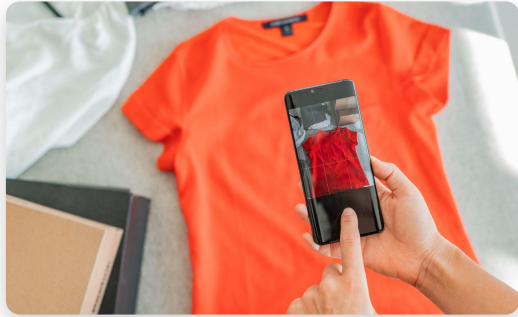


Luxury reimagined

Latest insights into the Luxury retail market.

yahoo!

The pandemic has accelerated a number of trends



Reseller disruption

Resale is being adopted by a number of luxury brands; from brand partnerships with resellers and retail websites launching their own reselling platforms.



Sustainable fashion

While renting fashion has been on the rise for a while, brands are increasingly entering this space and starting their own rental services, as consumers look to be more sustainable and remain on trend.



Younger consumers

New generations of younger, affluent consumers will continue to rewrite the rulebook of the once bulletproof luxury industry; with new needs, new behaviours, and digital-infused lifestyles. Attracting this younger audience is key to sustaining a luxury brand.

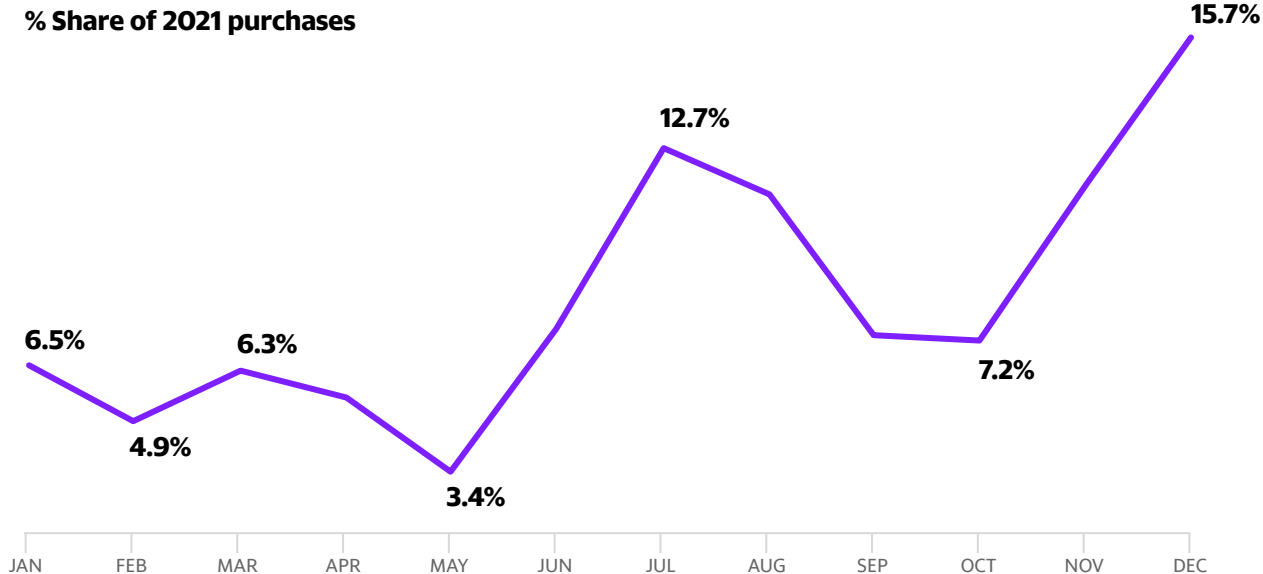
A recovering luxury market

yahoo!

Luxury purchases have doubled YoY

+94%

Luxury purchases in December 2021 were nearly double what they were in December 2020*.



Source: Yahoo Internal, UK. Date Period Analysed 01/01/21 - 31/12/21. n=279,947 for 129 luxury brands. Excludes reseller sites.

*Week 50,51,52 2020 vs Week 50,51,52 2021.

