

The World After COVID-19: A New Luxury Era?

*How the global pandemic has influenced
the behaviour of the affluent consumer*

BY

Q U I N T E S S E N T I A L L Y

Where do we go from here?

THE COVID-19 REALITY

As insights emerge from our affluent global audience, we look to the future.

What will define their needs as we move out of lockdown, and what can we be sure of in the ‘new normal’?

How should we evolve our business offer and communications to engage them now, and next?



Our world view

Our connectedness to our Quintessentially members continues to astound and inspire us. Through intimate conversations and personal relationships, we have learnt firsthand about human nature in a time of global crisis.

We feel extraordinarily privileged to have this global picture. The prioritisation of lifestyle choices observed from concierge requests, purchases and digital content habits. The shifting behaviours and emerging realities of our Quintessentially members' lives in lockdown.

As we plan our business strategies, we are guided by the following behavioural headlines and category insights. We hope you find these helpful as you formulate your plans for 2020 and beyond.



Observed behaviours

Many commentators describe a ‘new normal’. As yet, this is undefined and speculative.

Whilst it is clear we will not go back to how things were before COVID-19, we are observing that many of our members’ current behaviours were pre-existing, slowly emerging trends.

The pandemic has accelerated and mutated these at a speed that renders previous models of customer engagement and experience unfit for purpose.

How affluent consumers value and define luxury has rapidly shifted. As we truly enter a new era of luxury, the brands who meet this shift will be the winners.



A new era of luxury

What the affluent will be *doing*

If ‘old luxury’ was about **belonging**, and ‘new luxury’ about **being**, then luxury in a post-COVID-19 world will be about **doing**. Newly aware of our fragility, and the speed in which the world can change, the greatest luxury of all is to do – and the **space** to do it.

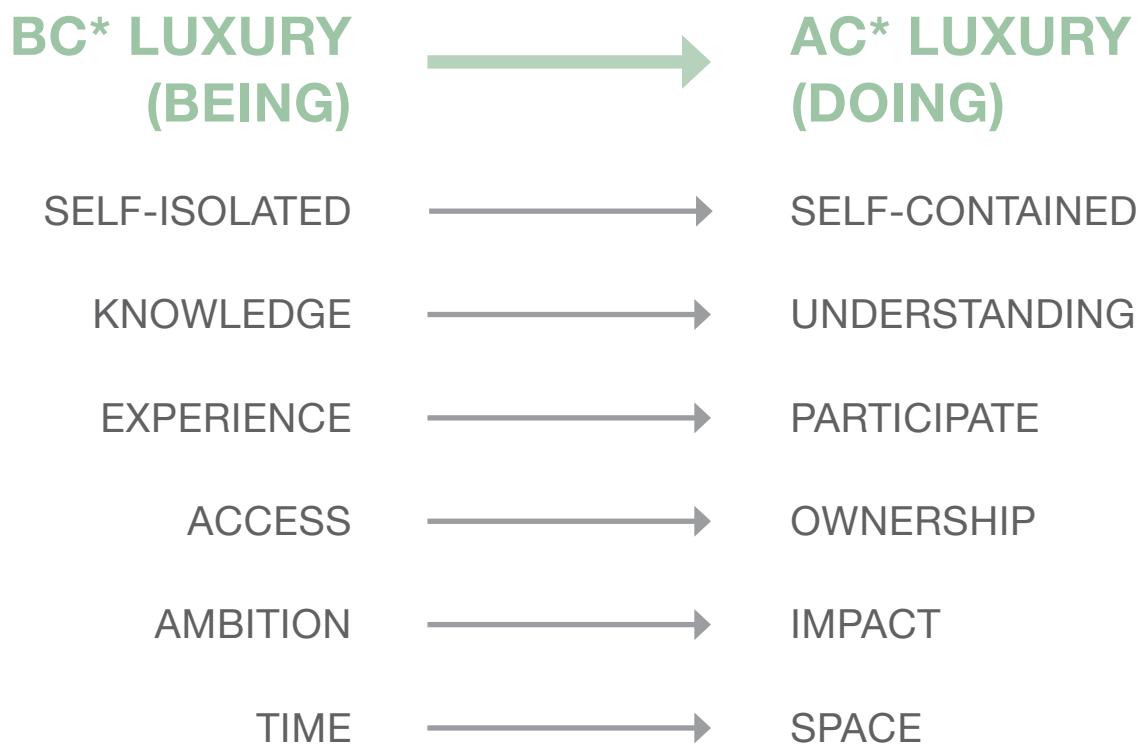
Across all our businesses, from property to travel and art, we had noted an increasing need for security, privacy and **self-contained** experiences. Even with a vaccine, this will continue.

