# Global Trend Phenomenon of Luxurious Brand Craving for Millennial Generation

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*Abstract*: *The objective of this research is to formulate of a generalized description of millennial generation of understanding of luxury brands. At first, different viewpoints between 'aspirational' luxury and high luxury will be determined followed by the generation's perception, purchasing urge along with their aspired elements of luxury brands in the digital era. By determining the relevance between millennial generation and use of luxury brands along with this generation's opinion, primary data is collect from the questionnaire uploaded onto a surveying website, Google Form and on Facebook and Instagram. The author also distributes the questionnaire to colleagues and friends through an instant messaging service (WhatsApp). The main questions are: use of social media by the respondents, presentation of promotional media in social media, purchase of luxury goods and perception of luxury brand. At the last stage, every questionnaire collected is analyzed based on age, perception of the product and analysis of the respondent's need. The contribution to the topic field lies in discovering, and describing the modern trends in lifestyle and afterward consumption behaviour patterns of millennials.*

*Index Terms: luxury brands, millennial, consumption behaviour.*

## I. INTRODUCTION

The market for luxury goods has been growing significantly in the last decade. Several factors have fuelled this growth, such as improved economic factors worldwide, rising demand for luxury goods from wealthy class in emerging luxury markets and expansion along with growing luxury categories[1-9].

Use of social media has been something we do daily for many, including educated and millennial generation. Social media is normally used as a means of communication connecting the users without being hampered by distance and time which gives positive impacts on transfer of technology, improved economy through online trade and increased public knowledge through news in the social media[10-15].

Online trade is not merely about local products. Consumptive goods in terms of luxury brand have entered the new era of trade[2, 3, 16]. Related to the extent of consumption of luxury brand in developing countries, researches on the need of luxury brand to obtain the market model that fits the habit, needs and behaviour of the millennial is needed[9, 17]. By analyzing the habit of use of social media and perception of luxury brand need through this research, the aim of this research is able to predict the market strategy of luxury brand.

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## II. RESEARCH METHOD

The survey is done based on the theoretical finding on the research which covers topics of millennial generation as the consumers including their luxury value perceptions, marketing channels and communication means to be used in order to reach certain demographic popilation and the reasons, along with financial aspects of millennial generation's buying decisions towards luxury brands, age and country of residence. The questions allow the respondents to give a more detailed answer which will need a more analytical response. The questions asked to respondents are aimed at covering the same topic from two opposite viewpoints, aiming at getting unbiased data to analyse, present and utilize the research findings.
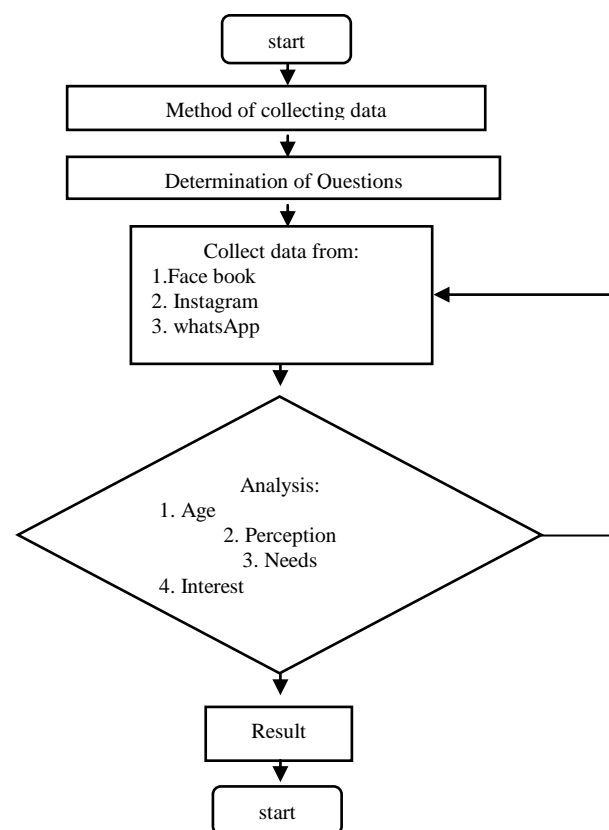


**Fig. 1**: flow chart of the research

As the survey is specifically targeted at millennial generation's luxury purchase, due to the essential nature of young professional representatives and students' presence for the research to take place, two groups of respondents are formed. Assuming the opinion of financially independent groups with the other group that still receive financial assistance from their parents shows two complete pictures of their aspired elements of luxury products. The flow chart of this research is as shown in figure 1.