Females buy nearly twice as many Luxury items

65%

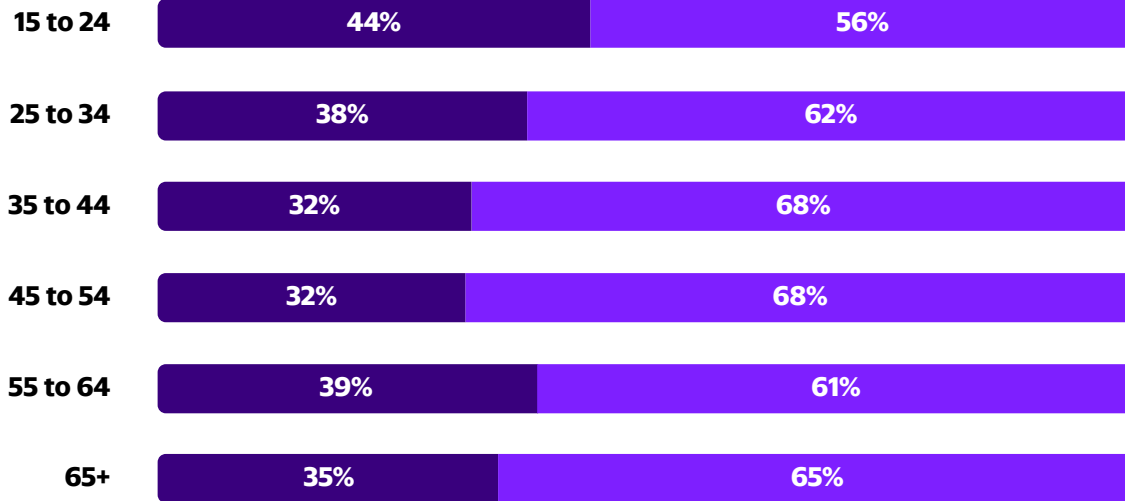
of Luxury item buyers are Female, with just 35% of Males buying into the category overall

44%

of 15-24s buying Luxury items are Male, indicating a higher proportion of younger men are entering the Luxury category

Gender split by age

■ Male ■ Female



Strong category growth across the Luxury category

42%

of purchases from the Luxury category are Clothing

1 in 4

Purchases of Shoes make up 25% of the Luxury category.

+289%

Outerwear is the fastest growing Luxury category.

+89%

Handbags are the second fastest growing Luxury category.



yahoo!

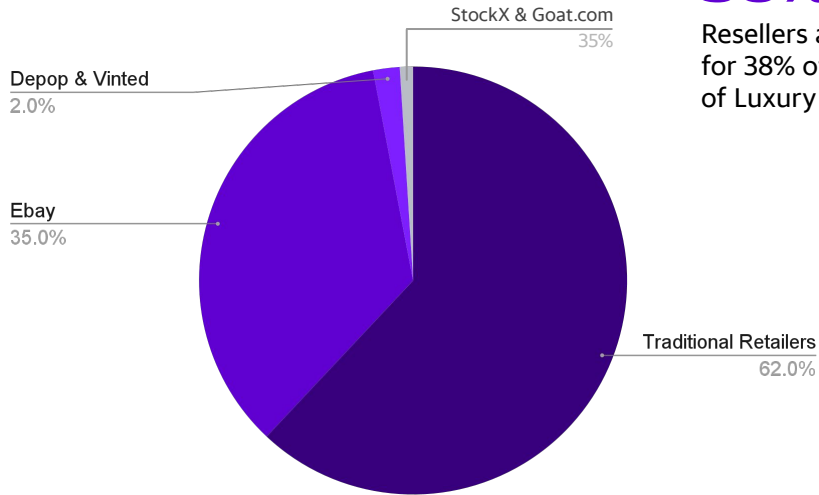
Source: Yahoo Internal, UK. Date Period Analysed 01/01/21 - 31/12/21.
n=279,947 for 129 luxury brands. Excludes reseller sites.

Reseller disruption

yahoo!

Resellers take a large share of the luxury market

Luxury market share



38%

Resellers account for 38% of all sales of Luxury items.



Resellers are bringing in new audiences

i206

Depop & Vinted buyers are twice as likely to be Females aged 15-34¹.

i120

Ebay Luxury buyers are 20% more likely to be Male¹.

7x

StockX & Goat.com buyers are 7 times more likely to be Males aged 15-34¹.



yahoo!

