

RESEARCH

Affluent men most apt to recommend Isaia, Loro Piana to close connections: report

February 25, 2016



Isaia spring/summer 2016 collection

By SARAH JONES

Being popular does not always lead to strong word of mouth, according to a recent survey of affluent men conducted by the Luxury Institute.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

The top five brands listed in the men's consideration sets were not the same as the five they would be most keen to endorse to family and friends. With luxury consumers, particularly those in emerging markets, becoming more sophisticated shoppers, smaller boutique labels have the opportunity to expand awareness by leveraging the recommendations of existing clientele.

"With technology and information at the tip of everyone's fingertips, customers are becoming much more aware and interested in the boutique and 'in-the-know' brands," said Milton Pedraza, founder and CEO of [Luxury Institute](#). "The customer is better informed not only about the product, but also every aspect of a company's brand values down to the supply chain.

"The most recognizable brands still have a major advantage, but with the customer's ability to access product and brand information like never before, these companies are held under a microscope and their clients are willing and able to move to another brand at any moment."

Luxury Institute's latest Luxury Brands Status Index polled 3,900 affluent men from the top seven wealthiest nations about 42 menswear brands. Individuals had annual household incomes of at least \$150,000 in the United States; 60,000 pounds in the United Kingdom; 50,000 euro in France, Germany and Italy; 1 million yuan in China and 150 million yen in Japan.

Public perception

Consumers were asked how much they agreed with four statements about each brand in question: "This brand delivers consistently superior quality," "This brand is truly unique and exclusive," "This brand is purchased by people who are admired and respected" and "This brand makes its buyers feel special across the full customer experience."

The resulting LBSI ranges from one to 10 and represents an average of all respondents' scores for the label.

According to the study, Isaia is the most effective at making consumers feel special across the entire purchase experience. The brand is perceived as being a label respected, admired men wear and buy.

While the Italian label is not widely known, with only 3 percent of those surveyed aware of the brand, the relatively small population that is familiar feels very strongly about the brand's quality. Seventy-five percent of those who know Isaia would recommended it to other consumers.

The top five brands based on status were all small Italian designers with comparably limited awareness. Besides Isaia, men are most willing to endorse Loro Piana, Brunello Cucinelli, Brioni and Ermenegildo Zegna.

