



LUXURY
BRANDS:
fight for status

Research description

Research objectives:

The luxury apparel and shoe market started to actively develop in Russia in the beginning of the 90's together with the appearance of new Russia as a country. Despite a 20 year history this market segment is still insufficiently explored and there is little information about its consumers.

IRG together with **International University of Monaco** conducted research aimed to reveal a portrait of luxury apparel brands consumers in Moscow. The survey covered both groups of consumers: those for whom luxury is a lifestyle and those who aim to belong to certain groups by possessing expensive items. The main attention was paid to lifestyle and attitudes towards luxury apparel brands.



Research description

Approach:

To meet the objectives of the survey we conducted 140 interviews with luxury consumers at the Russian Fashion Week (April 2010), one of the key fashion events in Russia.

To single out luxury brands consumers we used the following filtering criteria:

- Primary criterion: share of apparel and footwear of luxury brands in their wardrobe was not less than 10%, and also named luxury brands among most frequently purchased.
- Additional criterion: use of services specific for luxury consumers (custom tailoring, bodyguard, personal doctor, personal cook, personal stylist etc.).



Luxury items in a wardrobe

For half of luxury consumers at least 31% of their wardrobe is comprised of luxury brands

Dolce&Gabbana is the most frequently purchased brand (29%)

Share of luxury brands
(clothes, footwear, accessories)
in a wardrobe

Less than 10%	4%
10-30%	40%
31-50%	28%
51-70%	10%
More than 70%	17%

Base=140 (single choice)

Apparel and footwear brands most
frequently purchased (or received
as present) during the last year

TOP 10

Dolce&Gabbana	29%
Gucci	15%
Prada	12%
Chanel	10%
Giorgio Armani	10%
Etro	6%
Louis Vuitton	6%
Max Mara	5%
Christian Louboutin	4%
YSL	4%

Base=136 (multiple choice)



Price of the most expensive purchases / gifts in 2009

When talking about most expensive purchases in 2009 most of luxury consumers mention paying 800-1,200 EUR for apparel items

Outer clothing



Apparel



Footwear



Watches



Bags



Average
(EUR):

2,700

820

600

2,000

900

Most expensive
mentioned (EUR):

30,000

7,000

3,700

40,000

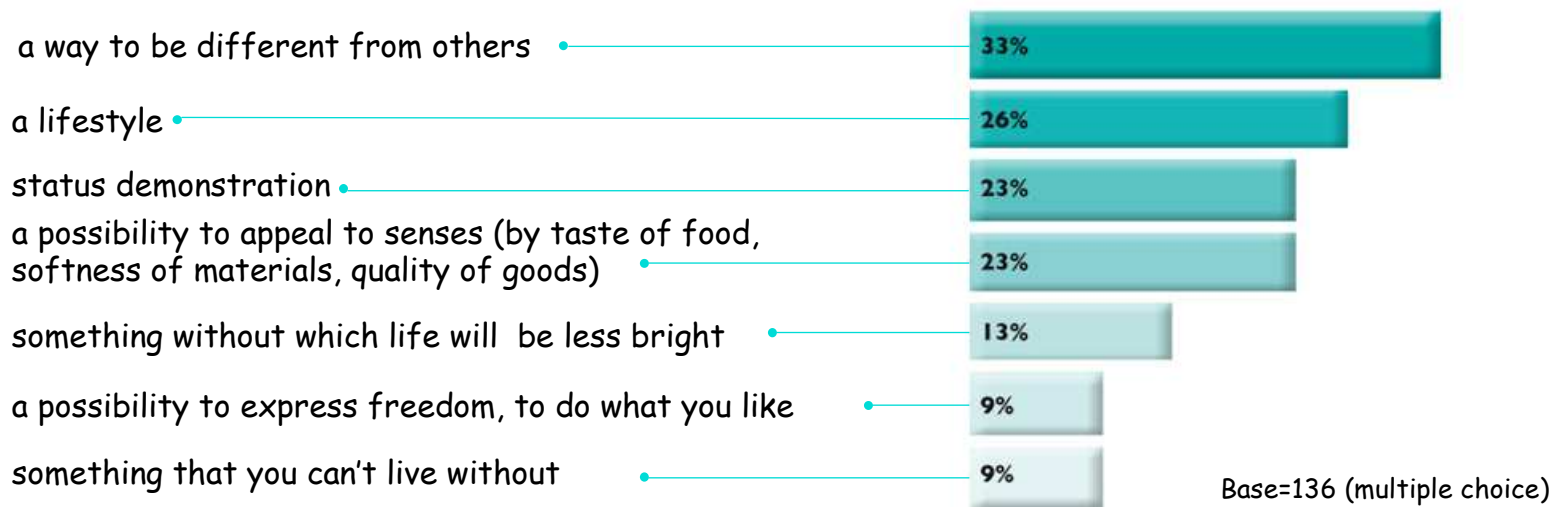
12,800

Attitudes towards luxury brands

Consumers in Russia strive to differentiate from common people and demonstrate their status. So items of easily recognized brands are very popular

Luxury brands are purchased not only by those who really could afford it, but also by those who try to be closer to 'elite' status through such brands possession

Possession of luxury goods for consumers is ...

