

A black and white photograph of a man with a beard, wearing a suit, looking down at a pair of shoes he is holding in his hands. In the background, there are shelves filled with various styles of shoes. The image has a soft, slightly blurred quality, giving it a sophisticated and elegant feel.

provoke

insights

Luxury:
2021 Brand Equity & Trends Research



Background & Objectives

As the United States has approached year two of living through the pandemic, habits and routines have been unrooted. As people are staying at home more, there is an accelerated rate of technology adoption. People are still shopping, but how and what they purchase is modified from wearing a mask to buying more online.

In this changing environment, companies now more than ever need to understand their brand equity, consumer purchasing habits, and trends that impact their industry.

Provoke Insights, a full-service market research firm specializing in branding, advertising, and content marketing initiatives, developed the brand equity report to answer these pressing questions. The goal of the research is to gain a national perspective on the mindset of consumers. The study covers 19 industries, including luxury items.



Methodology

Provoke Insights conducted a 15-minute survey among 3,000 Americans between the ages of 21 and 70. The study was in-field from January 18th to February 3rd, 2021.

A random stratified sample methodology was used to ensure a high degree of representation of the U.S. population (household income, age, gender, geography, ethnicity, and children in the household). ¹

Results based on this sample have a maximum margin of sampling error of $\pm 1.78\%$ at a 95% confidence level.

Statistical differences between subgroups indicated in this report were tested at a 95% confidence level.

Overview



The Luxury Category

Consumers perceive the luxury category as slightly more innovative, and a leader compared to other sectors. However, during this pandemic, consumers are less likely to say that they will be purchasing luxury brands and that the category fits their current needs.

In the last three months, only a tenth of consumers have purchased luxury items. These consumers are more optimistic compared to those not purchasing these items. However, they are still concerned about how Covid-19 will impact the economy and their health.


When it comes to shopping, they more often prefer to take their time when searching for items, and they are more likely to pay more to stay on top of trends.



Unaided Awareness & Brand Equity

Gucci and Rolex lead the luxury category for top-of-mind awareness. They mention Apple followed by Michael Kors as the luxury brand with the highest brand equity score.

