

Where Luxury Consumers Shop for Luxury Goods

Department stores are the most widely used source for luxury goods shopping and is among the luxury consumers' top three shopping choices in 11 luxury product categories. Next is the internet, mail order or television shopping, among the top three choices in nine luxury goods categories. While Internet is not ranked number one in any category, it's placement among the top three illustrates its potential as a luxury shopping venue. Third most widely used shopping source are home furnishings stores, among the top three shopping choices in eight product categories.

Where Luxury Consumers Shop	#1 Choice	#2 Choice	#3 Choice
Any Home Luxury			
Art & Antiques	Other/Art Gallery (32%)	Home Furnishings (24%)	Internet (21%)
Electronics	Elec. Spec. (63%)	Internet (37%)	Disc/Warehouse (13%)
Furniture, Lamps & Floor Coverings	Home Furnishings (55%)	Dept. Store (21%)	Disc/Warehouse (16%)
Garden	Other/Garden Center (33%)	Disc/Warehouse (27%)	Home Furnishings (25%)
Home Decorating Fabrics, Wall & Window Coverings	Home Furnishings (48%)	Dept Store (26%)	Fashion Shop (14%) or Internet (14%)
Kitchen Appliances, Bath, Building	Home Furnishings (32%)	Dept Store (31%)	Other/Hardware (29%)
Kitchenware, Cookware	Dept Store (43%)	Home Furnishings (26%)	Home Furnishings (22%)
Linens & Bedding	Dept Store (46%)	Home Furnishings (30%)	Internet (19%)
Tabletop	Dept Store (55%)	Home Furnishings (35%)	Internet (27%)
Any Personal Luxuries			
Fragrances & Beauty	Dept Store (66%)	Internet (20%)	Fashion Boutique (19%)
Clothing & Apparel	Dept Store (78%)	Fashion Boutique (54%)	Internet (22%)
Fashion Accessories	Dept Store (59%)	Fashion Boutique (42%)	Internet (21%)
Jewelry	Jewelry Store (59%)	Dept Store (23%)	Internet (19%)
Watches	Jewelry Store (44%)	Dept Store (24%)	Internet (17%)

▪ Figure 2-8: Where Luxury Consumers Shop for Luxury Goods, 2Q2004

Brand Awareness in Luxury Department Stores

All three luxury department stores included in the tracking study had brand awareness above 50 percent with Nordstroms the most widely recognized marketer, with a brand awareness of 67 percent. Saks followed at 51 percent and Neiman Marcus at 50 percent. Brand awareness is defined as brands the respondent recalls seeing or hearing marketing communications or advertisements in the study period.

Luxury Department Stores	Brand Awareness All Luxury Consumers
Nordstroms	67%
Saks Fifth Avenue	51%
Neiman Marcus	50%