The total respondents are 54 persons dominantly residing in France, Indonesia, and Singapore at the moment of the research and have various backgrounds. Since the research intends to check the aspired elements of luxury brands in developed and developing countries, all respondents fit the criteria. The age of young professional is between 30 to 35 years which represents the senior age category of the millennial generation. Meanwhile for students, all respondents interviewed are in the age between 18 and 29 years-old categorized as millennial consumers.

## III. RESULT

Out of the 54 respondents, 33 (61.1%) are female and 21 (38.9%) are male. When asked about their age category as figure 2 in which the respondents could pick any age ranging from 18 up to 35, the ages used to define the millennial generation. The age category with the largest amount of respondents, 25 (46.2%) respondents age 18 to 22, followed by 23 to 27 with 24 (44.4%) respondents.
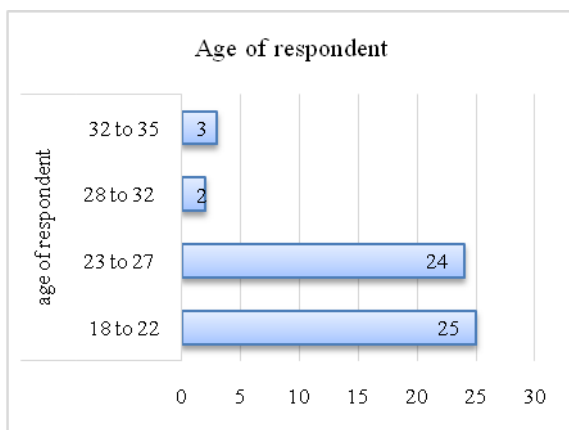


**Fig. 2**: age of respondent

The next discussion will be the question about description on social media consumption, attitudes and behaviours of the respondents. When asked if they use social media, out of 54 respondents, 100% respondents say yes. This is the first crucial finding, as it shows that millennial generation is highly online and connected by social media.

From the data, 50 respondents claim to use Instagram, followed by 43 (79.6%) that use Facebook, 34 (63%) that use YouTube. When asked about how many hours they spend online on social media per day, out of 54 respondents, 30 (55.6%) respondents say that they spend more than two hours daily on social media, 13 (24.1%) spend 1 to 2 hours and 10 (18.5%) spend between 30 minutes and an hour. It allows all information available on the internet to be more easily accepted by millennials who are active in the use of social media and online news.

Besides having the advantage of easily adopting new things related to the internet, on average the respondents use internet to maintain relations through social media as shown in Figure 3 below.
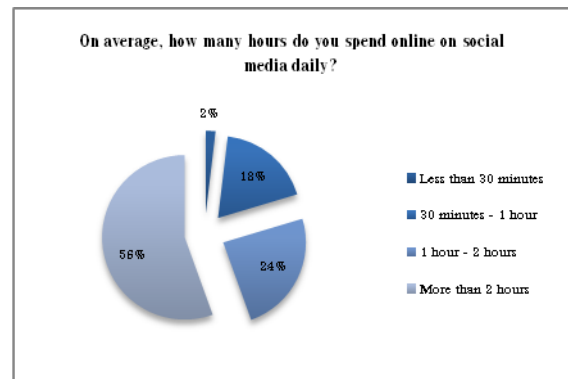


**Fig. 3:** duration of interaction with the internet for millennial generation

From the data above, it can be seen that the time spent by millennial generation to interact with the internet is relatively high, namely more than 30 minutes to one hour every day making it an opportunity to find information on the internet as an effective medium. This is supported by the data that the time to connect with the internet is not only used to interact via social media but the social media is also used as a means of making inspiration (see figure 4 about millennial use of social media)
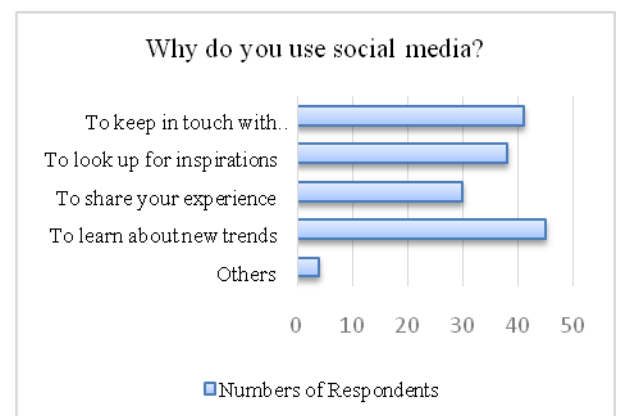


