



DECLUTTERING THE STATE OF LUXURY





INTRODUCTION

Volvo Car USA has partnered with The Harris Poll to deepen insights into the American opinion across four core themes: design, safety, technology and environment. These insights are distilled into “Volvo Reports” and will feature a different topic each month.

This edition of Volvo Reports focuses on the shifting state of luxury amongst Americans, who are rethinking their attitudes toward possessions and taking a streamlined approach as they seek to declutter their lives. As part of the brand's transition into the luxury space, Volvo has recognized these shifts and is committed to continued innovation in design, technology and the ways drivers interact with their vehicles.

In this report, Volvo Cars explores how Americans are taking a new, modern approach to luxury and seeking quality over quantity when making purchasing decisions.

We encourage you to use these statistics freely, properly sourcing Volvo Car USA/The Harris Poll. If you have any questions regarding these findings, or would like to delve deeper into how Volvo is addressing the changing needs of luxury consumers, please reach out to Jim Nichols at jim.nichols@volvocars.com

METHODOLOGY

This survey was conducted online within the United States by The Harris Poll on behalf of Volvo from April 26-May 1, 2018, among 2,014 U.S. adults ages 18 and older. This online survey is not based on a probability sample and therefore no estimate of theoretical sampling error can be calculated.

THE CLUTTER COMPLEX

The American society is historically known for its astronomical levels of consumption, but in recent years Americans have begun to rethink their relationship with possessions. While having a lot of stuff used to signify wealth and status, today the pendulum has swung in the opposite direction and decluttering is actually on the rise as a source of satisfaction and fulfillment.

A vast majority of Americans (82%) agree that people have too much stuff. Ironically, this number rises among those who have purchased big ticket items, such as homeowners (85%, compared to 77% of non-owners) and vehicle owners (84%, compared to 70% of non-owners), indicating that our culture is less consumption-driven than it once was. And many feel this excess of possessions is on the rise: almost half of Americans (48%) say their lives feel more cluttered than they did ten years ago. This is especially true for the younger millennial generation (60%).

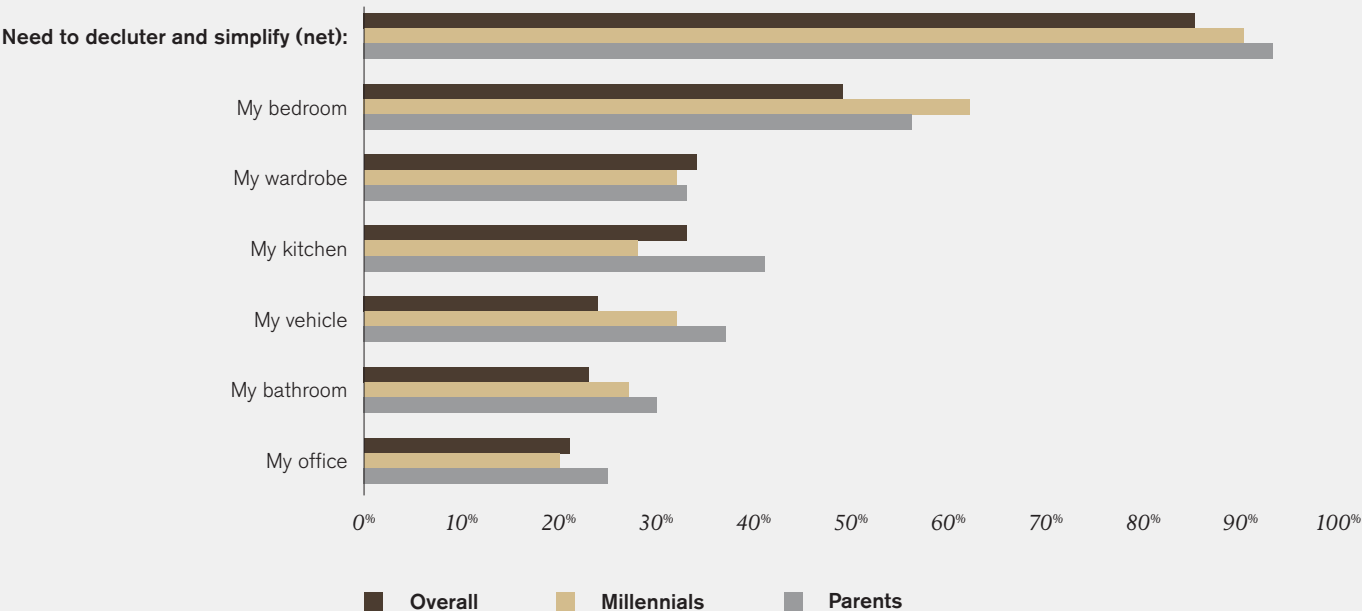
As a result of this stifling amount of stuff, the vast majority of Americans are actively working to declutter and simplify their spaces (85%). From their bedrooms (49%) to their wardrobes (34%), people are looking to streamline all areas of their lives.