From dining to shopping to culture, our lifestyle requests were demonstrating a growing interest in **understanding** the ‘how’ behind the ‘what’ of experiences. With time during lockdown, this intellectual curiosity has been irreversibly stimulated. Members’ are keen to **participate** actively with the things they have discovered.



Whether choosing wellness regimes, a child's education or legacy planning, the ***impact*** of choices was becoming more scrutinised. With more time to understand and reflect on our actions, the reset mindset will continue to make outcomes a priority.

With the new uncertainty, ***ownership*** has become more important, albeit in a new guise. This reverses the trend towards ***access*** as members seek stability and certainty through lifestyle choice and investments.



*Where BC is Before COVID-19 and AC is After



Planning your re-emergence

What to do *Now* and *Next*

In this new AC era, planning marketing and business strategies can be overwhelming. Our checklist for connecting with this affluent audience of do-ers is below. Whether it is providing additional insight and depth to research, creating virtual or ‘phygital’ experiences, or engaging your existing and loyal customers - we are here to help.



NOW

Focus on engaging existing customers and pull marketing

Stay in lane – where does your brand have authentic ‘permission to play’?

Fast innovation – apply core proposition to new services & products

Apply rigor – you may be acting fast, but your customer has all the time in the world to check it stacks up

Retain mental availability when physical is impossible – uncovering ways to remain connected. Be something people are looking forward to buying or doing again

Data and Insight – learn everything you can to understand how the current COVID-19 consumer feels about your brand, product, services and category

NEXT

Plan for customer acquisition – it will need energy and creativity, not just fast tactics to attract the post-COVID-19 customer

Offer self-contained experiences. From retail to dining, leisure, travel and beyond, personal space will be a pre-requisite

Digital contact is here to stay. Blend it with physical enhancements

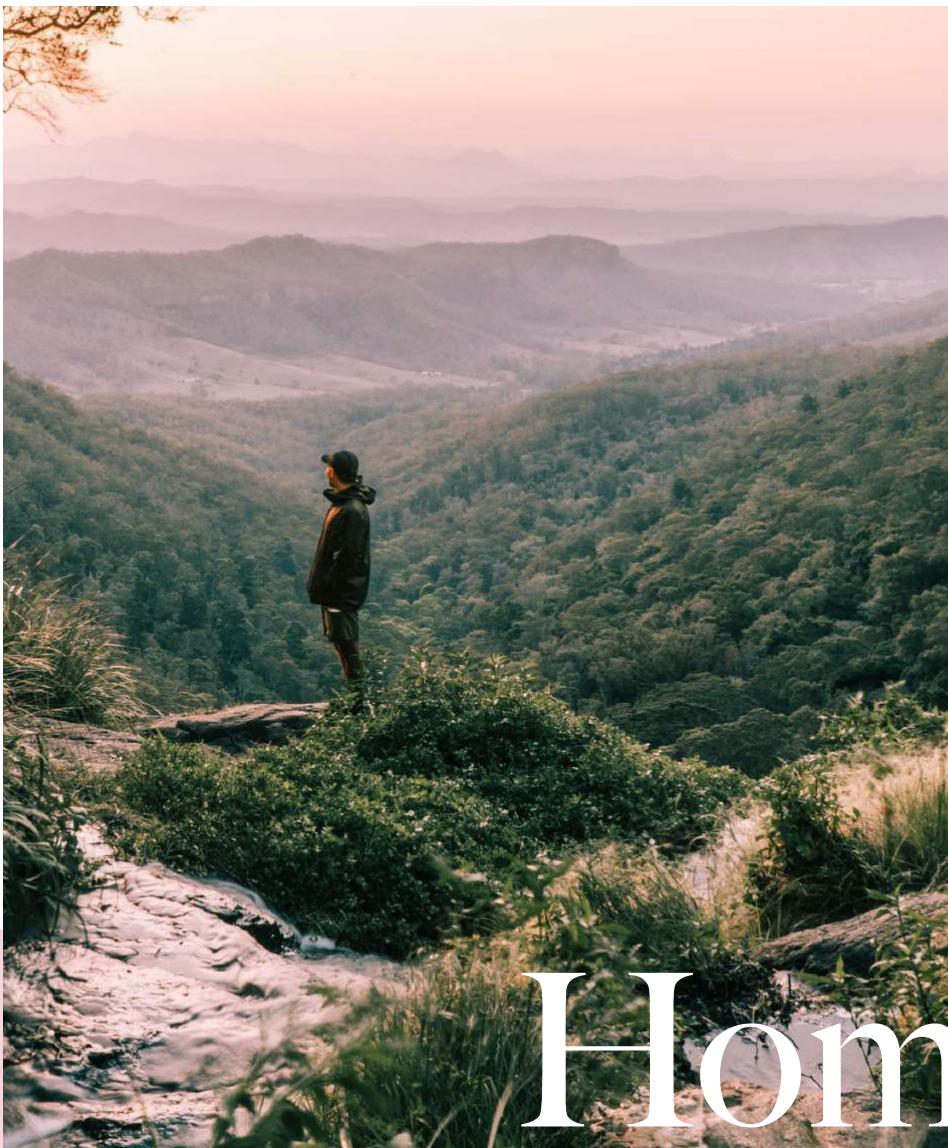
The return of the collaboration – brands working together to achieve something they couldn’t do alone will appeal to the post-COVID-19 psyche