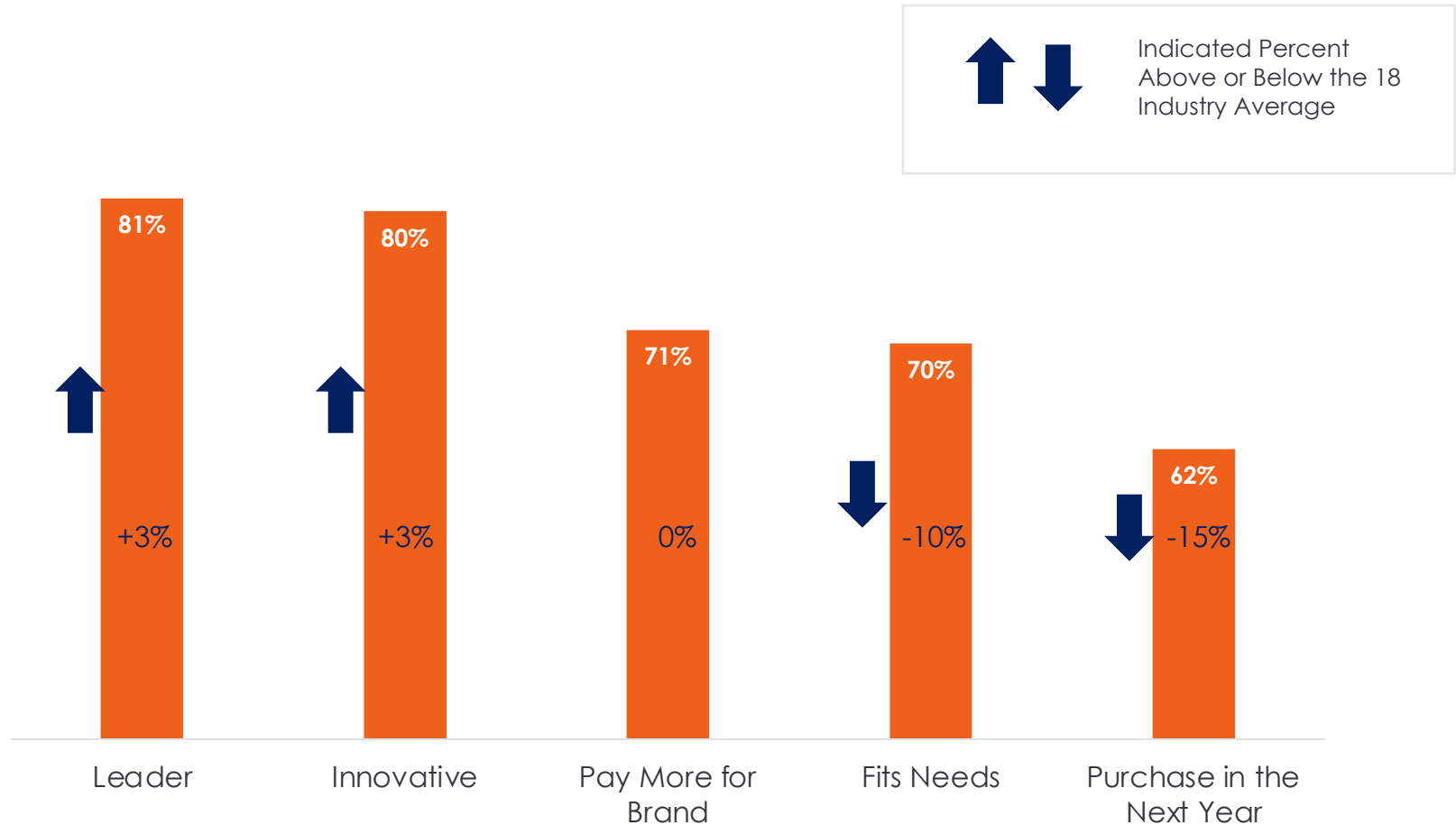
Top Luxury Brands

	Brand	Unaided Awareness	Brand Equity Score
1	GUCCI	20%	6.62
2	ROLEX	11%	6.88
3	COACH	5%	7.01
4	LOUIS VUITTON	5%	7.06
5	CHANEL	4%	6.26
6	LEXUS	4%	6.00
7	PRADA	4%	6.33
8	MICHAEL KORS	3%	7.73
9		3%	7.61
10	Mercedes-Benz	3%	6.55
11	TIFFANY & CO.	2%	7.19
12		2%	7.87
13	LINCOLN	1%	5.43
14		1%	7.27
15	PORSCHE	1%	6.86

Gucci has the highest awareness of any luxury brand. Of the top fifteen brands, Apple has the highest brand equity score.

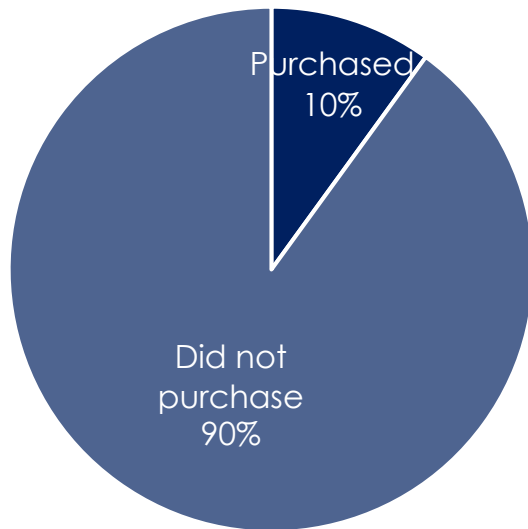
Brand Equity Drivers: Luxury Items

There is a huge decline in two key categories: "fits needs" and "purchase in the next year." While luxury brands improved on innovation, they steep decline in need indicates less demand.