85%
OF AMERICANS SAY THEY ARE
ACTIVELY WORKING TO DECLUTTER
AND SIMPLIFY THEIR SPACES

One in four Americans (24%) see their vehicles as a space they actively need to declutter – and this is particularly true among millennials (32%) and parents (35%). In fact, 60% of parents say they feel the need to declutter their vehicles more often than other spaces, compared to only 37% of non-parents.

For many, this decluttering provides a sense of instant satisfaction and positivity. 91% say they feel better when their homes and vehicles are decluttered and simplified, further reflecting the shift toward mindful consumption.

AMERICANS ARE RETHINKING THEIR ATTITUDES TOWARDS POSSESSIONS



THE NEW LUXURY

Americans are also shifting away from valuing the quantity of items they possess to redefining the quality of what they own. This is especially true in the upscale space, as minimalism meets luxury. Combining aesthetic with a purpose, 88% of Americans agree that modern luxury should be both beautiful and highly functional.

Placing a strong emphasis on quality over quantity, more than two-thirds (68%) of Americans agree that, "when it comes to modern luxury, less is more." This new definition is impacting their purchase volumes and frequency: 74% say it's better to spend more on high quality products, in order to buy less overall. This is especially true for Americans with a household income over \$100,000 (82%).

It comes as no surprise then that quality is identified as the most important trait of a modern luxury product or service (70%), while new values of authenticity (39%) and personalization (35%) are also becoming increasingly important, surpassing traditional elements associated with luxury like indulgence (29%) and rarity (20%).

TRAITS OF A MODERN LUXURY PRODUCT OR SERVICE

NO.
01

Quality 70%

NO.
02

Authenticity 39%

NO.
03

Personalization 35%

NO.
04

Convenience 29%

NO.
05

Indulgence 29%

COMPARED TO 10 YEARS AGO, MODERN LUXURY IS...

64%

More Inclusive and transparent

63%

More Minimalistic

53%

Less Focused on status symbols

Transitioning from emphasizing exclusivity and status, modern luxury is viewed as being more inclusive and transparent (64%) as well as minimalistic (63%) than it was ten years ago. At the same time, majority agree that this market has become less focused on status symbols over the last decade (53%).

This shift is reflected in expectations of luxury places, spaces and goods. Americans are tapping into global influences and inspiration, such as the clean lines and airiness found in Scandinavia that embody this new aesthetic ideal. In fact, almost two-thirds (61%) of Americans agree that Scandinavian design represents modern luxury and almost one-third (27%) of Americans choose Sweden when asked to rank the top country associated with modern luxury and design.

61%

AGREE THAT SCANDINAVIAN DESIGN REPRESENTS MODERN LUXURY

Drawing inspiration from Scandinavia, most Americans are seeking luxurious spaces today that are clean (55%), spacious (50%) and functional (45%), over traditional design qualities of being elaborate (37%) and ornate (16%). Also, when it comes to products and services, modern luxury elements of craftsmanship (51%), advanced technology (50%) and customization (47%) are prioritized over traditional elements of elaborate design (36%) and exclusive access (33%).

LUXURIOUS SPACES TODAY ARE...

NO.
01

Clean 55%

NO.
02

Spacious 50%

NO.
03

Functional 45%

NO.
04

Elaborate 37%

NO.
05

Ornate 16%



Indicates modern luxury element



MODERN LUXURY HITS THE ROAD

The modern luxury movement is also shaping what people look for in their vehicles. Given the amount of time Americans spend on the road, it's no surprise that the space they most want to upgrade to luxury status is their car (27%), surpassing their kitchen (25%), bedroom (19%) and wardrobe (13%).

