

# How the Super Rich Shop

They no longer wear their diamonds when the lights are out. Indian luxury consumers have become comfortable with the tag & are asking for more: customisation and exclusivity. So even as other segments crib about a demand slump, the luxury market is set to grow 25% this year. *ET on Sunday* peeks into the world of India's luxury shoppers to find out who they are, what they buy & what's on their wishlist

:: Kamya Jaiswal

## WHO IS BUYING?

**The Asset Builder**  
Typically male, has either inherited money or won his spurs in entrepreneurship. Buys luxury assets such as exclusive properties. Very discerning and seeks personalised offering from brands.



**The Urban Connoisseur**  
In his late 40s or early 50s, he is a corporate top dog. Wants luxury products essentially for their shout value. On his list are luxury cars and homes with high-end functional amenities.



**The Loaded Auntyji**  
Middle-aged or old woman who belongs to family with old money. She spends on traditional items such as top-end Indian designer wear and jewellery and prefers customised products. Using them is a way of life.



**The Suave Socialite**  
Flaunts luxury products as a badge. Likely to be a senior executive in the services industry or a successful entrepreneur. She loves luxury accessory and garment labels.



## WHERE THEY ARE BUYING FROM



**Dedicated Luxury Malls**



**Hotel Boutique Shops**

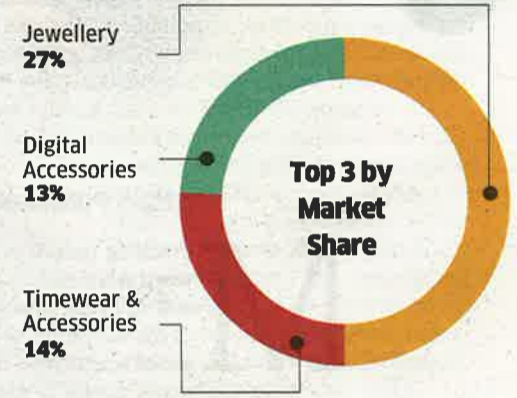
## WHAT'S ON THEIR SHOPPING LIST

**Women:** Jewellery, handbags and wallets, eyewear and perfumes



**Men:** Timewear, luggage, wallets and belts

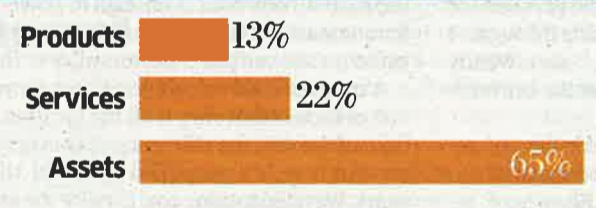
## LUXURY BEST SELLERS



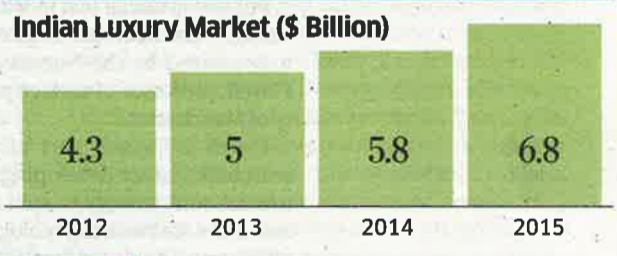
## EMERGING LUXURY TRENDS

- 1 Art Rentals**  
Catching the fancy of the luxury consumer as artworks are useful for special themes and can be routinely changed or updated
- 2 Luxury Travel**  
Industry captains, entrepreneurs, adventurous youngsters in their 20s and DINKs (double income no kids) are eager to try out exotic and exclusive destinations for weddings, honeymoons, etc
- 3 Cigar and Wine Clubs**  
They cater to the old and new elite and frequently organise wine tasting retreats and sommelier certifications for a cost that fit into the budget of evolving luxury consumers
- 4 Bespoke Services**  
Not confined to apparel and accessories, customised services have extended to newer segments such as travel and fine dining with customised menus

## THE MARKET SEGMENTS...



## ...AND THE GRAND TOTAL



## WHY IT ISN'T EASY TO BUY LUXURY...

### Limited Space

There are very few high streets and most suffer from poor infrastructure, high rentals and congestion. Hotel boutique shops offer minimal brand visibility, limited scope for expansion and exposure to limited customer segments. Dedicated luxury malls are emerging as the answer to property woes.

### Inferior Salesmen

Unlike their international counterparts, Indian sales staff don't boast the requisite skill set to cater to Indian and international luxury shoppers. They need to learn how to make the clients feel special yet be subtle in their approach. Knowledge of advanced CRM tools is handy.

### Too Much Regulation

Many duties such as customs duty, counter veiling duty (CVD), special additional tax (SAD), education cess, etc, have a big impact in absolute terms when high value luxury goods are imported.

Source: Consulting Team at Technopak Advisors; www.technopak.com