Base: Consumers who received the question (n=511)

Current Luxury Buyers:



10%
of U.S. Consumers
purchased luxury
items in the last three
months

More Likely to Purchase Luxury

Those who have the
following characteristics,
% who purchase Luxury



HHI \$100K+: 17%



Gen Z: 13%



Northeast: 13%



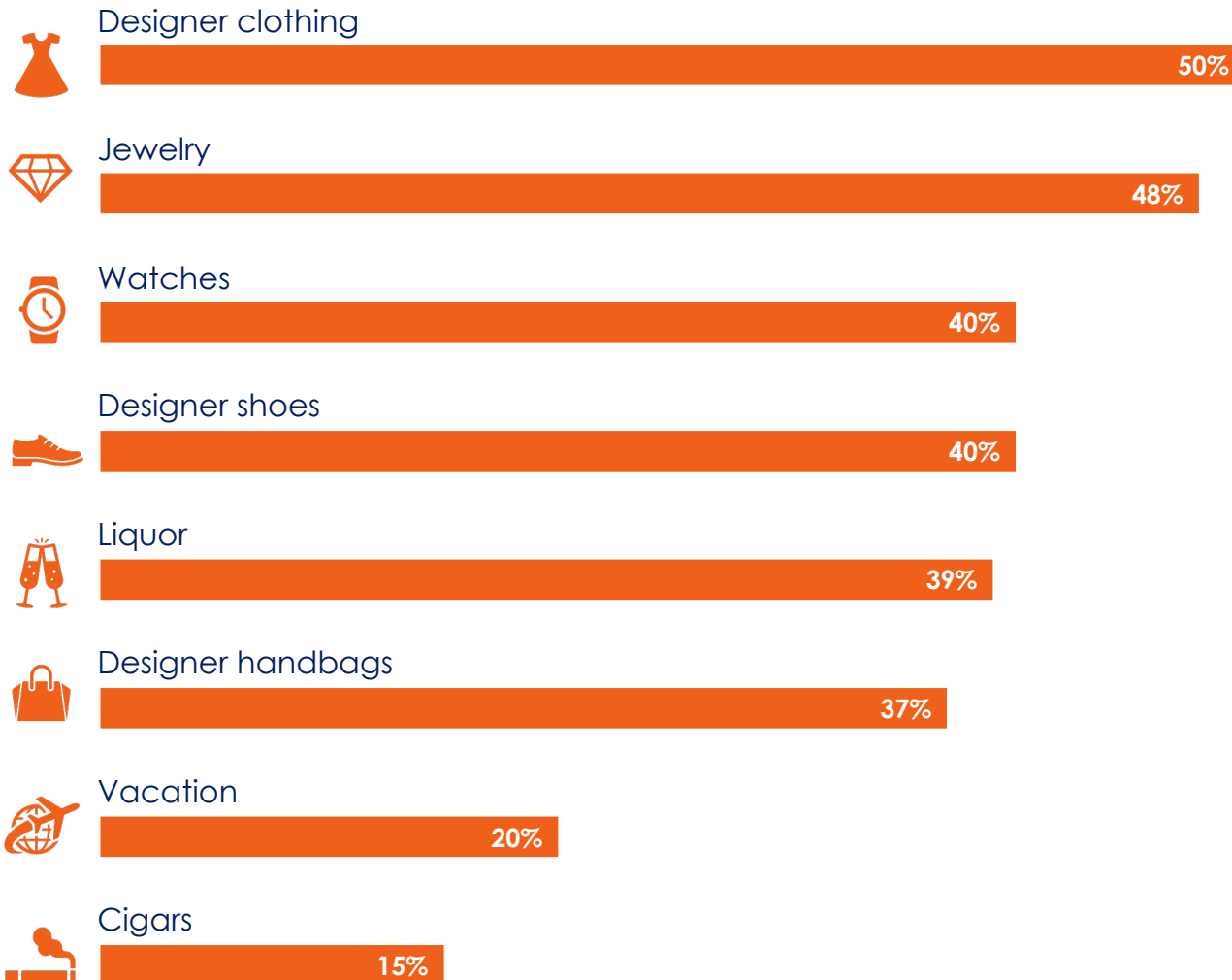
Have children: 13%



Millennials: 12%

Item Purchased

Designer clothing is the most purchased luxury item, followed by jewelry and watches.





