



2024

# STATE OF THE AFFLUENT AUDIENCE

A REPORT FOR PREMIUM AND LUXURY APPLIANCE DEALERS

Prepared by Affluent Bridge





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# LETTER FROM AFFLUENT BRIDGE CEO CHRIS RILEY



For the past 15 years, I have built my career on finding innovative and cutting-edge ways for premium and luxury appliance dealers to stand out and capture their niche market, which is the Affluent Audience. My team of marketing experts stays ahead of the trends by always keeping up with marketing news and the latest best practices, and by simply tapping into their marketing savvy to create memorable campaigns and unmatched marketing initiatives so that our clients reach their maximum growth potential. In that spirit, Affluent Bridge is thrilled to bring you the inaugural State of the Affluent Audience report cultivated exclusively for businesses like yours — the premium and luxury appliance dealer looking to connect with the Affluent Audience. I hope you find this report both insightful and useful as you endeavor to take your business to new heights in 2024.



Respectfully,

**Chris Riley**  
**Affluent Bridge Founder & CEO**



# Executive Summary



## Key Takeaways from the 2024 State of the Affluent Audience Report:

- **Make Product Innovations Stand Out.**  
Knowing that the Affluent Audience is seeking tech-forward inventory and smart home products, ensuring you're carrying and can confidently present the newest, most cutting-edge items in the premium and luxury appliance space is essential.
- **Be Consistent in Social and Speak Affluent.**  
Since more than half of your target audience prefers shopping online — and largely via social apps — you must have a solid and well-maintained social presence that includes your premium and luxury brands with messaging crafted for the Affluent Audience.

➤ **Hyper-Targeting Reaches the Affluent.**

Hyper-targeted advertising to the Affluent Audience is key to capturing their attention where they're already searching — and keeps you from wasting money delivering advertising to consumers for whom your premium and luxury brands are out of reach.

➤ **Keep Your Models Fully Up-to-Date in Displays.**

Having the latest in premium and luxury appliance brands sets your local business apart from big-box retailers.

➤ **Build an Omnichannel Experience or Be Forgotten.**

A seamless omnichannel experience is essential for a satisfied customer.

➤ **Place a Priority on the Website Experience.**

Having a top-notch E-commerce experience on your website is essential — even if your objective is to close the sale in the showroom.

➤ **Be Ahead of the Game When the Market Slows.**

[Have a plan](#) for periods of slowed growth.



2024

# STATE OF THE AFFLUENT AUDIENCE

A REPORT FOR PREMIUM AND LUXURY APPLIANCE DEALERS



## STATE OF THE AFFLUENT AUDIENCE

As a premium and luxury appliance dealer, you should always be aware of the current and coming trends and interests of the Affluent Audience.

As the leading growth marketing firm that works exclusively with high-end appliance dealers, Affluent Bridge strives to keep dealers like you in the know with the Affluent Bridge State of the Affluent Audience annual report.



# UNDERSTANDING THE AUDIENCE



## WHO IS THE AFFLUENT AUDIENCE?

Generally speaking, the Affluent Audience has disposable income and discerning taste. This includes everything from where they dine to the appliances they select for their homes.

They're trendsetters, and they are generally on the cutting edge of technology, design, and fashion. Their tastes change as they seek the latest in luxury home goods, vehicles, and other items that make their lives comfortable and convenient. According to consumer research agency [GWI.com](https://www.gwi.com), tech is a key driver in luxury purchases, citing luxury buyers are "45% more likely than the average consumer to say they buy new tech products as soon as they're available," with smart home products being at the top of their list.

But literally, who is the Affluent Audience?

[MarketResearch.com](https://www.marketresearch.com) reports that there are three types of Affluent Consumers:

- **Mass Affluent Consumers** are defined as “one-person households with an income of \$75,000–\$99,999 and all adults in households with a household income of \$100,000–\$149,999.”
- **Highly Affluent Consumers** are defined as “those living in households with a household income of \$150,000–\$249,999.”
- **Super-Affluent Consumers** are defined as “adults in households with a household income of \$250,000 or more.”



