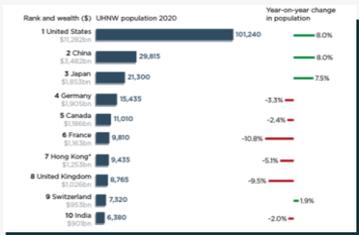


Bloomberg Media

Luxury Shopper & High Net Worth Audience Insights



The shifting demographics of the High Net Worth (HNW) and Ultra High Net Worth (UHNW) have led to a more sustainable and tech-led consumption mindset.



A younger and more geographically diverse cohort of HNW and UHNW...

- The HNW are getting younger. The average age of U.S. investors with \$25+ million dropped by 11 years since 2014, to **age 47**.
- Gen X and Millennials could be the primary beneficiaries of the largest generational wealth transfer, gaining up to **\$48 trillion**.
- U.S., China, Japan and Switzerland see the most growth in UHNW population.

Source: Bloomberg Pursuit, Bloomberg Wealth, Wealth X.



...Yields higher affinity with the latest tech trends with bolder investment moves

- HNW Millennial investors are digitally-minded and invested in the future of finance. **More than 40%** investors of this group own up to 10% of their total investments in crypto.
- Sotheby's now auctions NFTs and sneakers — capturing the zeitgeist — and it's conducting more sales online. Of NFT bidders, **78%** were new to Sotheby's and more than half were **aged under 40**.

Source: Wealthramp Future of Finance Survey, Bloomberg Opinion



More sustainably- and ethically- minded consumption trends

- Luxury shoppers are compromising less on sustainability, forcing companies to focus on their ESG efforts.
- The resell, reuse and re-living of luxury experiences is being destigmatized among the younger generation of luxury shoppers, **growing in sales by 65%** to \$33 billion globally between 2017-21.

Source: Bloomberg Intelligence, Luxury Primer, The Real Real 2022 Luxury Consignment Report



Solid demand in high-end luxury despite market turbulence, thought supply couldn't match

- The demand-led recovery for high-end luxury goods in 2021 and early 2022 was underpinned by favorable, intact fundamentals, and with limited exposure in Russia.
- Watches of Switzerland sales rose 40% in fiscal 2022 as consumers directed funds usually spent on travel toward high-end timepieces. However, luxury watch makers are unable to meet the demand with supply chain pressure.

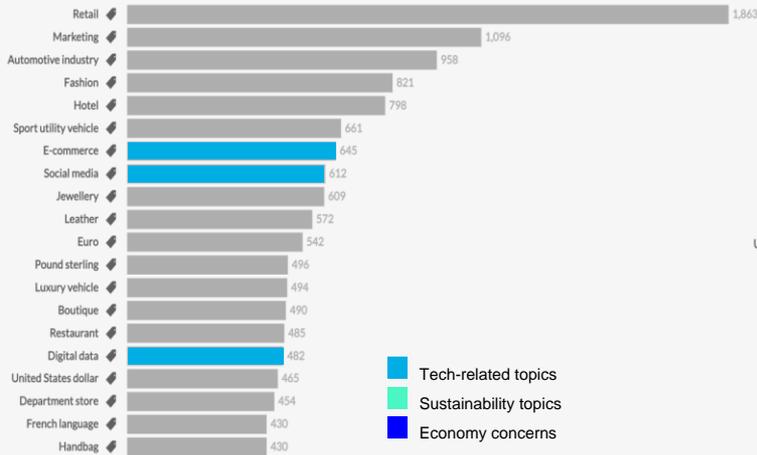
Source: Bloomberg Intelligence, Luxury Primer. Bloomberg Pursuit

The definition of luxury in media is evolving too. Luxury today is more associated with environmental issues and technologies.

Top 20 concepts associated with luxury brands in global media, between...

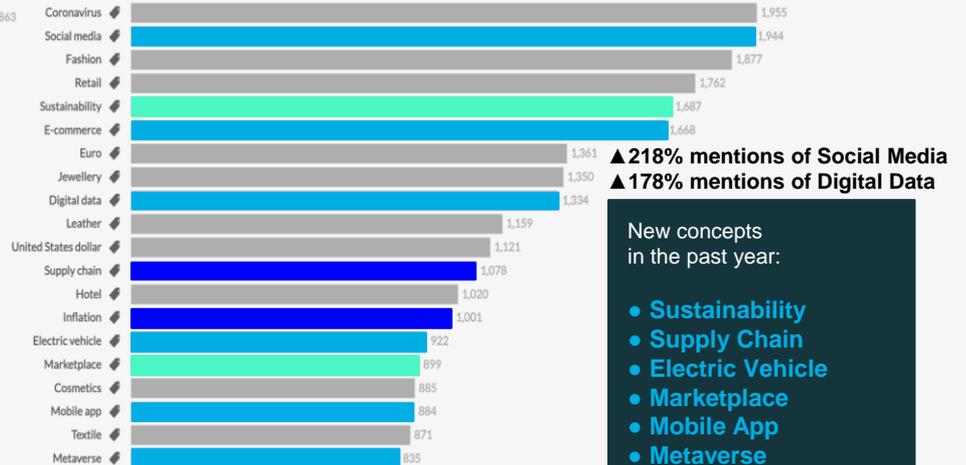
2016-2017

The media coverage of luxury brands shows a more straightforward narrative around traditional luxury goods and luxury auto, with some focus on the trend of e-commerce and social media.



2021-2022

The media coverage today shows social media's increasingly crucial role in the luxury sector. Luxury brands are more linked to cutting-edge technologies (like EV and metaverse) and new trends around climate responsibilities (sustainability and consignment marketplace).



