

RESEARCH

Automakers, designers top affluents' top luxury brands: report

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Mercedes among top luxury brands mentioned by affluents

By NANCY BUCKLEY

Affluents define luxury products as both expensive and possessing quality, according to a new report from the Shullman Research Center.

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When delving into the true meaning and representations of luxury for consumers, automobiles and words about the cost prevail. The perceptions of luxury consumers should be the driving factor to marketing campaigns and ideas.

“When you look at millennials they are different than gen-xers and boomers they use a different language and have different outlooks on life. Many of the people who are out there today are not necessarily using the prospect’s language,” said Bob Shullman, founder/CEO of the [Shullman Research Center](#), New York. “Part of the issue of marketing is getting the language correct.”

The insights and data presented in this report are based on the “Shullman Luxury, Affluence and Wealth Pulse,” fall 2014 wave, conducted online between Aug. 22 and Aug. 27, 2014, among adults age 18 or older.

A total of 1,665 respondents were surveyed that included a representative national sample

of adults and four household-income segments that resulted in a total of 1,056 interviews among upscale consumers with household incomes of at least \$75,000. Additionally, 497 respondents in this survey wave reported that their personal net worth was \$1 million or more.

Consumer dictionary

The survey split the results across genders to determine the male, female barrier in terms of luxury.

Men and women agreed upon some descriptions of luxury, such as expensive, quality, high-end, unaffordable and special. The differentiating factor was seen in the objects that were mentioned along with these adjectives.

Women suggested jewelry, cars and money as possible descriptions of luxury and men only said cars.



Top brands mentioned by affluents

The automakers stick out among both genders and when asked to name luxury brands Mercedes-Benz, BMW, Lexus and Rolls-Royce were among the top contenders. From the top 20 luxury brands among both men and women, 10 were automakers.

Automakers see the influence because of the omnichannel approaches and leasing opportunities the brands present to consumers.

Luxury automobile leases are about 50 percent of all luxury transactions and in some areas the lease market consumes much more of luxury spending, according to a new report from Cars.com.

Consumer confidence has been rising, giving more individuals the confidence to invest in bigger purchases, such as luxury cars. Luxury automakers saw an overall increase in sales last year, indicating that consumer interest has risen, a trend that will likely cause brands to increase their marketing and research spending to meet the demand from consumers ([see story](#)).

Other luxury brands that are mentioned by affluents include Rolex, Tiffany & Co., Chanel, Cartier and Louis Vuitton. From the top 20 overall brands, 11 are car brands, eight are

designer goods and one is a watchmaker.

Men also named Apple as a luxury brand, and both men and women named Tesla Motors.

"If you are a younger consumer, you grew up with a lot of technology," Mr. Shullman said. "Technology is much more a part of your life. When you think about Apple showing up here among men, with Apple it is two things, the design and the user interface is luxury.

"They made it look good and easy to use," he said. "What else do you want from a piece of technology?"

Lux tech

Technology within luxury has been a hot topic as of late. Some see imposing threats of Apple and Intel upon the traditional luxury world.

However, dedicated horologists agree that the introduction of Apple's smartwatch will not pose a dire threat to traditional Swiss watchmaking, but there may be a potential for growth through collaborations.

Like many high-end brands, Apple has become notorious for the amount of control it has over every detail of its products, from design aesthetics to advertising. Recently, the brand has worked to reestablish itself not just as a tech giant, but as a true luxury goods maker with its latest Apple Watch at the forefront of this shift ([see story](#)).

Technology and luxury have similar goals: live up to consumer expectations and create a one-of-a-kind experience.

"As a consumer you want to get what you think you are promised, as high quality as you can get, and you do not want to be ripped off," Mr. Shullman said. "You want it to be reliable, last long and work the way they claim it to work.

"The other stuff, when you look at a car you do not want to break down, when you look at designers you want it to not have any defects, you do not necessarily want it to rip or have the hem drop, you expect it to be well made," he said.

Final Take

Nancy Buckley, editorial assistant on Luxury Daily, New York

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