



THE
LUXURY
PROPERTY FORUM

LUXURY
PROPERTY
AND THE
CHILDREN
OF THE
REVOLUTION

How the Millennial and Gen Z
generation have impacted the luxury
property sector.

8

KEY FINDINGS



1. This next generation of UHNWIs have three main focuses when it comes to designing their homes: technology, wellness and sustainability.
2. Their influences might come from an ever increasingly globalised world, but at the same time, they have a desire to use local materials and local networks of property professionals to create their homes.
3. The ideal home for wealthy Gen Zs and Millennials is a sanctuary that accommodates both work and leisure and is aligned with their holistic lifestyles.
4. They expect their homes to be smart and easily controllable with remote access to all systems, they require the connectivity of a modern office and a digital concierge experience.
5. The industry needs to develop marketing strategies that resonate with the values of Millennials and Gen-Z clients, create properties that meet their needs, while providing exceptional customer service that reflects their expectations.
6. Millennials and Gen-Z clients are highly attuned to messages that feel insincere, so transparency and authenticity should be a priority for the luxury property industry.
7. Content is key for this generation and, when it comes to social media, images are no longer enough. They want to see exciting video content such as previews, timelapse or interviews that capture a short attention span.
8. To appeal to Millennials and Gen-Zers, you need to tell a story, be real and be visible. This will help you stand out in an extremely crowded market.

INTRODUCTION

There are now more UHNWIs than ever before, with more than 25 million millionaires worldwide. In London alone, the number of Millennials and Gen-Z UHNWIs has increased by over 50% in the last five years, a trend which is expected to continue.

The rise in private wealth amongst the Millennial and Gen Z generation has the potential to completely reshape luxury property for the future. The new wave of multi-millionaires are cash rich but time poor and delivering luxury as efficiently as possible is essential. They are looking at their homes as not only a place to live, but also somewhere that is tailored to their personal needs and wants, and – as such – they are willing to pay for it.

This generation are more mindful, sustainable, technologically savvy, and place more importance on health and wellbeing – and they require their homes to reflect their lifestyle. Millennials and Gen Zs also expect carefully curated pieces, Instagrammable spaces, sustainable materials and smart home technology which is state of the art and easy to use. They wish to be located in vibrant neighbourhoods with amenities, local culture and green spaces all close by.

While some property, construction and design brands have stood the test of time, it is the agile and adaptable brands that will excel with this new and discerning generation. Thanks to the power of social media and influencer mentality, super-prime homes still need to deliver the highest quality, but they will need to bring something unique to the table. This does present challenges, but it will also allow for innovation and creative thinking.

So what impact has this generation had on luxury property? To find out, The Luxury Property Forum invited 12 respected individuals from across the industry to offer their insights and perspectives.

The luxury property experts are:

- Sally Maier-Yip, Founder, 11K Consulting
- Esra Kumbasar, Design Director, Accouter Group of Companies
- Robert Kerr, Director, ADAM Architecture
- Ed O'Donnell, Co-Founder, Angel O'Donnell
- Abby Ghafoor, Founder, Arc Management Consulting
- Jo Eccles, Founder & MD, Eccord
- Charu Gandhi, Director, Elicyon
- Megan Steele-Knowles, Director, Knowles
- Andrew Paulson, Partner, Lees Associates
- Corin Hawthorne, Business Development, OKTO Technologies
- Charlie Willis, CEO, The London Broker
- Helen Darlington, Director, Woven Agency



Have you seen any notable trends or shifts in the priorities of your Millennial and Gen-Z clients when designing, constructing or buying their homes?

There is no doubt that Millennials and Gen-Z individuals have had a major impact on the home design and construction industry. As the largest generations in the United Kingdom, they have shifted the priorities of home design and construction to focus on convenience, wellbeing, sustainability and technology. They are also looking for homes that offer a sense of authenticity and fulfilment, and that fit with their lifestyle. However, while trends do emerge, one size certainly does not fit all. But in understanding the priorities, needs and desires of these crucial generations, we can look to the future of what is in store for the luxury property industry.

