

During this time of economic uncertainty, luxury consumers, like most consumers, have changed their spending habits. These changes bring a new opportunity to mass retailers this holiday season.

Because luxury, premium and prestige brands have not significantly lowered pricing throughout this recession, more affluent consumers are buying from mass retail brands. Capturing luxury consumers could mean extensive revenue opportunities for mass retailers. By building relationships with affluent consumers now, mass retailers can gain brand loyalty for the future, even after the recession is over and spending habits shift back to their original state.

Capturing the affluent consumer during the holiday season is a great way to build a trustworthy and long standing relationship. While these consumers research and compare gift ideas and products, your presence within their search results will build both curiosity and brand awareness. Here are some ideas and tactics for approaching this new audience:

- **Broaden Your PPC:** During the holidays, consumers are considering a lot of different gift ideas. It is important to build your brand during all of these queries. An affluent who is looking to buy a diamond necklace for his wife may also be interested in other gift ideas. Because the holidays are a good time to play on necessity and fears, try ad copy such as: “don’t miss our most popular items” or “Are you getting the hottest game?” Ad copy creativity is crucial here, because you basically want to do the thinking for them. Also, getting in front of these queries with unique messages can align your brand image with the same luxury and quality as the brand of the diamond necklace.
- **Find the Perceived Value of Promotions:** Of course, the best way to stand out from your competitors is through promotions. At the same time you must be cautious of the affluent perception of promotions. Make sure to research affluent consumers specifically, when deciding which promotions to use. You may find that affluent consumers are only interested in small promotions, free shipping, free gifts and time saving promotions. These perceptions may also change by region, so make sure to geo-target if necessary. Some examples of promotions that may appeal to affluent consumers are: “free travel bag with purchase” or “free overnight shipping for last minute shoppers.” Also, consider adding coupon codes into your ad copy. Even the rich like saving money – it’s how they got rich in the first place.
- **Use Google’s Special Ad Formats:** Google has “product plus box ads” and “sitelinks” that can be adjusted during the holiday season. Sitelinks in ads should be changed to feature holiday specials or new holiday products. Product plus box ads should be geo-targeted and include the top products for that area. Because these ads provide new eye candy for the searcher, it is a great way to get

in front of affluents. Also, special ad formats can send visitors to their desired destinations quickly and with little friction. Since efficiency is very important to affluent consumers, this is a great opportunity to build a positive relationship with them. Make sure to target specific product ads in areas with a high volume of affluent consumers. Use your CRM to figure out what affluents in these higher income regions are looking for.

- **Focus on the Right Keywords:** Evaluate your luxury competitors and decide which keywords are the most useful to bid on. Make sure to analyze the opportunity for keywords that luxury competitors have already captured, and those keywords that they have yet to take advantage of. Also, note other companies optimizing for these keywords. Remember, you're online and offline competitors are not always similar. Also keep in mind that sometimes, competing with large luxury brands in the Paid Search space can be more costly than it is effective. At the same time, capturing some of these keywords could mean gaining long term business from the luxury market. Make sure to use analytics tools when deciding which spaces are worth competing in.
- **Consider Yahoo! Rich Ads:** This tool allows you to use videos and deep links to provide a message in search results that will stand out from text-based ads. These ads will provide the experience that most affluent consumers are looking for when buying or searching for a product. Although Yahoo! rich ads are a great way to capture the attention of luxury consumers, you must also take into consideration the Yahoo! and Microsoft merger. As Yahoo! makes changes in the next few months, it is vital that you stay up to date with each change and its outcome. This will ensure that you are allocating your ad spend appropriately.