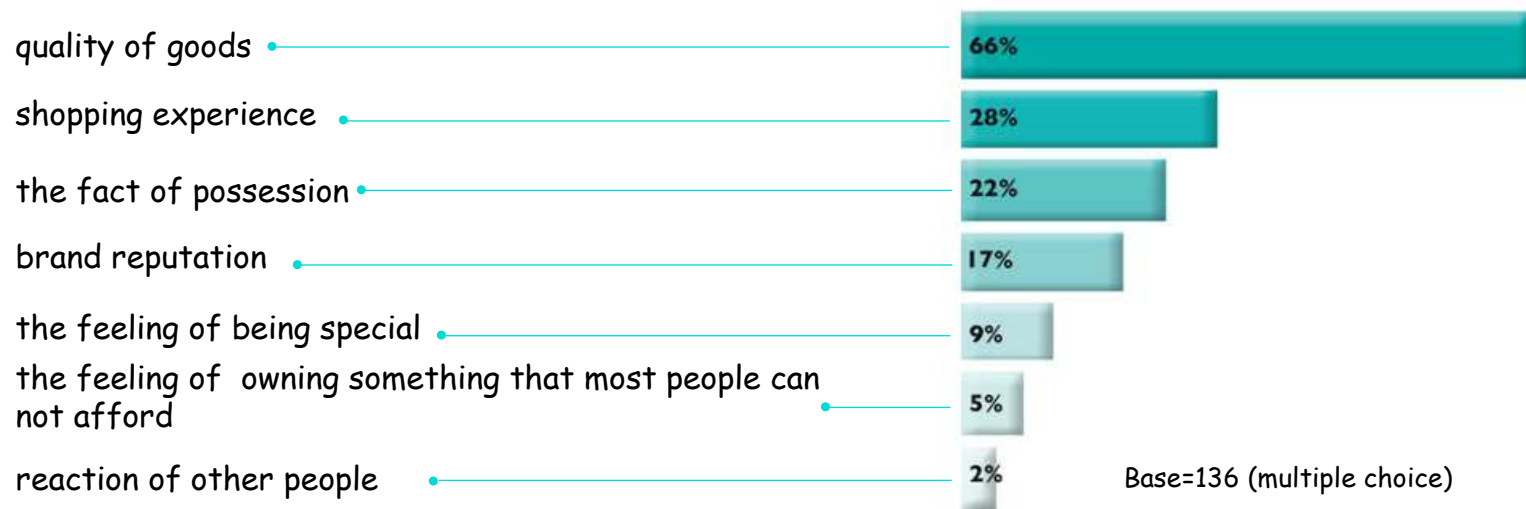


Attitude towards luxury brands

For Russian consumers luxury goods possession mostly refers to quality of goods. It might be a way to feel and demonstrate difference from others

Luxury brands consumption also refers to the process of shopping enjoyment

In luxury goods possession they enjoy the most:



The most prestigious apparel brands are...

Chanel is the symbol of luxury apparel followed by Dolce&Gabbana

Apparel

Chanel	27%
Dolce&Gabbana	22%
Gucci	11%
Giorgio Armani	9%
Dior	7%
Louis Vuitton	7%
Prada	6%
YSL	5%

Base=127 (multiple choice)



The most prestigious shoe brands are...

Louboutin tops the list of most prestigious shoe brands

Footwear

Christian Louboutin	19%
Prada	13%
YSL	9%
Chanel	7%
Dolce&Gabbana	6%

Base=116 (multiple choice)



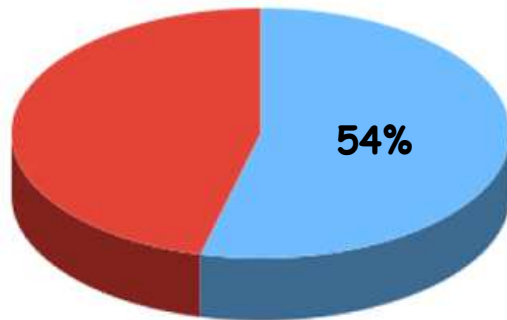
Loyalty to luxury brands

Half of luxury brands consumers (54%) state they are loyal to particular brands

The list of favorite brands is similar to the list of brands considered to be the most prestigious