“This next generation of UHNWIs have three main focuses when it comes to designing their homes: technology, wellness and sustainability,” says **Megan Steele-Knowles, Director of super-prime construction experts Knowles**. “So, this means not just smart technology in the DNA of the building, but high-tech spaces such as home offices, coding rooms, security rooms, gaming and cinema rooms, as well as subterranean storage. In terms of wellness, they want their own spas and gyms at home rather than being members of elite fitness clubs. And there is zero tolerance towards greenwashing. This generation is willing to pay more for sustainable and ethical products and insists on accountability and

transparency, so sustainability must be taken into consideration in all aspects of our business.”

Robert Kerr, Director of ADAM Architecture, agrees and adds that property companies would benefit from a dedicated in-house sustainability team. “This allows us to match our clients’ aspirations with the outcomes from the very beginning of our relationship with them,” he says. “Their influences might come from an ever-increasingly globalised world, but at the same time, they have a desire to use local materials and networks of property professionals to create homes that have a strong sense of place and identity.”



These needs are similarly reflected in those looking to buy rather than build their own homes too. “Gen Z have had access to technology their whole lives and, as such, they fearlessly embrace it and are always connected, allowing them to collaborate and work from anywhere,” says **Corin Hawthorne, Business Development at OKTO Technologies**. “They expect their homes to be smart and easily controllable with remote access to all systems. They also require the connectivity of a modern office and a digital concierge experience – these are homes that meet the standards of the hotels they stay in. And cybersecurity is also a growing concern that must be answered.”

Charlie Willis, CEO of selling agents The London Broker, agrees with Corin when it comes to the technology priorities of these generations. “There is no doubt that there has been a shift away from complex

audio-visual systems and towards more intuitive ones; where light switches are simple and sound systems can be easily upgraded rather than fully integrated,” he says. “A yearning for simplicity works alongside how to deliver solutions around, for example, greywater and rainwater use in homes.”

For buying agents, Millennial and Gen-Z clients present different challenges according to whether they are from family wealth or are self-made, explains **Jo Eccles, Founder and MD of Eccord**. “Those with inherited wealth often live jet-set lifestyles, travelling and moving between different holidays and homes. Therefore they want ‘lock up and leave’ apartments, with meticulous levels of service provided at the drop of a hat.” By contrast, Jo says, self-made buyers are more liberated in their choices but are comparatively inexperienced in the prime and super-prime world, so need considerable expert

advice and support.

When it comes to interior design, this generation is one of contrasts that need to be accommodated. “These individuals are money-driven, ambitious and enjoy travelling but are also prone to anxiety and set boundaries,” explains **Esra Kumbasar, Design Director of interior design collective Accouter Group of Companies**. “As such, the ideal home for wealthy Gen Zs and Millennials is a sanctuary that accommodates both work and leisure, such as yoga, gaming and binge-watching shows. Also, although they typically don’t cook, they desire a high-end designer kitchen. And there must be a workstation, but it should also align with their holistic lifestyles, as physical and mental health are a priority.”

So, it seems that the notable trends are towards a more sustainable life, with properties that support both that and the personal wellbeing of the Millennial and Gen-Z homeowners. Technology should be intuitive and do everything to make life simpler and more convenient, but do so without intruding. And, in keeping up with these needs, property professionals also need to be completely transparent and accountable in their businesses, particularly when it comes to sustainability

Has there been a shift in the market share of Millennials and Gen-Z clients and how has that impacted your business strategy?

Millennials, born between 1981 and 1996 are characterised by their tech-savviness, their preference for experiences over material goods, and their commitment to sustainability and social responsibility. Gen Z, born between 1997 and 2012, is the first generation to grow up with the internet and social media, and has been dubbed to be the most diverse generation in history. They are highly connected, value authenticity and are more likely to be influenced by influencers and peers than traditional advertising. According to a report by Bain & Company, Millennials and Gen Z now account for 45% of the global luxury market, and this number is expected to grow to 60% by 2025.