Luxury Items Purchaser Profile vs. Non-buyers

9% of the Population
32.4 million Americans

Personality Traits



84%

vs. 72% of luxury buyers are optimistic about the future

(Top 2 of 4: Moderately/Very optimistic)

Although, they are still concerned about COVID-19 impacting:



The economy (85%) vs. 78%



Their health (63%) vs. 56%

(Top 2 of 4: Moderately/Extremely concerned)

Self described
personality



24% Adventurous
vs. 14%



15% Passionate
vs. 10%



6% Leader
vs. 3%

Shopping Habits

Top 2 of 7: Strongly Agree/Agree



61%

Enjoy spending time picking out items to purchase
(37% Non-buyers)



45%

Prefer to shop online than in physical stores
(28% Non-buyers)



39%

Spend money to stay on top of the latest trends
(14% Non-buyer)



44%

Pay more for items that are sustainably sourced
(23% Non-buyer)

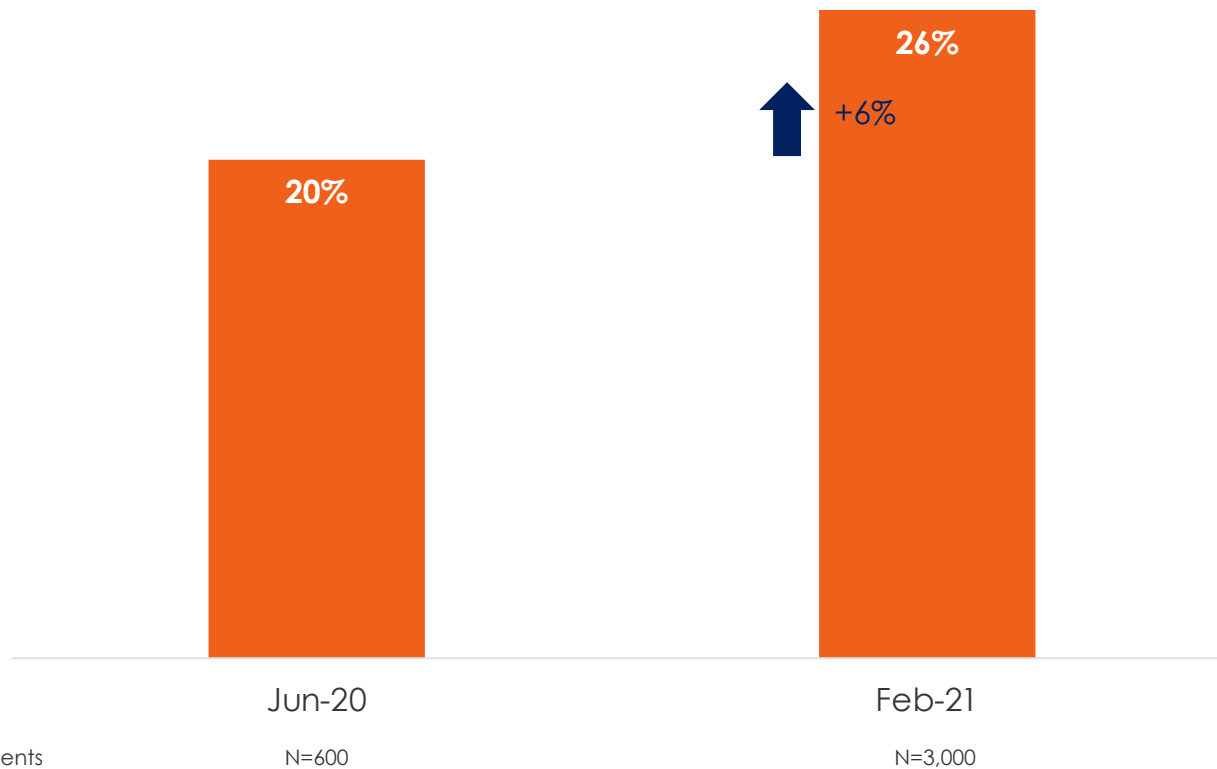


Quality is most important for luxury buyers when purchasing products/services

Happiness

Americans' optimism has improved since the summer of 2020.