Reflecting the rising desire for craftsmanship and technology shown across the luxury space, interior design (62%) and in-vehicle technology (56%) emerge as the vehicle features most associated with luxury, exceeding traditional elements such as brand name (56%) and price (54%). High-income Americans are particularly likely to value visual design cues such as interior materials (70%) and trim features (50%).



VEHICLE FEATURES MOST ASSOCIATED WITH LUXURY

NO.
01

Interior design 62%

NO.
02

In-vehicle technology 56%

NO.
03

Brand name 56%

NO.
04

Price 54%

NO.
05

Automated safety 46%

NO.
06

Trim features 44%

NO.
07

Connectivity 42%

NO.
08

Speed / performance 42%

NO.
09

Noise cancellation 30%

HOW THIS NEW LUXURY TRANSLATES INTO CARS

Volvo's idea of luxury stems from a 90-year commitment to its Scandinavian design philosophy that puts people at the center of everything the company creates. Across each of its models, from SUVs to sedans, this approach combines modern sensibilities with traditional techniques to strike the ideal balance between beauty, functionality and usefulness.

Volvo creates a look that is free from excess and makes use of natural, warm and tactile materials throughout the vehicle, never sacrificing quality. Materials are carefully selected, and always true to what they seem: if it looks like leather, it's leather; if it looks like aluminum, it's aluminum. Clean lines and less clutter provide a minimalist yet intuitive design that delivers a comforting feeling for drivers seeking their own Scandinavian Sanctuary.

The award-winning Volvo XC40 Compact SUV is the latest example of Volvo's point of view on the new luxury that focuses on less clutter. Extensive research revealed that compact SUV drivers demand versatility and lots of storage space. Building on these insights, designers introduced new smart storage solutions specifically intended to reduce clutter and address drivers' most common needs and desires. These include:

- Closed center tunnel storage area fitted to hold a tissue box – the most common item found in this type of car
- Under seat drawers for easy access to wallets or parking cards
- Trash bin to reduce receipts or other common clutter
- Useful hook added to the glove compartment to secure a bag or food on-the-go, that can be discreetly tucked away
- Roomier door bins to help secure laptops or tablets, achieved through a novel relocation of speakers to underneath the dashboard
- Wireless phone charging pad available in front storage compartment, reducing need for cables that further clutter the interior environment

Volvo thoroughly researches what causes stress while driving. This has resulted in innovations ranging from driver assistance technologies to the simple positioning of items in the cabin.

Volvo's interiors are ergonomically crafted to suit the needs of drivers and passengers, based on meticulous research into where people naturally position their hands and arms and which areas they view most often.

Design choices, from the location of the gear shifter to the placement of padded leather on an arm rest, are measured with careful consideration and crafted with materials that accentuate touch. Materials are used to emphasize areas where visual aesthetic is of the utmost importance. In Volvo's 60 and 40 series of cars, the wood and trim on the forward dashboard provide a sense of luxurious calm.

As technology is increasingly able to enhance the experience in the car, Volvo does not believe in technology just for technology's sake. Volvo's Sensus Connect system offers a digital connection to modern luxury by providing an infotainment hub designed to reduce the clutter of unnecessary buttons and switches in the dash. The touchscreen display offers a central source for entertainment, navigation and connectivity, utilizing soft buttons that drivers can rearrange or customize to suit their needs. This approach to buttons allows the car to be updated with new functions and safety features after it has been purchased. This meets the new level of luxury that Americans demand with technology that is consistently improving. The ability to update the car after purchase allows customers to benefit from new features as other technologies advance.

Voice commands can be used to control the temperature, fan speed, navigation, audio sources, phone operations and more. The extensive use of voice control is unique to Volvo among luxury automakers and highlights the fact that accessing luxury can be done in many different ways.

Today's consumers demand a new level of luxury – one less focused on extravagance and expense and more aligned with Volvo's Scandinavian design philosophy. This report confirms that convenience and decluttering are key to continued visibility in the luxury space.