**Fig. 4:** Use of social media by millennial generation

The data above shows that, from 45 (83.3%) respondents, the majority uses social media to learn about new trends, followed by 41 (75.9%) using social media to keep in touch with their family and friends and 38 (70.4%) to look up for inspirations. Simultaneously, 30 (55.6%) use social media to share their experiences. Lastly, 4 (7.6%) respondents choose "other", by responding that they use social media for information and for educational and entertainment purposes.

When asked about the aspects of market strategy to attract the attention of millennial generation to new things, video and image models or posters can be used as promotional media (data shown in Figure 5).
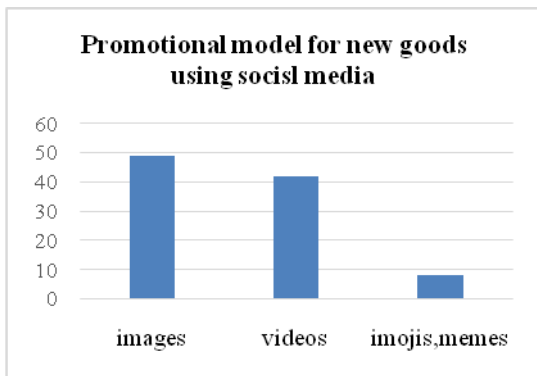


**Fig.5**: promotional models for new goods using social media

in terms of content posted by promotion brands on social media, 49 (90.7%) respondents answer they prefer to see images, and 42 (77.8%) preferred videos to be posted on luxury brands' social media platforms. Surprisingly, only 8 (14.7%) respondents are keen to see emojis, memes and gifs posted by luxury brands on their digital platforms.

It shows that when luxury brand as the taget of sale, the use of emojis, memes and gifs in their promotional marketing in order to grab the millennial geenration's short attention spans Emojis, memes and gifs are considered as the fastest growing language, if brands want to connect with millennials.

The next point will be attitudes and behavior towards luxury brands. On average, the period of purchasing luxury brand is less than 6 months. The favourite luxury brand products are shown in figure 6 below.



**Fig. 6**: Favorite Luxury Brand products of the millennial generation

When asked about the products of luxury brands and the respondents were allowed to select as many answer choices as possible while also giving additional answers in an "other" field. The top ranking luxury brand product group purchased by the respondents are fashion (clothing/ footwear), chosen by 29 (53.7%) respondents; beauty, perfumes, and personal care chosen by 26 (48.1%) respondents; leather goods chosen by 11 (20.4%) respondents and timepieces, chosen by 10 (18.5%) respondents. The result shows that entry-level

products, including cosmetics, perfumes, and personal care products seem to be particularly popular amongst the respondents.

We then will discuss the characteristics a luxury brand must have in order to affect their purchasing decision. several answers could also be selected as well as indicating "other." 45 (83.3%) respondents stated quality, followed by unique design (61.1%) and global reputation (55.6%) Superior technical performance along with buying experience were also chosen as important characteristics with 22 (40.7%) and 18 (33.3%) respondents giving these answers respectively. Last but not least, craftsmanship with 17 (31.5%) respondents, heritage and rare materials both with 11 (20.4%) respondents. (see figure 7)
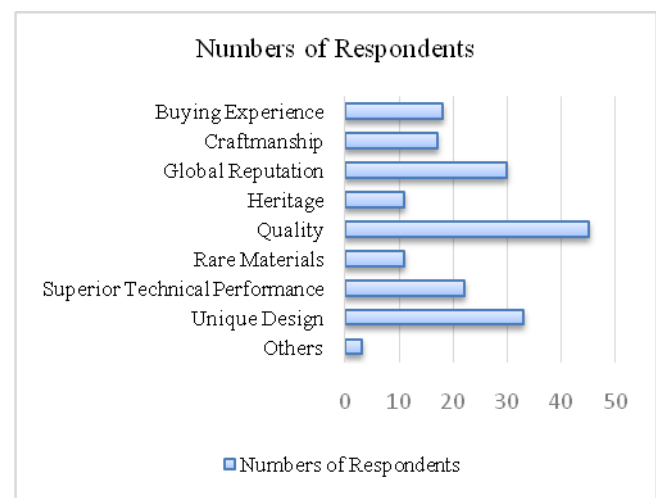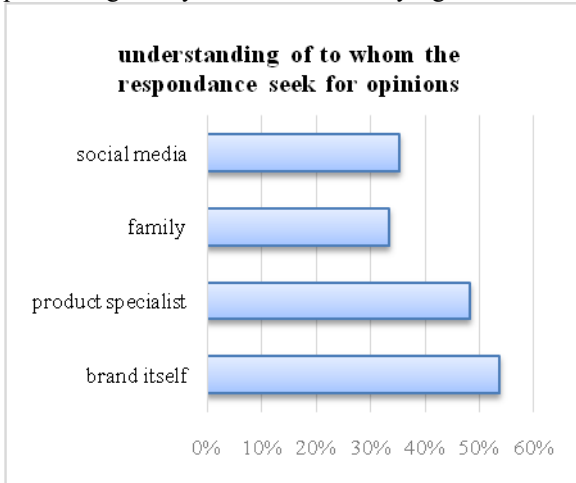