Percentage of respondents who state they have preferred brands that they regularly purchase



Base=140 (single choice)



Chanel	15%
Dolce&Gabbana	15%
Gucci	10%
Louis Vuitton	10%
Etro	7%
Giorgio Armani	5%
Prada	5%

Base=74 (multiple choice)

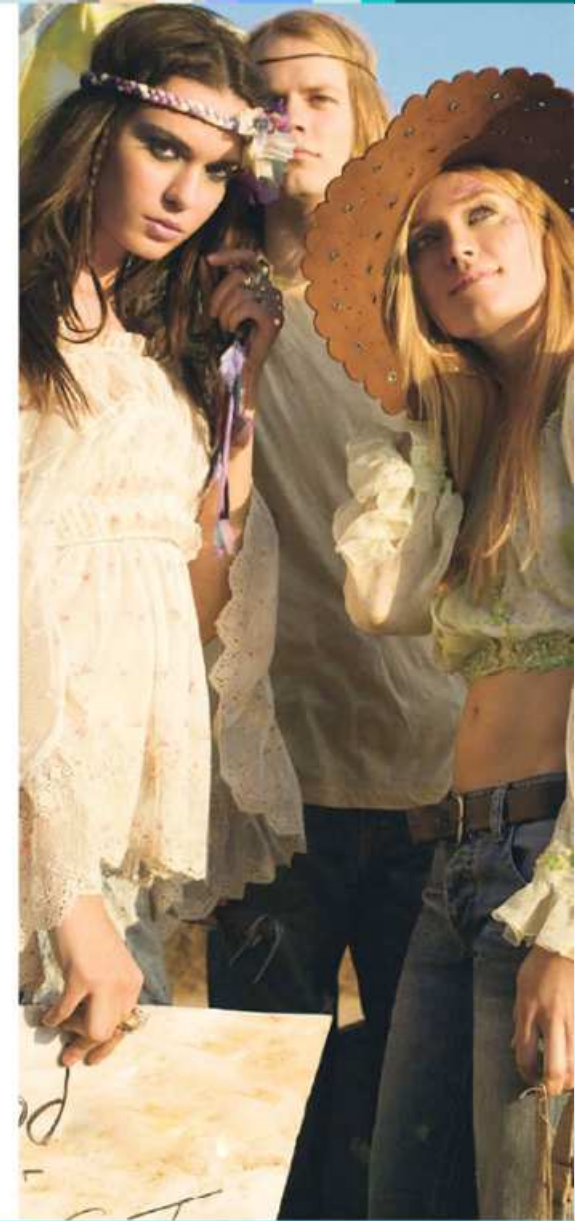
Brand loyalty

Brand loyalty does not result in a habit to wear one-brand outfits. Most prefer to combine clothes of different brands

Frequently luxury brands are combined with mass market brands (Zara, Topshop, etc.)

I could easily combine clothes of different brands	75%
I have clothes of different brands, but I try not to combine them, I prefer one brand outfits	12%

Base=138 (multiple choice)

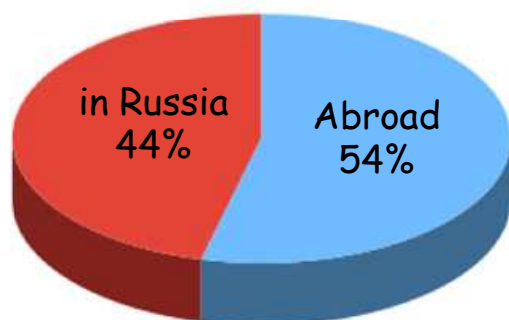


Share of luxury brands expenditures abroad

The share of expenditures on luxury apparel and shoes items is huge - 56%

For each third consumer (33%) almost all luxury brands expenditures are made abroad

Average share of luxury brands expenditures



Base=132 (single choice)

Share of apparel and footwear luxury brands bought outside of Russia

All apparel and footwear is bought in	Share (%)
Russia	14%
1-40%	11%
50%	25%
60-70%	17%
80-100%	33%

Base=132 (single choice)



Places of luxury brands purchases in Moscow

The most popular place for luxury brands purchase in Moscow is TSUM (51% do their shopping there)

	TSUM	51%
	GUM	35%
	Evropeiskiy TC	11%
	Ohxotny ryad	7%
	Tretyakovsky proezd	6%

Base=140 (multiple choice)



Other relevant information about survey participants