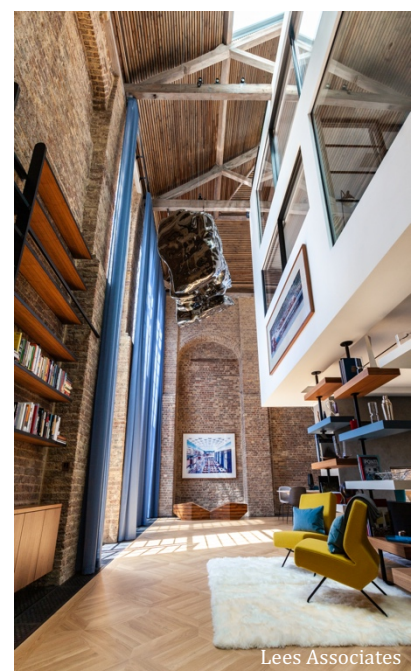
The luxury sector in general is undergoing a seismic shift in market share as Millennials and Gen Z become the dominant consumer demographic, and the same

principle applies to the luxury property industry. This shift is having a profound impact on the way businesses approach their marketing strategies to appeal to these younger generations who have different values, preferences, and spending habits than their predecessors.

“It’s essential for the luxury property industry to adapt to the changing market share of Millennials and Gen-Z clients,” states **Abby Ghafoor, founder of Arc Management Consultancy**. “This includes developing marketing strategies that resonate with their values, creating properties that meet their specific needs and preferences, while providing exceptional customer service that reflects their expectations.”

This is important, first and foremost, because younger entrepreneurs from emerging markets, such as tech and

fintech, are an increasingly key property buying sector with significant buying funds, explains **Charlie Willis, CEO of The London Broker**. “In the UK, we often see these younger buyers are making their money abroad and realise the importance of having a future standing in the more established market in London, if they want to be taken seriously,” he says.



Ed O'Donnell of interior design firm **Angel O'Donnell** agrees with **Charlie**. "We've worked with tech entrepreneurs from Iceland and Austria who want to spread their wings in the Capital. Also families from Hong Kong, who have invested in prime and super-prime property for children and extended family who are studying here, visiting or setting up businesses of their own. It's an exciting dynamic, and while it hasn't re-shaped our strategy as such, it's made us very good at straddling time zones and presenting designs via video call."

Younger clients have also added variety to projects for architect **Andrew Paulson, Partner at Lees Associates**. "We now have more clients with

younger children, so project briefs have become more child-focused, which can be quite fun. For example, we have one project where we're incorporating hidden mezzanine dens in the roof spaces above the children's bedrooms, accessed by ladders in the wardrobe!"

It seems clear that luxury property professionals have adopted a flexible approach in order to adapt to the changing needs of this very articulate group. Millennials and Gen-Zers are keen to benefit from the guidance of property professionals, but at the same time expect to see their requirements reflected in the solutions offered. So, for our experts, the key is to enjoy the challenge and be excited about it, seeing it as an opportunity to embrace new ways of working.



What can the luxury property industry do to adapt in order keep up with the emergence of this new discerning generation of consumers?

As the world's wealthiest generations, the Millennials and Gen-Zers have different expectations and preferences when it comes to their luxury properties. They may be younger but they are also often more wealthy, sophisticated and discerning than the previous generation of UHNWIs. In order to remain competitive, luxury property companies must adapt to the changing needs of these consumers.

This may be through engaging with different platforms on social media, providing a more personalised and memorable experience, proving a commitment to sustainability, or by offering automated smart home technology to make their already busy lives simpler. Those companies who choose not to adapt to the changing needs of these generations may well get left behind. In an already competitive industry, agility, flexibility and adaptability are all essential.



According to **Helen Darlington of luxury branding company Woven Agency**, the industry needs to understand its audience, their challenges and desires and how to market to them and pique their interest. "It feels as if the industry has reverted back to a pre-pandemic approach, with big glossy brochures, sales suites and a rather stale feeling sales process. There is much more than can be done to set a property brand apart from the competition, to understand and answer the audience

needs, to provide an engaging and frictionless lead-nurturing process which is also enjoyable."

Megan Steele-Knowles, Director at Knowles, agrees with Helen. "The industry needs to engage directly with their consumer through content on various platforms such as Instagram, Facebook and LinkedIn. And slowly, we are beginning to see TikTok being tapped into. Social media is paving the way for a more engaging, dynamic and

authentic marketing style, which allows for a wider reach of audiences. However, content is key for this generation and images are no longer enough. They want to see exciting video content such as previews, timelapse or interviews that capture a short attention span.

