

How the rich spend Christmas

A survey offers a peek at how much the world's multimillionaires will shell out during the holiday season

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'Let me tell you about the very rich,' wrote F. Scott Fitzgerald. "They are different from you and me."

"Yes," Ernest Hemingway is reputed to have responded, "They have more money."

Fitzgerald's observation is certainly borne out in survey of what the world's super rich plan to spend their money on this holiday season. A custom-made, jewel-encrusted saddle for a pony, a \$30,000 couture dress for a four-year-old and a \$200,000 restored classic Camaro are just some of the items on the shopping lists of those who don't have to pinch pennies.

According the 2007 holiday spending survey by Elite Traveler (a lifestyle magazine distributed aboard private jets and mega-yachts) and the Prince and Associates market-research group, the super rich, untroubled by the subprime mortgage crisis or pretty much anything else, plan to increase their holiday spending over last year by anywhere from 17 to 67 per cent across a broad range of categories.

But first, let's be clear on exactly who was being polled. They totalled 843 individuals around the world contacted through lawyers and financial advisers. Of those surveyed, around 270 were the super rich (referred to as the "elite affluent" in the survey) who had a net worth of \$10-million or more (and often a great deal more). The remainder were their relatively poor cousins, the "mass affluent," whose net worth was a paltry \$1-million to \$9.9-million.

More than 60 per cent of the elite affluent said they will be travelling by private jet during the holiday season – which presumably means their luggage won't get lost – and 28 per cent will use the jet for private shopping.

More than a third will be giving "jet cards" as gifts to their family and friends (perhaps some of those poor souls scraping by on less than \$10-million). The cards start at \$40,000 for 10 hours of flight time.

Oh, what the heck, we'll take two. It's Christmas, after all.

"Clearly, the super rich are not impacted by the subprime crisis that has other sectors of the economy nervous this holiday season," Douglas Gollan, president and editor-in-chief of Elite Traveler, said in a statement.

Mr. Gollan noted, "The super rich segment will be the most important source of business for providers of luxury goods and services as the 'mass affluent' trade down and con-serve. ... The private-jet set is absolutely going about their spending in a business-as-usual way and ... as our survey shows, spending considerably more."

But considerably more on what? Well, on average, the super rich will spend \$152,400 a person on jewellery this year (up 67 per cent from 2006) and \$39,300 on electronics (up 53 per cent).

Further expenditures will include \$487,900 on yacht charters (up 19 per cent), \$86,200 on villa rentals (up 23 per cent), and \$31,100 on wines and spirits for entertaining (up 39 per cent).

But, it being Christmas, they'll also be giving \$116,300 to charity (up 23 per cent) and spending \$10,200 on gifts and services for their pets.

The so-called mass affluent, meanwhile, plan to be far more careful with their cash, spending \$995 on their pets, \$4,900 on jewellery, \$3,300 on electronics and exactly nothing on yacht charters.

Not surprisingly, zero per cent of the super rich said that rising gas prices would affect their holiday travel plans.