Source: Yahoo Internal, UK. Date Period Analysed 01/01/21 - 31/12/21. n=279,947 for 129 luxury brands.
1. compared to buyers of Luxury items from traditional retailers.

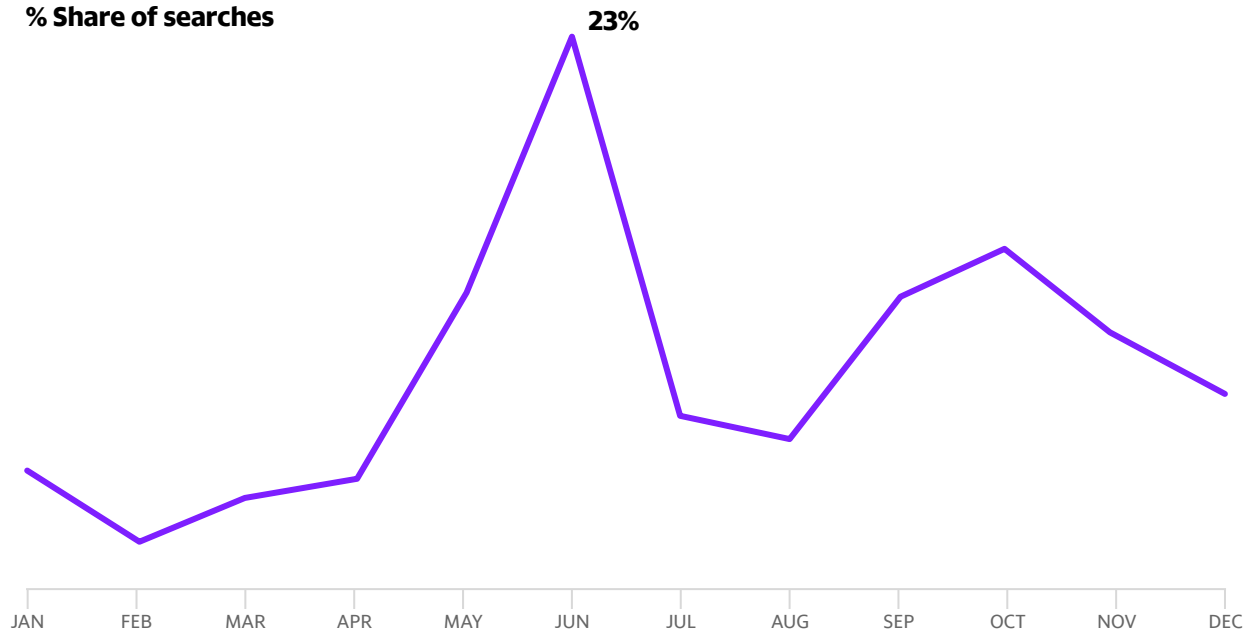
Sustainable fashion

yahoo!