“From a people perspective, companies should look to recruit, train and build a strong younger generation of employees,” continues **Megan**. “It is essential to invest in our people and curate a dynamic and diverse team who Millennial and Gen-Z clients can relate to and communicate with effectively. These employees are in the best position to provide insight into what their generation wants from a business.”

As mentioned in question one, sustainability is of the utmost importance to this generation. So, a good example of striking a chord with this generation’s values is to steer clients towards the most sustainable solutions possible, says **Andrew Paulson of architects Lees Associates**. “That

doesn’t need to mean any drop in quality or increase in price; we simply need to build it into our processes so that, where there is a more sustainable option, it becomes the default,” he says. “That could be an otherwise-identical product with less embodied carbon (maybe sourced more locally, for example) or ensuring that everything stripped out of a property is given a new home and a second life elsewhere.”

“Ensuring you are always adapting to their different interests is also key,” says **Charu Gandhi, Director of interior design and architecture practice Elicyon**. “For example, lately I’ve seen a surge in interest from younger clients who are keen to collect and incorporate artworks into their homes to create points of interest and add characterful touches. Often, they will come to us during the design process, seeking advice on where certain pieces can be incorporated, or even wanting advice on what to buy, which we are always happy to give.”



The importance of engaging with the emerging generation of Chinese luxury customers both in China and overseas cannot be overstated. **Sally Maier-Yip, Founder of China/HK luxury and property PR and communications agency 11K Consulting**, offered the following advice. “Firstly, adopt a holistic Chinese PR and marketing strategy with both digital and offline communications channels. Secondly, leverage on the power of Chinese social media influencers. Chinese younger luxury consumers are more mobile-savvy and are

increasingly turning to KOLs (key opinion leaders) and KOCs (key opinion consumers) for inspiration and advice. Working with suitable Chinese KOLs or KOCs will help you build brand trust and engagement faster with the end audiences.

“Finally, tell an authentic brand story, advises **Sally**. “Chinese Gen-Zers want to know a brand’s vision, values, and the people behind the scene. Get everyone from the CEO to the designers to talk about their works and their passion outside of work. Tell a story. Be real. Be visible. Use

videos but not too polished. That will help you to stand out in the extremely crowded market.”

In conclusion, authenticity is so important for this young generation. They will realise when they’re being sold to rather than informed, as such it is vital to engage directly and openly with them. Knowing your market and employing younger people who understand where you clients are coming from could pay dividends in the long term.



How will you ensure that your brand stands out and appeals to your new Millennials and Gen-Z clients?

Millennials and Gen-Zers are digital natives and as such it is more important than ever to make sure you are creating a strong presence for your brand in the digital space. However, these generations are looking for authenticity and originality. It is important to demonstrate your brand values (and proving they align with their values) through storytelling, personalised campaigns and by offering



unique experiences.

Being true to yourself and making it clear that you enjoy your work is essential, says **Robert Kerr, director of ADAM Architecture**. “We aim to stay strong to our brand, provide a tailored service to each client and celebrate how much we love doing what we do – that enthusiasm is attractive to this emerging generation of clients.”

Abby Ghafoor, Founder of Arc Management Consultancy, and Corin Hawthorne, Business Development at OKTO Technologies, both agree. “Millennials and Gen-Z clients are highly attuned to messages that feel insincere, so transparency and authenticity should be a priority for luxury property companies,” says Abby.

Corin adds, “We are ensuring we provide a personalised service, understanding this generation’s individual needs and preferences and meeting them head on – so,

prioritising technology that promotes wellness, sustainability and simplicity of use.”

Sally Maier-Yip of 11K Consulting points out that challenging her clients with new ideas is key. “We’ve noticed that Chinese Gen-Z clients are more open-minded in trying and accepting new ideas when it comes to design or build their new homes in China, the UK and globally. They are usually Chinese born and may be Western educated, so they enjoy and appreciate the best of the best from both the East and the West.”

