</b> .....	<b>52</b>
• Figure 4-5: Fashion Accessories Shopping Choices 1Q2004.....	53
<b>Fragrance, Cosmetics, and/or Beauty Products—Purchase Details</b> .....	<b>53</b>
• Figure 4-6: Fragrance, Cosmetics, Beauty Products Shopping Choices 1Q2004.....	54
<b>Jewelry—Purchase Details</b> .....	<b>55</b>
• Figure 4-7: Type of Jewelry Bought, 1Q2004.....	56
• Figure 4-8: Material of Composition, 1Q2004 .....	57
• Figure 4-9: Jewelry Shopping Choices .....	58
• Figure 4-10: Jewelry Brand Awareness & Brand Usage .....	58
<b>Watches—Purchase Details</b> .....	<b>59</b>
• Figure 4-11: Watches Shopping Choices.....	60
<b>Chapter 5: Experiential Luxury Purchases</b> .....	<b>61</b>
Detail Finding on Experiential Luxury Purchases.....	61
<b>Experiential Luxuries Were Most Purchased</b> .....	<b>61</b>

- Figure 5-1: Experiential Luxuries Purchase Incidence & Expected Purchase, 1Q04 & 2003 . 62
- Figure 5-2: Experiential Luxuries Spending, 1Q2004 & 2003 ..... 62
- Figure 5-3: Experiential Luxuries Price Paid, 1Q2004 ..... 63
- Luxury Dining—Purchase Details ..... 63**
- Luxury Entertainment—Purchase Details ..... 63**
- Luxury Spa, Beauty, Cosmetic Surgery—Purchase Details ..... 64**
- Luxury Travel—Purchase Details ..... 64**
  - Figure 5-4: Type of Luxury Travel ..... 65
  - Figure 5-5: Luxury Travel Brand Awareness & Brand Usage ..... 66
- Appendix A: Luxury Tracking Survey Methodology ..... 67**
- Quarterly Tracking of Luxury Consumer Purchasing..... 67**
- Role of Branding Researched in More Depth..... 68**
- Sample Demographics ..... 68**
  - Figure A-1: Income Demographics ..... 69
  - Figure A-2: Age & Generational Variables ..... 70