Very Optimistic
(Top Box of 4 Point Scale)



Shopping In-Store

Over half of the U.S. population is still concerned about going in-store to shop.

Moderately/Extremely Concerned About Shopping In-Store

56%

of Americans are concerned
about shopping
in-store

(+2% from Summer 2020).

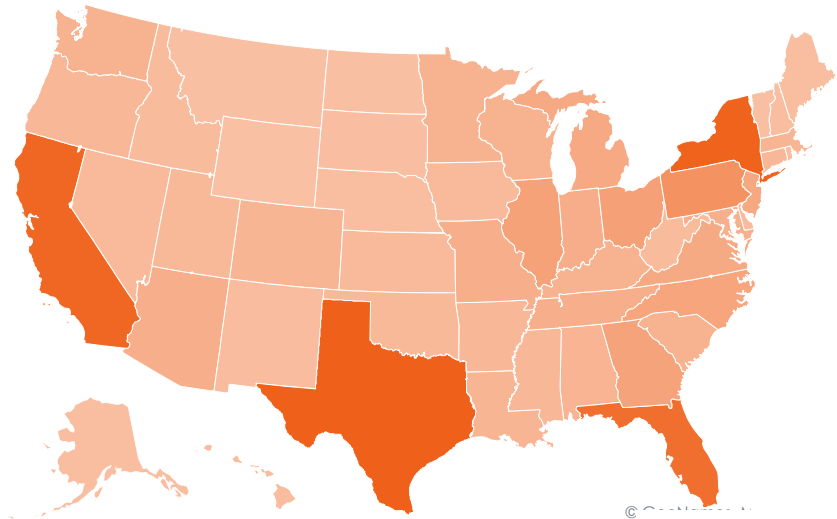
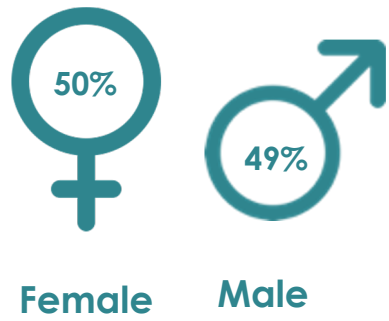


Importance of Attributes When Selecting a Brand

Quality is more important than price when selecting a brand. Trust also plays a critical role in the decision-making process.



Study Demographics

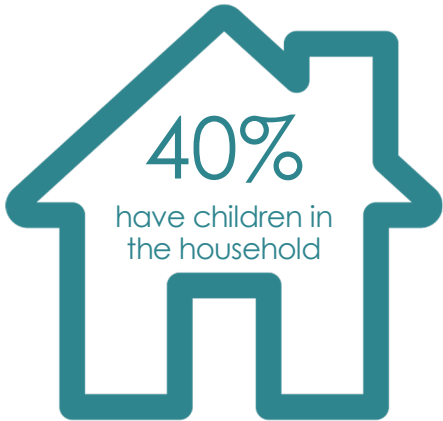


Generations



Employment Status

Employed full-time	53%	Unemployed	7%
Retired	12%	Business owner/Self-employed	5%
Employed part-time	10%	Full-time student	3%
Homemaker	9%	Freelancer	2%



About Provoke Insights



Founded on the premise that research should better align with marketers' needs, Provoke Insights empowers brands to navigate through today's cluttered advertising space. This full-service market research firm solely focuses on research for **branding**, **advertising**, and **content marketing** initiatives.

What makes Provoke Insights unique from other research firms is that you work with a research expert who is also a seasoned brand strategist; this ensures that questions are deeply explored, and insights are cultivated and capitalized. We develop insights from the data to help guide growth for your company's vision.

For more information or press inquiries, reach out to rachael.ryan@provokeinsights.com.