

HEAD OFFICE

ANGLOPHONE GROUP

Deluxe|Pad Division

35, rue de la Fontenette

CH-1227 Carouge / Geneva

Tel: +41 22 304 43 03

Mobile: +41 78 639 04 66

E-Mail: sales@deluxepad.com

PUBLISHER - GLOBAL SALES

Please address all enquiries to:

Olivier Jungers

Media Luxe Services SAS, Paris

Tel: +33 6 11 12 70 93

E-Mail: oj.mls@deluxepad.com

Ensuring A Cheery Holiday Season For Luxury Brands with DeluxePad

*As members of the luxury industry, we have all experienced the feeling of unease and uncertainty that have been permeating international markets over the past years. Nevertheless, from the perspective of DeluxePad, the bespoke digital media which exclusively addresses owners and passengers of private aircraft worldwide, there is a reassuring observation when dealing with the wealthy individuals of this world: **The regularity and the increase of wealthy consumers' travelling overseas on private aircraft.***

The purpose of our research: To compile and share exclusive insights

Having launched operations in early 2014, DeluxePad is the new kid on the block and this explains why our observations of UHNWIs behaviours may differ from those of established and well known surveyors of the market, as we bring new insights to bare. Contrary to most, our analysis is conducted in order to fine tune our own services and to clarify the needs and wants of our end-user UHNW's. The information we collect comes from trustworthy sources: The nine important jet operators we supply, their pilots and crews as well as private aircraft owners and passengers themselves.

A sharper understanding of the globe-trotting Big Spender

Travel and luxury shopping often go hand in hand for ultra-wealthy populations and this is even more evident during Q4. This is a period when business related travel increases as organizations and individuals do their utmost to "make their numbers" and close deals before the bell tolls at midnight on December. It is also a time when leisure motivated flying picks up, either towards warmer climes or linked to end-of-year events and activities such as winter sports. One common denominator in both instances: **Travel is an opportunity for big-ticket shopping.**



We observe that nearly 42% of private jet flights during Q4 are projected to be for business, while 38 % are an even mix of personal and business flying. Less than 20% of flights were categorized as mostly or almost always personal.

Irrespective of the reasons for travelling this year-end, our affiliated pilots and crews inform us that they are expecting their clients to splash out more on luxury goods this year, compared with 2015. This comforts the notion that an important part of big ticket luxury purchases have been and will continue to be generated by passengers of business aircraft in 2016.

DeluxePad's tracking of the drivers and indicators of high-end spending is also corroborated in this year's *Wealth Report Attitudes Survey*, compiled by Ledbury Research expect their wealthy clients to spend more on luxury goods in Q4 2016 while travelling.



HEAD OFFICE

ANGLOPHONE GROUP

Deluxe|Pad Division
35, rue de la Fontenette
CH-1227 Carouge / Geneva

Tel: +41 22 304 43 03

Mobile: +41 78 639 04 66

E-Mail: sales@deluxepad.com

PUBLISHER - GLOBAL SALES

Please address all enquiries to:

Olivier Jungers

Media Luxe Services SAS, Paris

Tel: +33 6 11 12 70 93

E-Mail: oj.mls@deluxepad.com

UHNWIs – A highly mobile population to be addressed while “on the move”

Compared to 2015, nearly 52% of current private jet users plan to fly the same amount or more over the next 3 months, according to a survey conducted by AP Strategic with DeluxePad’s 9 private aviation partners.

Private aviation activity is often summarized by the analysis of most frequented city pairs, and of the major private jet airports in terms of departures and arrivals. The following chart reflects our statistical breakdown of the **most travelled routes between cities during Q4** over the past 3 years:

Most frequented City pairs covered by our Jet Operator Partners (Q4)

