

MARKETING

Herms is fastest-growing luxury brand this year

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Herms' Cape Cod watch. Image credits: Herms

By STAFF REPORTS

In the midst of a tumultuous year, the top 10 luxury brands saw their value rise 4 percent in 2016.

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The BrandZ Top 100 Most Valuable Global Brands 2017 report from WPP and Kantar Millward Brown found that the panel of most valuable luxury labels remained the same despite some of the list experiencing challenges. While Louis Vuitton led the list for the 12th year running, second place Herms is catching up with an 18 percent growth in brand value.

The BrandZ **report** combines consumer-generated qualitative interviews with financial figures to assess brands' performance and positioning.

Luxury leaders

Combined, the top 10 luxury brands have a value of \$104 billion.

At \$29.242 billion, Louis Vuitton comes in first place, followed by Herms at \$23.416 billion. Rounding out the top 10 in order are Gucci, Chanel, Rolex, Cartier, Burberry, Prada, Dior and Tiffany & Co.

While they achieved an average growth, some of the luxury labels saw declines in brand value, with Dior and Cartier suffering the largest drops, losing 14 percent and 13 percent respectively.

In comparison, last year only Louis Vuitton, Chanel and Herms saw growth as the category's value declined 5 percent ([see story](#)).

One of the factors that drives up value is the perception of difference, a quality consumers recognize more in Louis Vuitton and the super-luxury brands.

In the automotive field, overall brand value flatlined, with Mercedes-Benz, Tesla, Land Rover and Porsche the only top 10 brands to record a growth in value this year.

Tesla specifically climbed 18 percent, reflecting its higher marks in traits such as brand purpose, innovation and creativity.



Tesla's Model 3

Tesla's growth reflects the overall top 100 list, which showcased consumers' preferences for the new and technology.

With Google and Apple leading the list, the average age of the top 10 brands in 2017's list is 42, compared to 88 when the rankings were first published in 2006.

"This is the era of Internet giants that have developed ever-growing ecosystems that touch and connect consumers, with the overall aim of making life easier, simpler and better," said Doreen Wang, global head of BrandZ at Kantar Millward Brown.

"Technology with the consumer at its center has redefined our expectations, and we now take for granted that products, services, tools and content are immediately available at our fingertips," she said. "These brands also demonstrate great elasticity they confidently and comfortably play in new territories and new categories to develop and expand their customer bases."

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