**Fig. 7:** chosen characteristics of luxury brand for millennial generation

When asked the importance of using the internet (online) for shopping on luxury brands, the data below shows that online has a fair level of importance. From the respondence, 18 (33.3%) or the majority of the respondents answered with slightly important. Additionally, 14 (25.9%) respondents claim that this option is considered important to them. Nonetheless, 13 (24.1%) answer that it is fairly important to be able to custom and purchase the product directly online. Hence it clearly presents and followed by millennials, that they purchase and interpret products as a means to express their personality and other personal information to others.

Next, to obtain better understanding of to whom the respondents seek for opinions before purchasing luxury products, the opinions of their friends emerge as the most significant with 29 (53.7%) respondents as well as information from the brands itself even though their product special features remain most sought and appreciated by 26 (48.1%) respondents. The respondents answered that they also value the opinions of their family or relatives (35.2%) along with influence of celebrities, particularly whom they follow on Instagram (37%).

Interestingly, amongst the respondents, there were several who highly appreciated the opinions of their spouses before purchasing luxury brands as shown by figure 8 below.



**Fig. 8**: reference of opinions before purchasing luxury products

When the respondent already had a luxury brand product this question will be asked: will in the future he buy luxury brand products as well, the data shows figure 9



**Fig. 9**: their thoughts namely on sustainability of a luxury product

Therefore, by taking these results into account, the respondents seem to be buying products of luxury brands based on their belief that these are the brands that deliver products with superior quality. Thus, in this situation, quality might be more of an important factor for purchasing luxury brands than being differentiated amongst the respondents' social circles.

Expectedly 64.8% of the respondents claimed that they are conscious about product materials used by luxury brands. This result is fascinating as it shows, eco or socially conscious and sustainability is considered as a shopping priority. In other words, luxury brands that establish a brand reputation for environmental stewardship among millennials have an opportunity in the future not only to grow market share but also building brand-loyalty among the power-spending millennials of tomorrow. Further, the respondents equally

stated (40.7%) agree and (40.7%) neutral respectively, that they are willing to pay more money for local luxury or designer brands versus 18.5% of the total respondents who believe otherwise. However, the responses to if the respondents think about country of origin before purchasing luxury products are more varied with 40.8% respondents agreed, 29.7% answered disagreed and 29.6% were neutral answers. Results of the statement indicate that the majority of respondents may use country of origin as an indicator or signal of perception of quality provided by luxury brands which can also influence perceived rate of risks taken connected with a particular product, its value, and the probability of purchase. Hence, the luxury brands should focus on the promotion of the country of origin in their markets within the business development structure along with sales and marketing activities.

## IV. CONCLUSION

During the past couple of years, luxury brands have experienced steady growths in which millennials have contributed resulted in an increased demand for luxury brands. This particular generational cohort have increased the demand for luxury brands by being interested in them, as reflected in they purchased luxury products at younger ages given the fact that they are active social media users also due to how millennials have grown up surrounded by technological advancements and being influenced by today's pop-culture.

From the data obtained, millennial generation contribute to the perception of luxury brands as well as being a target market for luxury brands. The quality and information about luxury brands is one of the components that must be considered by producers followed the method to attract attention if the product offered is new. Millennial generation is more interested in the latest methods of methods such as emoji gifts etc

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