<i>Intra Europe</i>		
PARIS LE BOURGET	GENEVA	PARIS LE BOURGET
NICE	MOSKVA / VNUKOVO	NICE
PARIS LE BOURGET	NICE	PARIS LE BOURGET
GENEVA	NICE	GENEVA
PARIS LE BOURGET	GENEVA	PARIS LE BOURGET
NICE	LONDON	NICE
NICE	ZURICH	NICE
GENEVA	MOSKVA / VNUKOVO	GENEVA
LONDON	MOSKVA / VNUKOVO	LONDON
ZURICH	PARIS LE BOURGET	ZURICH
DUBAI	LONDON	DUBAI
DUBAI	PARIS LE BOURGET	DUBAI
FRANKFURT	LONDON / LUTON	FRANKFURT
FRANKFURT	NICE	FRANKFURT
FRANKFURT	ISTAMBUL	FRANKFURT
<i>In and out Europe</i>		
PARIS LE BOURGET	SHANGHAI	PARIS LE BOURGET
PARIS LE BOURGET	TIANJIN	PARIS LE BOURGET
LONDON	LAGOS	LONDON
LONDON	NY	LONDON
LONDON	MIAMI	LONDON
LONDON	NEW DEHLI	LONDON
LONDON	JOHANESBURG	LONDON
LONDON	ABU DHABI	LONDON
LONDON	MUMBAI	LONDON
LONDON	SHANGHAI	LONDON
LONDON	BEIJING	LONDON
ANVERS	RIO	ANVERS
HAMBURG	RIO	HAMBURG
BADEN-BADEN	SANTIAGO CHILI	BADEN-BADEN
COPENHAGEN	DJAKARTA	COPENHAGEN
STUTTGART	DUBAI	STUTTGART
STUTTGART	NY	STUTTGART
MUNCHEN	TAIPEI	MUNCHEN

HEAD OFFICE

ANGLOPHONE GROUP

Deluxe|Pad Division
35, rue de la Fontenette
CH-1227 Carouge / Geneva

Tel: +41 22 304 43 03

Mobile: +41 78 639 04 66

E-Mail: sales@deluxepad.com

PUBLISHER - GLOBAL SALES

Please address all enquiries to:

Olivier Jungers

Media Luxe Services SAS, Paris

Tel: +33 6 11 12 70 93

E-Mail: oj.mls@deluxepad.com

It is important to note that, in many cases, seasonal travel of the ultra rich is motivated by their movements **to and from their primary and secondary residences**. The following table, provided by New World Wealth, shows that considerable displacements of the wealthy and their families at the end-of-year, offers opportunities to entice strong growth in big-ticket spending by attracting both local and visiting UHNWIs

SEASONAL FLUCTUATIONS OF MULTI-MILLIONAIRE (US\$10M+) POPULATIONS AROUND THE WORLD
*Including Malibu and Beverly Hills
 Source: New World Wealth

Figures include those staying in permanent or second homes and exclude people staying in hotels

Country	Location	Peak population	Low population	Peak month	Low month	Percentage difference
UK	London	34,238	18,458	July	January	228%
USA	New York	32,500	11,878	June	February	174%
HK	Hong Kong	24,458	8,688	June	January	182%
CH	Zurich	11,828	4,858	August	February	192%
USA	Los Angeles*	11,178	5,638	June	February	98%
UAE	Dubai	10,478	1,568	November	July	871%
FR	Paris	9,488	2,868	May	February	231%
USA	The Hamptons	9,388	1,868	August	January	777%
BRA	Rio	8,518	1,988	December	July	229%
USA	Miami	5,418	1,178	December	June	362%
MC	Monaco	5,488	1,488	July	February	265%
AU	Sydney	5,058	2,218	December	July	129%
USA	Palm Beach	4,788	1,888	December	June	235%
SA	Cape Town	2,698	388	December	July	608%
FR	Cannes	2,228	468	August	February	383%

Projecting into the future > Q4 2016: steady growth / evolving mix

Our estimations for Q4 follow those of other market analysts in that this year's Q4 will continue to attract big-ticket spending by the own ultra-wealthy on the move.

Our partners project stability and increases of movements from certain city pairs, indicating more traffic emanating from SE Asia, the Golf, the US and intra-Europe. Operators also note increases of movements with passengers from the African continent. On the other hand, flights from Russia and Turkey seem soft and of lesser importance compared to previous years.

In addition to well healed established high-net worths, this year will show higher numbers of newly wealthy consumers who will be travelling overseas by private jet more regularly and more widely, where they are exposed to global luxury styles and tastes.

Also, with the holiday shopping season stretching ever earlier in many major cities, a growing number of wealthy consumers are reported to have already begun their shopping in September and October and are sure to continue as the year nears its end.



We carefully watch the holiday season not only because it generates so much revenue for brands, but also because it sends a message for the year to come. If you consider the world's wealthiest as part of your communication strategy you should consider the multiple opportunities DeluxePad can offer your brand to communicate in a one-to-one interactive manner with the world's wealthiest.