Increased interest in renting designer products

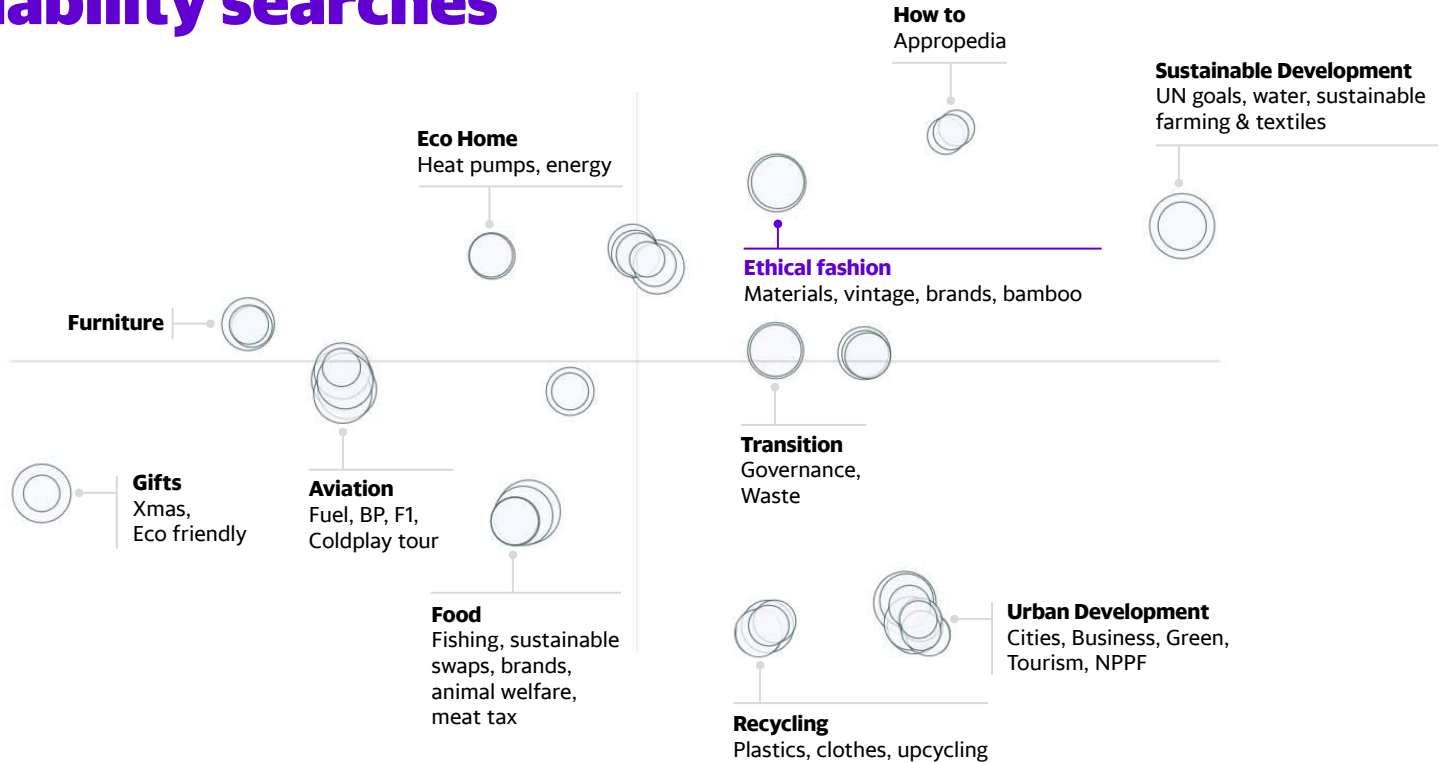
23%

of all 2021 searches into Clothing and Handbag rental took place in May and June following Boris Johnson's wedding where Carrie wore a rented dress.



Ethical Fashion features highly in sustainability searches

Analysing search data revealed hundreds of topics, which were then mapped into 50 key areas of interest.



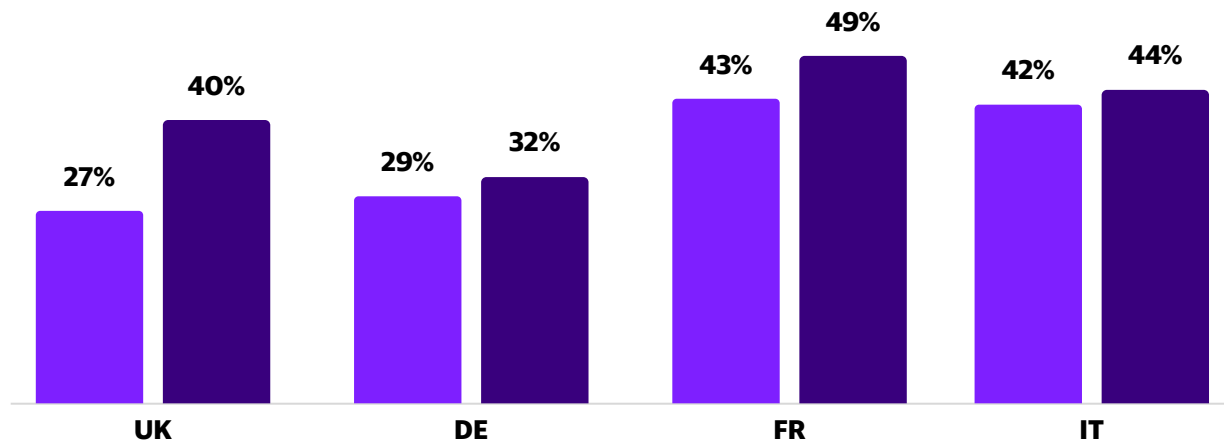
Consumer intent to explore sustainable luxury retail options

43%

of 18-34 Europeans “are planning to buy more second-hand items and explore rental options in the next 12 months” [31% all Adults]

% visited a high-end second-hand luxury store in the past 2 years and/or bought anything there?