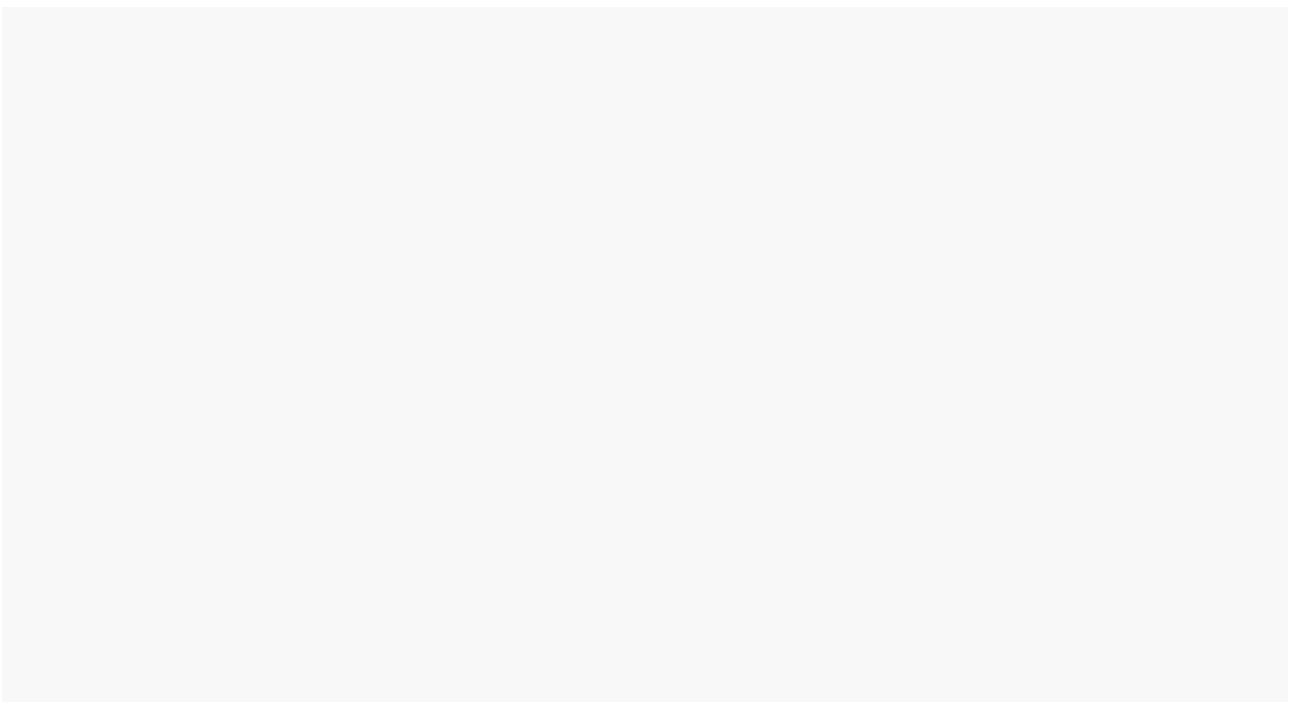


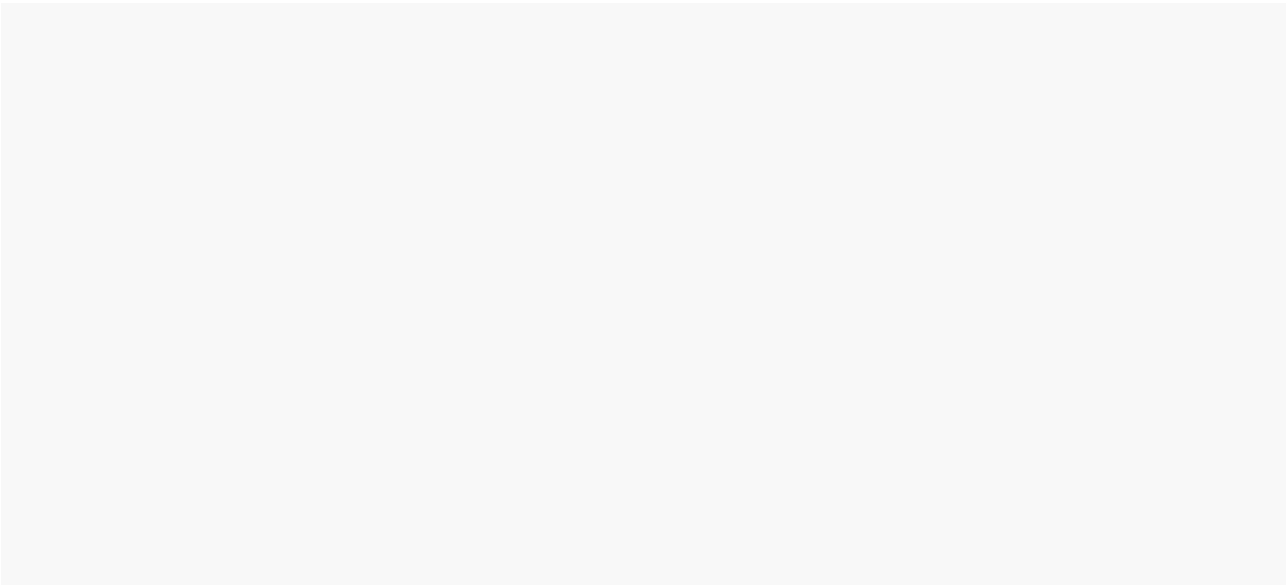
Illustration by Loro Piana

On the opposite side of the spectrum is Calvin Klein, which men were most likely to have purchased in the past year. Despite its popularity among affluent male shoppers, Calvin Klein's LBSI score is lowest among the brands studied.

Next in popularity is Ralph Lauren, which topped the list of brands considered for the next apparel purchase. Rounding out the top five most well-known and frequently purchased labels are Hugo Boss, Burberry and Giorgio Armani.

When it comes to high prices, affluent men feel that Herms, Brioni, Ermenegildo Zegna and Loro Piana are the most worthy of premium price points. Armani, which came in fifth, was the only brand ranked at the top of the list for price justification and purchase intent.





'3 Styles to Be the King of the Castle' - Time to take to your throne with #HermesMANifeste. #Hermes
#HermesHomme #MRTW #shoes #ties h.fr/sandcastles

A video posted by Herms official account (@hermes) on Sep 10, 2015 at 7:43am PDT

"Quality, while extremely important, is only one factor that contributes to the success of a brand," Mr. Pedraza said. "While Loro Piana and Gianluca Isaia scored highest in the Superior Quality LBSI score, they were also among the lowest ranked in Brand Familiarity.

"The consumers' considerations for next purchase coincide closely with brand familiarity, likely because customers want certainty in their purchases, especially in a downward economy," he said. "The trusted and familiar brands provide that."

A similar Luxury Institute survey of affluent women yielded complementary results, showing that both male and female clientele may have more esteem for the labels they are not currently buying from ([see story](#)).

Spreading word

Affluent consumers still care about a brand's rarity, with less common labels having better appeal.

Exclusivity and desirability go hand in hand for China's wealthy, with the same brands ranked in the top five for both characteristics in a recent study by Promise Consulting and BNP Exane.

Herms takes home top prize for exclusivity, which measures the consistent quality of goods, the brand's prestige, the valuation of the brand's customers and its ability to justify a high price point. Chinese consumers are generally becoming more sophisticated luxury consumers, making for tougher competition between labels for their attention and affection ([see story](#)).

For brands with a strong, loyal following, social media makes it easier for word-of-mouth recommendations to spread. Particularly among luxury consumers, a referral can have a large impact on purchase decisions.

According to a recent report by The Future Laboratory, the luxurian demographic relies heavily on the recommendations of friends and family. Many respondents shared that they ask for information and opinions of their peers before purchasing a luxury good or service.

Overall, 23 percent of respondents refer to peers when contemplating a purchase, showing that word of mouth remains powerful in the luxury goods sector ([see story](#)).

"Isaia has an incredible opportunity to increase recognition and awareness through relationship building at the front-line level, referral programs and word of mouth generation," Mr. Pedraza said. "Using social media platforms to appeal to millennials and producing information for customers to review will draw in new consumers.

"Because of their exceptional ranks in quality and customer experience, they have an advantage that will allow brand referrals to spread quickly."

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.