Slow innovation – consider long term brand strategy and repositioning. Use proprietary consumer research and brand insight

A snapshot of our member behaviour insights

FEBRUARY – APRIL 2020





Homes & Property

City living has been losing its lustre over recent years. Cities with green space and longer sunlight hours are increasingly sought after. Luxury property developers turn to Feng Shui alongside science to counter environmental hazards such as extreme temperatures, noise and air pollution, electro-magnetic waves and even private boreholes for water.



For Quintessentially members, this emerging ‘Escape to the Country’ mindset has been accelerated. In light of coronavirus, cities have been epicentres for the spread of the disease. Country homes are being re-spec’d and reassessed as primary work/life locations in less populated areas. We expect to see more ‘Deurbanisation’ and increased ownership of self-contained property with surrounding space.

EXAMPLE REQUESTS

Relocation from Hong Kong to Japan; our property business briefed to find house with private garden, far away from city

Home office installation at country house for initial ten-week relocation

Purchase boat for sailing and fishing in the UK, budget of £1 million

Shipment of three cars from city home to LA residence



Health & Wellness

Health and wellbeing were already a rapidly growing preoccupation for Quintessentially members. Personal trainers are practically ubiquitous. Gyms that cater to one customer at a time, providing maximum attention and privacy, are trending upward. We expect this demand for self-contained fitness space to increase post-COVID-19.



Pre-pandemic, Euromonitor predicted that sportswear would overtake the luxury goods spend in China this year*. Our Chinese members' requests reinforce emerging retail data during and post lockdown.

Demand for healthy, organic product has never been higher. From biohacking and microdosing to veganism, our members want to live longer, healthier lives. With the shift from knowledge to understanding, there is a growing demand for the impact only achieved by complete lifestyle transformation.

*China's sportswear market was worth approximately \$40.6 billion last year, Euromonitor International

EXAMPLE REQUESTS

Source home gym equipment and arrange professional installation

Arranging delivery of medicines, supplements, IV drips and even Beyond Meat burgers

Virtual counselling sessions, supporting mental health during lockdown

Facilitating life coaching and implementation of progress plan



Art & Culture

We have seen a huge spike in our cultural programming and content. Perhaps in response to a newly found abundance of time, or as a direct result of culture, in effect, being cancelled.



From an increased appetite for interactive and personalised art masterclasses to language tuition or expert lectures, there is a developing desire to go beyond the surface on cultural topics and dive into a world of discovery and enlightenment.

Beyond the artistic motivations, the financial incentive to increase ownership in ‘passion’ investment categories like art, classic cars and wines is perceived as productive and proactive in an uncertain investment environment.

EXAMPLE REQUESTS

Virtual wine tasting
and private collection
masterclass

Virtual tuition from
musicians and experts

Personalised
introductions to building
art collections

Home Entertainment

Our homes have become the epicentre for our lives, offering space to participate in replacement leisure activities. Since we were founded (2000), our most popular request category has been restaurants. Time at home has not changed that.