Appealing to clients’ needs goes hand-in-hand with a company’s due diligence in offering a professional service, as **Charu Gandhi, Director of Elicyon**, maintains. “As a design studio, we have a responsibility to understand and execute the nuances of project management, building regulations, architecture and so on, but also to ensure that we treat our client’s desires as

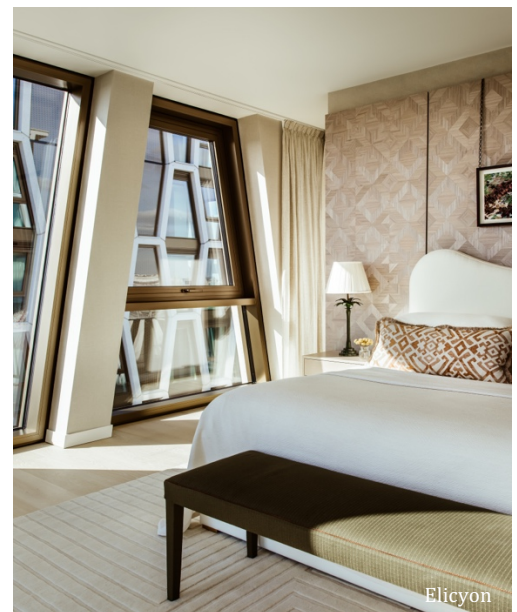
our own. To stay current, it is essential that we are always listening to the needs of the client, and then exceeding those expectations.”

“We will quite simply make the whole design process as fun, engaging, inspiring, eye-opening, friendly, non-judgmental, non-pushy,

accessible, enlivening and exciting as possible,” concludes **Ed O’Donnell, co-founder of Angel O’Donnell.** “Because interior design should be all these things, so let’s celebrate that with excitement and a good time!”

For a brand to stand out in this marketplace, it’s clearly

of the utmost importance to be true to its own expertise and values. At the same time, this needs to be woven seamlessly with the needs and preferences of this exacting generation. However, for companies accustomed to offering a bespoke and personal service, this is a continuation of what they have always done.



CONCLUSION

So, what impact has the Millennial and Gen Z generation had on the luxury property sector? In a word, it has already been significant. Our experts also anticipate that their influence can only increase as time goes on and they become the dominate purchasers of luxury property.

What's clear, therefore, is that the industry needs to adapt and become adept at answering the changing demands and sensitivities of this generation. This means ensuring sustainability is at the forefront when creating and promoting properties, as well as within their own businesses. Technology shouldn't be there for its own sake but should add to the convenience and assist in the wellness of the household. Most importantly, Millennials and Gen-Zers value authenticity and are highly attuned to messages that feel insincere, so all marketing and communication should reflect this.

Our property experts all agree that the industry is accustomed to being agile and has become skilled at moving with the times, so, for most, none of the above will be difficult. But it doesn't mean they're not ready for the challenge and also – crucially – determined to enjoy it. The future is bright for the next generation of luxury property owners.

Notes to the Editors:

This Thought Leadership Article was conducted by The Luxury Property Forum, the official forum for the luxury property sector. This is part of The Luxury Property Forum's mission to share knowledge and insight from leaders within the sector and educate, inform and inspire our audiences on different topics impacting the luxury property industry.

Here is the full list of experts interviewed for this article (alphabetically by surname):

1. Helen Darlington, Director, Woven Agency
2. Jo Eccles, Founder & MD, Eccord
3. Charu Gandhi, Director, Elicyon
4. Abby Ghafoor, Founder, Arc Management Consulting
5. Corin Hawthorne, Business Development, OKTO Technologies
6. Robert Kerr, Director, ADAM Architecture
7. Esra Kumbasar, Design Director, Accouter Group of Companies
8. Sally Maier-Yip, Founder, 11K Consulting
9. Ed O'Donnell, Co-Founder, Angel O'Donnell
10. Andrew Paulson, Partner, Lees Associates
11. Megan Steele-Knowles, Director, Knowles
12. Charlie Willis, CEO, The London Broker



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If you would like to speak to any of the interviewees above or to The Luxury Property Forum please contact Priya Rawal, Founder and CEO, at priya@theluxurypropertyforum.com or +44 (0)7719 970747.



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