When combined, these three consumer groups — **the Affluent Audience** — **make up 28% of the U.S. population.**

According to the U.S. Department of Labor, as of 2020, the affluent consumer’s average age was 48 years old, earning an average annual income of \$185,924. Taking a closer look at the generational breakdown, [Visa Business and Economic Insights](#) reports that also as of 2020:

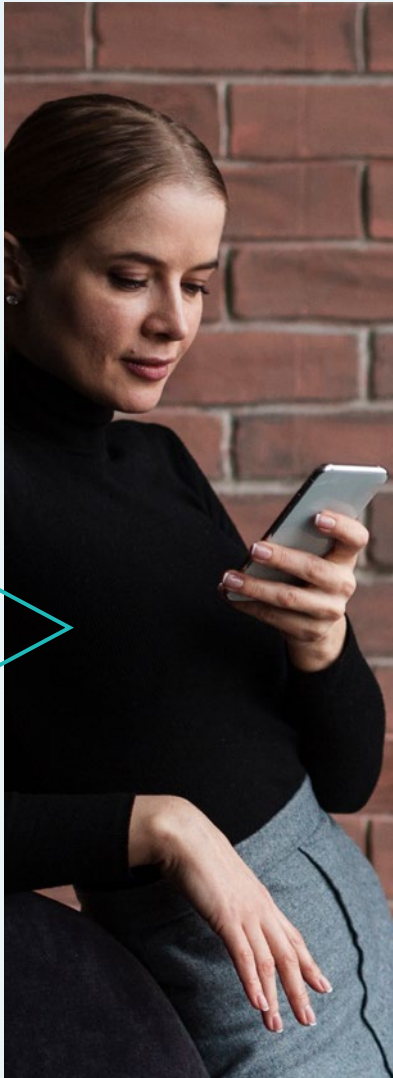
- 67% of affluent consumers were baby boomers or Gen Xers
- Generation X is the largest generation within the Affluent Audience
- Millennials account for 26% of the affluent segment



# ONLINE BEHAVIOR



## WHERE IS THE AFFLUENT AUDIENCE ONLINE?



Consumer research agency [GWI.com states](#) that 63% of affluent consumers worldwide, if given the choice, would opt for online shopping versus in-store. And while that is an impressive number, when it comes to premium and luxury appliance sales in particular, the purchase experience is still very much an in-person one. In fact, according to business consulting agency [Effectus](#), “unaided premium and luxury appliances e-commerce sales are estimated to be 5-7% of the industry balance-of-sale.”

So while there may be a point in the future at which those statistics shift, for now, as an independent premium and luxury appliance dealer, it’s important to fine-tune your omni-channel approach to sales and marketing. Knowing your customers still seek the in-store experience, ensure it’s stellar, with a state-of-the-art showroom and a savvy staff of sales professionals. Additionally, ensure the showroom experience aligns with your social media channels and website. All three should work in tandem to create a world-class, one-of-a-kind experience for your Affluent Audience.

### TAKEAWAY

High-end buyers may start their shopping online, but they still want an in-person purchase experience. Make sure your showroom experience and online presence align for a smooth and cohesive purchase journey for your Affluent Audience.





## HIGH-END CONSUMERS AND SOCIAL MEDIA

There's no doubt that Social Media has an impact on shopping and purchase decisions for luxury buyers. According to [Klarna](#), "3 in 4 luxury shoppers in the USA (75% of luxury shoppers) purchased a product after discovering it on social media." Facebook and Instagram continue to have a strong reach according to that same report, with the majority of Gen Z (84%) and Millennials (78%) reporting to have made a luxury purchase influenced by Instagram, and Baby Boomers (77%) and Gen Xers (63%) preferring Facebook.

