

Luxury spending decelerates as US consumers focus on savings and travel

Article

The news: Affluent consumers in the US have increased their focus on travel and savings rather than buying luxury goods, [per](#) the Saks Luxury Pulse.

- The share of luxury shoppers who plan to spend the same or more on luxury goods fell 9 percentage points between January and late April, dropping from 62% to 53%.
- The slowdown in spending plans was even more pronounced among affluent consumers. Fifty-seven percent of respondents with an income of at least \$200,000 plan to spend the same or more on luxury in the next three months, down from 68% in January.

The deceleration stems in part from consumers' shifting priorities amid an uncertain economic environment. Eight-two percent of respondents plan to save the same or more in the next three months compared with the last three months, and 71% plan to spend the same or more on [travel](#).

Why it matters: While personal luxury sales have been remarkably resilient, several companies recently noted slowdowns in the US market.

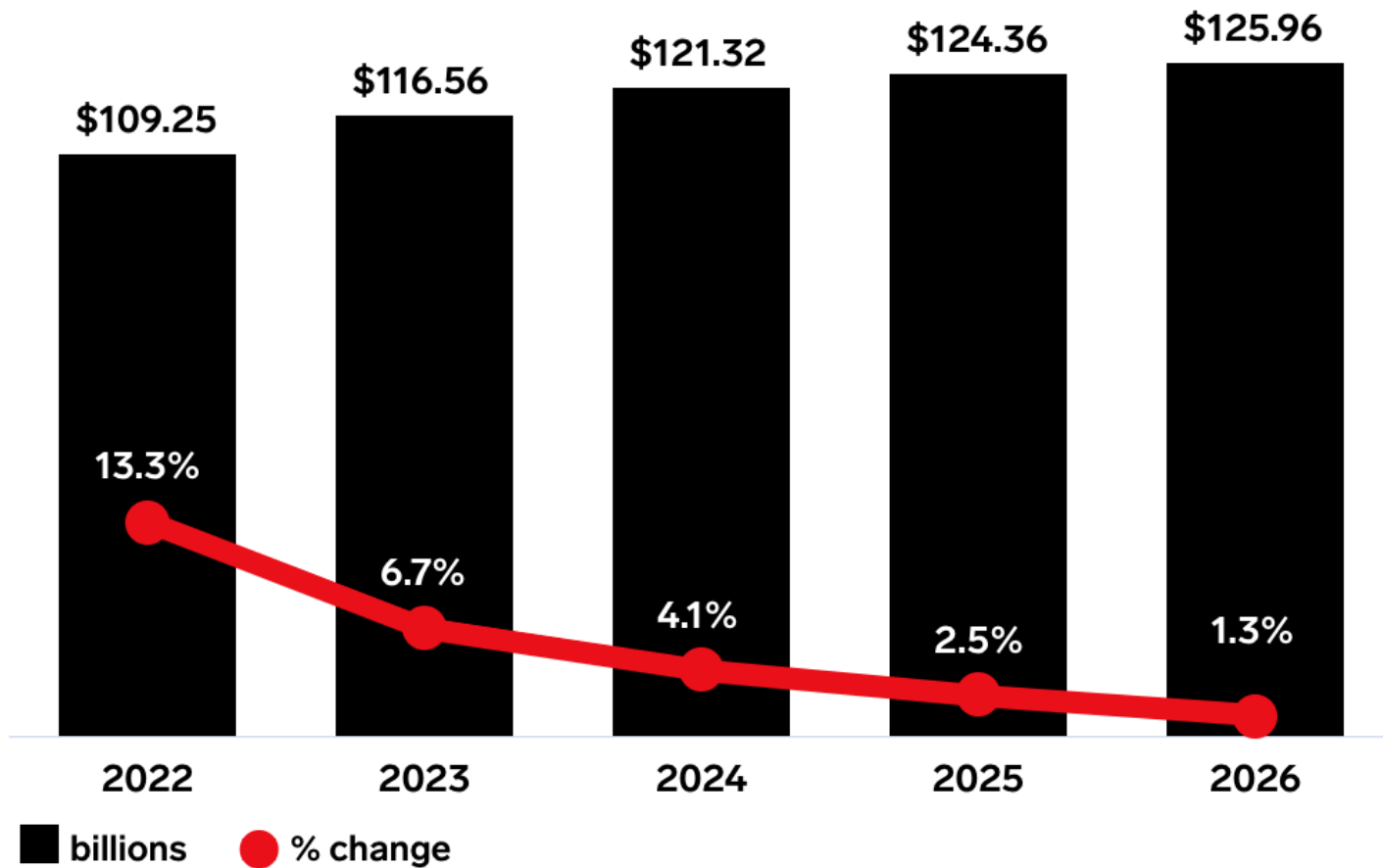
- The most notable of those companies was **Kering**—parent of **Gucci** and **Balenciaga**—which reported its North America sales fell 18%.

The big takeaway: Luxury shoppers aren't entirely immune to economic headwinds. The macroeconomic environment is pushing the US luxury goods market back to its historical growth patterns after multiple atypical years stemming from the pandemic.

- Our [US Personal Luxury Sales](#) forecast expects sales to grow 6.7% this year.

Personal Luxury Retail Sales

US, 2022-2026



Note: includes items purchased over the internet, regardless of the method of payment or fulfillment, such as ready-to-wear designer clothing and footwear, bags and accessories (including eyewear), jewelry and watches, and cosmetics and fragrances that meet the definition of "luxury"; excludes luxury automobiles, travel and leisure services, boats and yachts; fine art and collectibles, and fine wines and spirits; includes goods sold by wholesalers and retailers except those that mainly resell of other companies' luxury brands

Source: eMarketer, June 2022

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