▲ 218% mentions of Social Media
▲ 178% mentions of Digital Data

New concepts in the past year:

- Sustainability
- Supply Chain
- Electric Vehicle
- Marketplace
- Mobile App
- Metaverse

Luxury shoppers' engagement on Bloomberg demonstrate their interest in learning about what's next, and their aspiration in building a better society.

Luxury shoppers are more likely than an average Bloomberg visitor to engage with content about...

...Future-forward technologies that change society



Topics

Influencers 9.7x
VR (8.8x) and AR (6.3x)
Tether 7.6x
Genetic Engineering 6.5x
Autonomous Vehicle 4.5x

Bloomberg Brands

- Hyperdrive
- Cybersecurity
- Fully Charged (newsletter)

...What's next in businesses and workforce



Topics

IPOs 6.3x
Entertainment Disrupted 4.0x
Equal Pay 7.6x

Bloomberg Brands

- Work Shifting
- Future of British Business
- Checkout

...How to build a more inclusive and sustainable society



Topics

Financial Inclusion 7.4x
Refugee Crisis 6.4x
Air Pollution 5.1x
Hydro Power 5.1x

Bloomberg Brands

- CityLab - Perspective
- Equality
- Green

...Travel, design, and urban ingenuity



Topics

Art (7.3x) and Design (4.7x)
Tourism 5.0x
Smart City 3.7x

Bloomberg Brands

- Citylab
- City of London

...Interactive and habit forming format

Storythread 6.7x
Graphic 2.2x
Video 1.5x

Newsletter 1.6x

...And they are mobile first

Mobile and tablet 1.1x
Desktop 0.8x

Mobile 74%
Tablet 3%
Desktop 23%

For the EMEA high net worth audience, tech innovation, sustainability, customer-centricity and transparency drive brand leadership in the luxury space.



Attributes tested with the High Net Worth audience in the Bloomberg Brand Accelerator correlated to Trust and to Vision are critical in building brand equity in the eyes of the High Net Worth.

Key attributes that drive brand Vision:

- Tech investment
- Innovation
- Thought leader

Key attributes that drive brand Trust:

- Environmentally sustainability
- Relevance
- Transparency

Brand Imagery Driver Analysis for EMEA High Net Worth Audience

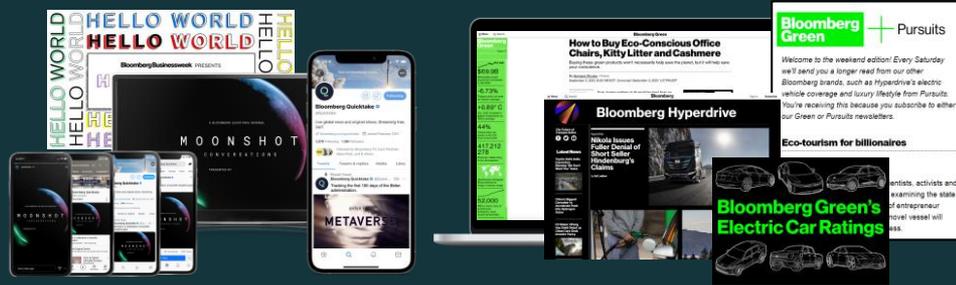


Takeaways and opportunities for luxury brands connecting with the high net worth audience:

- 1 Build perception of innovation to catch up with HNW shoppers' interest in emerging technologies.**
As HNW luxury shoppers are getting more interested and savvy in topics like VR, autonomous driving, NFT, and crypto, it's more important for brands to demonstrate their innovation credentials to stand out in front of this audience, and to enhance brand Vision to future-proof the brand.
- 2 Navigate what's next with this future-looking audience: whether it's the future of work, the future of retail, or the future of cities and design.**
HNW shoppers are more likely to engage with content around the shifting landscape of the workforce and workspace, and what's new and what's next in the world of retail. Brands have an opportunity to connect with them through sharing valuable insights around what's next to help them stay ahead.
- 3 Demonstrate brand transparency and amplify actions around environmental sustainability to boost brand Trust.**
Environmental sustainability and brand transparency are critical in building trust among the HNW luxury shoppers. As this audience becomes increasingly climate-conscious, it's crucial for brands to demonstrate their commitment and actions taken to reduce their environmental footprint, to earn trust from their valuable customers.

Potential Opportunities

Activate brand messaging, initiatives, and thought leadership across Bloomberg Technology and Bloomberg Green to connect with HNW luxury shoppers' growing interest in emerging tech and greener way of living with a video and mobile first approach.



Connect with HNW luxury shoppers on the premium digital lifestyle destination, Bloomberg Pursuits, through engaging Quicktake videos around travel, lifestyle, creativity, and luxury goods.



More about the Bloomberg Media Audience Insight Series

Introduced in 2021, this monthly series from Bloomberg Media Data Science and Insight is designed to fuel marketers around the world with exclusive data and insight about key audience segments.

These data explorations leverage a variety of in-house tools and studies like:

BloombergAiQ

BloombergAiQ, our proprietary audience and content analysis platform which analyses data from 30,000 global publishers, including Bloomberg first part data, to deliver focused intelligence on content engagement and consumption patterns.

Bloomberg Brand Accelerator

The Bloomberg Brand Accelerator, measures 15,000+ global decision-makers' perceptions of 700+ brands on Vision, Strength, Trust, Relevance and Familiarity along with 50+ specific drivers that relate to those categories.

Bloomberg Intelligence

Bloomberg Intelligence, a team of 350+ global research professionals delivering independent perspective providing interactive data and research across industries and global markets.



Real-time, actionable information on audiences within our modern leader universe helps our partners form strategies that connect their messages with deeply engaged influencers. It's especially powerful amid the extreme uncertainties of the past year and the emerging optimism, even as challenges remain.

Duncan Chater, Managing Director, Europe, Bloomberg Media

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