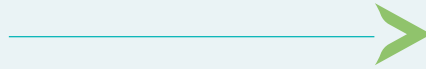
Pinterest issued a [report](#) this year touting that "3 in 5 luxury shoppers say they use Pinterest to research luxury brands and products." The visual nature of the platform makes it a natural fit for highlighting luxury products and inspiring lifestyle content.

Social Media can play a part in reaching your Affluent Audience as part of your overall strategy. Consistently offering fresh content is the first step, so map out a regular schedule that includes content geared towards your Affluent Audience and appoint someone to be responsible for regular posting. If you're already active on social media, focus on fine-tuning your content strategy to align with your larger goals for reaching an Affluent Audience.

### TAKEAWAY

The right social media can help you expand your reach with your Affluent Audience. Don't jump on every new channel that comes along. Be strategic about how and where you engage, create content with your Affluent Audience in mind, and choose the platform that gives you the best opportunity to achieve your goals.

# CONSUMER BEHAVIOR



## AFFLUENT AUDIENCE EXPECTATIONS

The Affluent Audience shops at businesses that provide an unmatched experience from start to finish. Additionally, this population segment is more concerned with quality and design over price, and they seek products that are not only cutting edge but that also make their lives easier and more efficient.

Bearing these qualities in mind, think about your sales team. Are they equipped to shift their approach when a high-end shopper walks through your doors? Are they comfortable presenting the latest features or style offerings from your high-end brands? Do they have the experience and knowledge to discuss specialty appliances like wine storage or dish drawers?

### TAKEAWAY

Ensure your sales team is well-prepared to discuss the finer features of top-tier brands to your Affluent Audience. Their first query to a high-end shopper should be about their lifestyle and not their budget.



## A HIGH-END CUSTOMER EXPERIENCE



The Affluent Audience is passionate about having direct connections with the most coveted brands and businesses. When it comes to shopping, they appreciate a personalized experience – when the business owners know them by name and have inventory available specifically for their tastes. They also enjoy the luxury status that comes with a high-ticket purchase of a well-respected and recognizable brand.

As we have previously established, though, they also enjoy experiences and products that make life easier and more convenient. Accordingly, providing a seamless experience for your Affluent Audience is essential. Akeneo.com, a product experience agency, states that [this omnichannel experience must be cohesive and well-thought-out](#). If a shopper sees a product from your showroom on Instagram, they should be able to click through to your website to learn more. Once on your website, they should be able to easily find your location and your showroom hours. When they walk through your doors, they expect to be met by a well-informed, helpful team of professionals (and that includes their delivery and install experience too). A smart, smooth shopping experience from start to finish is essential for the Affluent Audience to ensure their expectations are met and their loyalty to your business is established.



### TAKEAWAY

Creating a seamless omnichannel Customer Experience (CX) is essential for a satisfied customer. Every touchpoint a high-end shopper has with your business should exceed their high-end expectations.

# ECONOMIC TRENDS



## THE LUXURY HOUSING MARKET IN 2024

Mortgage rates climbed ever higher in 2023, and they are expected to continue rising into 2024, putting a pinch on the mortgage lending market as more Affluent Consumers pay cash for their home purchases. In fact, according to Kiplinger.com, [“43% of home purchases are now paid in cash.”](#) More than 40% of Q3 luxury home purchases made this year were with cash, up from one-third just last year.

While existing home sales have slowed – largely due to those high interest rates – [Marketplace recently reported](#) that new construction of single-family homes is up 13% over the previous year. And [according to Housingwire](#), “both the single-family market and the multifamily market posted bigger home-building gains in high-income areas.” Taken together, the outlook for the luxury home real estate market doesn’t appear as bleak as it did one year ago.

Another interesting trend emerging from 2023’s housing market is that despite the higher interest rates, luxury home sales increased in second-home markets, particularly those with lower-than-average taxes. [According to Mansion Global](#), the national total sales volume of homes priced at \$10 million or higher in these second-home markets at the mid-year point of 2023 hit \$13.85 billion.