A smartphone displaying a curated selection of content. At the top, it says "QUINTESSENTIALLY" and "Your Food & Nightlife Edit". Below this, there's a brief text about spending time at home. Two images are shown: one of a man (Guest Chef) and another of a bar interior (Bring Your Night Out In). Below these are links to "View Rick's Recipe" and "View Jack's Recipe", and a "Listen Here" button. Further down, there's an image of a bottle of Royal Salute and two glasses filled with a cocktail, labeled "Happy Hour at Home". A small text box below it reads "ROYAL SALUTE'S THE KENSINGTON".

It is interesting to note that pre-COVID-19, members were uncomfortable about the prospect of a brand experience being in their home. Virtual experiences seem to have changed that with members enjoying guided wine and whisky tastings as well as music and technology demonstrations.

We expect members to continue to seek ways to entertain themselves at home and/or distanced from those not in their immediate friends and family circles. Blending technology and virtual experiences with select live participation. For those venturing out, we predict it will be to private dining rooms, clubs or venues offering a sense of self-containment.

EXAMPLE REQUESTS

Restaurant delivery services including Zuma, Le Choux

Virtual whisky tasting hosted by a Master Blender

Virtual magic show with famed magician Kevin Oz

Virtual cookery class with Richard Corrigan



Travel & Adventure

For Quintessentially members, travel for leisure has increasingly focused on either adventure or privacy. We expect this pursuit for privacy to be heightened alongside an escapism mindset. For many, the desire to get away as soon as possible will be balanced by secluded and self-contained destinations.



Adventure seekers will look for meaningful travel and impactful outcomes. Somewhere remote that provides space for restoration in nature; connection to oneself and the planet.

Time in lockdown has provoked feelings of nostalgia too, whether it means staying close to home or returning to familiar places to be reunited with friends and family: focusing on connections to people and place that truly matter.

EXAMPLE REQUESTS

Private island with private jet either in the Indian Ocean or Caribbean

Return to honeymoon destination (Four Seasons Mauritius)

Longer rentals (over three weeks) at country house; secluded, staffed with space, gardens and grounds

Itineraries for driving ski holidays or ski season (having missed this year's season due to early resort closures)



Philanthropy

The coronavirus pandemic has highlighted charity in its many guises. From individuals like Captain Tom and Jack Dorsey to luxury brands supplying PPE and hand sanitiser, it has never been clearer that businesses can, and should, step in for social good. Quintessentially Foundation has raised almost £1m for The Felix Project's coronavirus response with employees and members contributing together.

For wealthy individuals, the opportunity to play a part in shaping society is irresistible. Both directly through their own charitable initiatives and indirectly through the brands they choose to buy into. Philanthropy signals values and enhances their sense of impact and ownership for a future they can help to build.

From humanitarian to environmental and everything in between, the post-coronavirus world will see a new type of philanthropy. One where people and businesses get involved, taking responsibility not just for giving, but doing.

EXAMPLE REQUESTS

Facilitate donation of supplies; ventilators, masks and thermometers

Donations to mental health charities and NHS workers' mental health

Facilitate donation of food and funds to foodbanks and
The Felix Project

Donation of 'services' to charities from strategy, to financial modelling, to supply chain, to data science



Friends & Family

For many months to come, digital channels will continue to step in as an interim solution to bring families and friends together. Finding new ways to stay connected will create demand for shared participation through meaningful ‘phygital’ experiences.



Our members have always looked to Quintessentially services as a way to spend more time with their family and loved ones. Whether through travel and holidays, parties and celebrations or simple diary management and logistics.

Now, we are witnessing a shift. The rediscovery of what is important. It is not just ***being*** with family but ***doing*** with family that brings us closer and truly connected.

EXAMPLE REQUESTS

Arranging food and champagne ahead of a surprise family Zoom party

One month rental in Napa Valley, delivery of firewood and ‘s’mores’

Virtual ‘Cards Against Humanities’ party including sourcing playing cards for each household

Tutors, virtual nannies and childcare services

A final thought

Everything has changed. And yet, nothing has. The human need to feel connected to people, places, experiences, things and oneself remains, stronger than ever. Whilst greater connectivity is filling the physical distance, for now, the reset will be what we make of it.



Stay safe and read
this at home

*If you would like to learn more about how
Quintessentially can support your business,
please do not hesitate to get in touch.*

Q U I N T E S S E N T I A L L Y

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