■ In store ■ Online



Younger audiences

yahoo!

Younger audiences are being enticed into the category

35%

of the Luxury items that consumers aged 15-34 purchase are from the Shoe category, higher than other age groups. This is driven by brands such as Yeezy and Balenciaga which have tailored their products to younger buyers.

68%

of all Luxury purchases are being made by consumers aged under 44

50%

Shoes make up +50% more of Males' Luxury shopping baskets than Females shopping baskets.

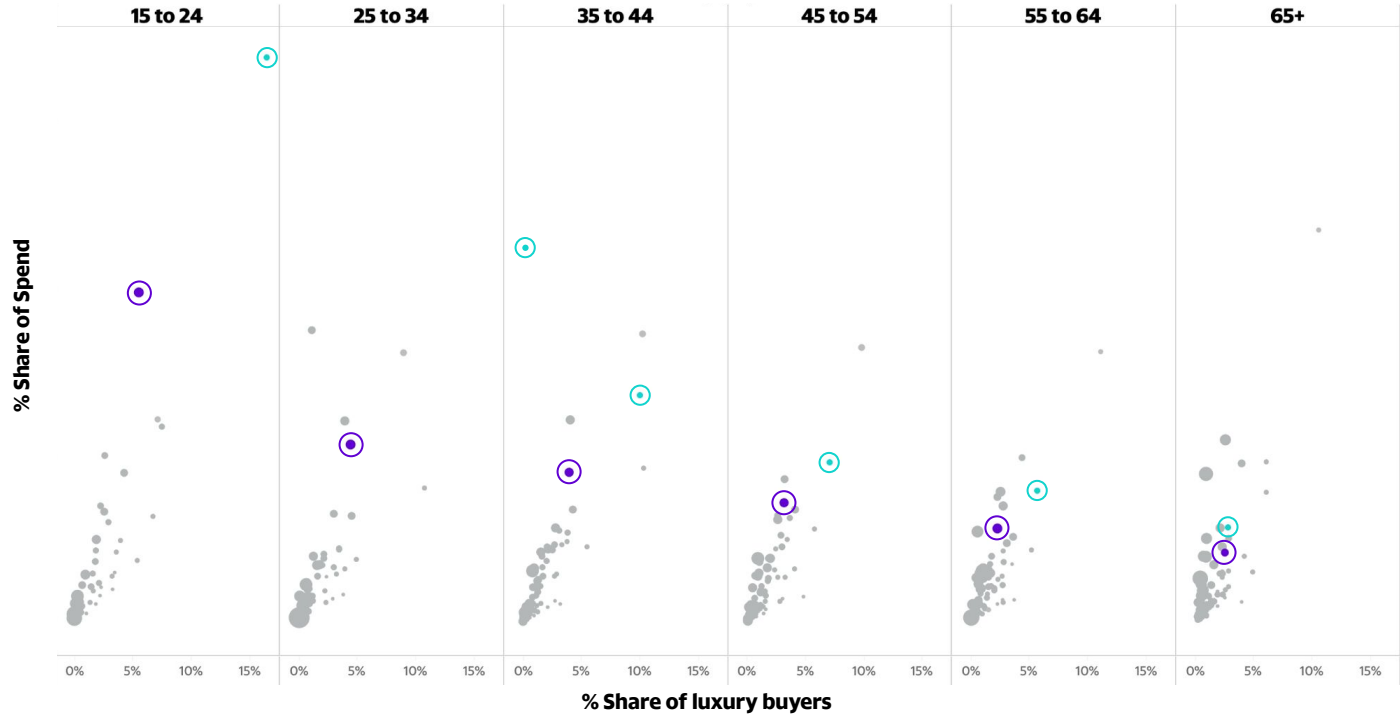
yahoo!



Source: Yahoo Internal, UK. Date Period Analysed 01/01/21 - 31/12/21.
n=279,947 for 129 luxury brands.