## REMODELING VS. MOVING

In an [interview with Designers Today](#), CEO of the National Kitchen and Bath Association Bill Darcy Jr. was optimistic about growth in the kitchen and bath remodeling business for 2024 and beyond. With home values appreciating over 114% on average over the last 10 years, more than 40 million consumers owning homes with interest rates under 5%, and 22 million homes in the US that are currently 20 to 39 years old, homeowners are open to staying put and considering major kitchen updates.

### TAKEAWAY

Current trends point to a strong 2024 in new high-end home construction. Luxury home sales haven't been as impacted by higher interest rates as other real estate market segments, and experience tells us that the same factors driving luxury real estate trends also give rise to the growth of high-end remodeling projects.





## SOME SPENDING MAY SLOW

[Forbes.com](https://www.forbes.com) reports that as a result of inflation coupled with a fear of recession, the aspirational consumer — a segment of the Affluent Audience likely drawn to premium appliance brands — has slowed their spending, which is having a direct impact on the luxury retail market. [SeekingAlpha.com](https://seekingalpha.com) goes so far as to predict the end of the “luxury supercycle,” having a direct impact on luxury retailers’ bottom lines.

There will always be a segment of the Affluent Audience that remains untouched by recession fears, a slowed economy, and rising inflation. But as a small business owner, you know that even a short period of slowed growth can have a significant impact on your bottom line. Ensuring you’re prepared for these times — because they will happen — is essential. [Investing in high-impact advertising tactics](#) and utilizing those periods to fine-tune your sales and marketing efforts can ensure that you emerge on the other side in a better position and poised for a significant increase in sales and growth.

### TAKEAWAY

Creating a seamless omnichannel Customer Experience (CX) is essential for a satisfied customer. Every touchpoint a high-end shopper has with your business should exceed their high-end expectations.



## SUMMARY



### HOW YOUR MOST PROFITABLE AUDIENCE IS CHANGING

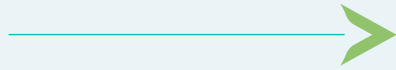
The Affluent Audience offers independent appliance dealers the potential for growth and profitability that defies industry averages. As a market segment, they are searching for products and experiences that fit their lifestyle needs and meet – or exceed – their high expectations. Understanding who this audience is and how they differ from a typical mass-market audience is a crucial first step to embracing a strategy to grow premium and luxury sales with high-end homeowners. For dealers who are already actively growing their business with their Affluent Audience, it's imperative to monitor how they are evolving and how market forces are impacting their high-end appliance purchases.







# SOURCES



Below is a list of the sources cited in this report, as well as other key sources we monitor to track data and source user information about the Affluent Audience:

[Affluent Bridge](#)

[Akeneo.com](#)

[Business Insider](#)

[Designers Today](#)

[Forbes Global Properties](#)

[Forbes.com](#)

[Fortune](#)

[GWI](#)

[GWI Affluent Consumer Report](#)

[InsiderIntelligence.com](#)

[The Institute for Luxury Home Marketing](#)

[Kiplinger.com](#)

[Klarna](#)

[Luxury Portfolio's "Luxe Trends" blog](#)

[Mansion Global](#)

[MarketResearch.com](#)

[MRI-Simmons National Consumer Study](#)

[Pew Research Center](#)

[Pinterest](#)

[Statista.com](#)

[SuperAlpha.com](#)

[Think With Google](#)

[Visa Business Economic Insights Report](#)

[Vogue Business's "Consumer Behavior" section](#)

[Zillow Research](#)



# About AFFLUENT BRIDGE

At [Affluent Bridge](#), our mission is to help high-end appliance dealers accelerate their growth. We offer an alternative to industry-driven mass advertising tactics that don't connect with the Affluent Audience. We specialize in hyper-targeted marketing solutions that engage this niche target market and create unprecedented growth in sales and profits.

## REPORT CREDITS

A special thanks to:

Melissa Giordano

Ashley Haugen

Jennifer Houchin

Susie King

Eric Koeppel

Sheridyn Williamson