Targeting younger audiences gains share of spend

■ Balenciaga
■ Yeezy

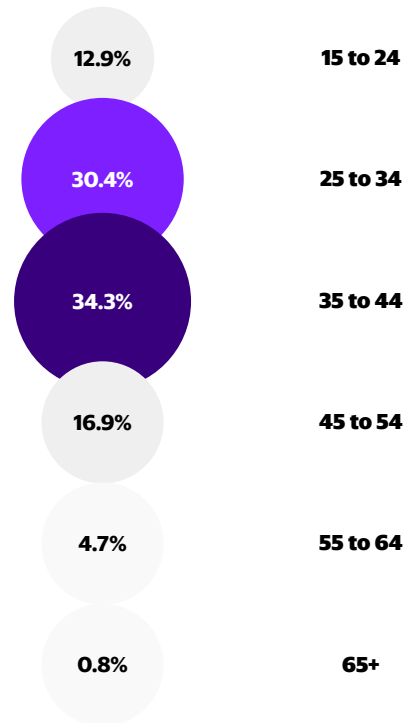


Klarna enables younger audiences to buy Luxury brands

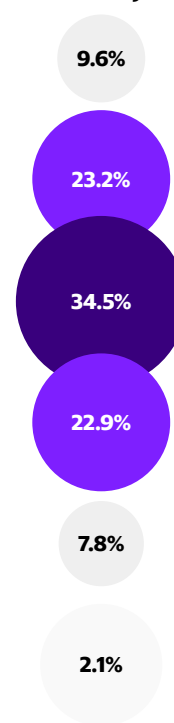
i133

15-34s are 33% more likely to buy Luxury items through Klarna than directly through a retailer.

Luxury Clothing and Accessories purchased via Klarna



Luxury Clothing and Accessories purchased directly



Columns = 100% | E.g. 30.4% of of 25-34s buy Luxury Clothing & Accessories via Klarna.

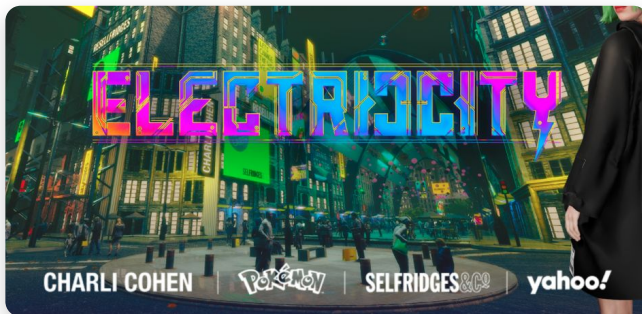


Source: Yahoo Internal, UK. Date Period Analysed 01/01/21 - 31/12/21. n=279,947 for 129 luxury brands.

Our immersive brand experiences reach new audiences

81%

of consumers agreed they would be more likely to purchase from brands that use VR to engage with them



Electric/City

An immersive shopping experience celebrating 25 years of Pokémon, and a collaboration between streetwear designer Charli Cohen, Pokémon, Selfridges and Yahoo.



Yahoo and Yahoo Creative Studios presents The Fabric of Reality

A fully immersive fashion show in partnership with Kaleidoscope, the Museum of Other Realities (MOR) and the Fashion Innovation Agency (FIA) at London College of Fashion, UAL. The Fabric of Reality showcased the work of three top designers, curated by FIA, and enabled audiences to view and interact in real time in 3D via VR headsets creating a new and unique way to experience a virtual fashion show.



Affinity to Luxury audiences

yahoo!

Yahoo Inc users have a high affinity to Luxury

71%

Yahoo Inc % reach of
Luxury buyers

11.4m

Yahoo Inc reach of Luxury buyers

110i

Yahoo Inc users are 10% more likely to
be regular or occasional Luxury buyers.

126i

Yahoo Inc users are 26% more likely to agree they
expect a sense of exclusivity from luxury brands¹.

122i

Yahoo Inc users are 22% more likely to agree they
expect eco or ethical credentials from luxury brands¹.

121i

Yahoo Inc users are 21% more likely to agree that
they are made aware of luxury brands via online ads¹.



yahoo!

Source: Global Web Index year ending Q3 2021 June 2021 Zeitgeist - UK buyers = regular or occasional.
1. compared to the average UK internet user.

yahoo!