

MARKETING

Italian luxury sees 16pc growth in value: BrandZ

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Gucci has been the most valuable Italian brand for three consecutive years. Image credit: Gucci

By SARAH RAMIREZ

Fashion house Gucci is Italy's most valuable brand, while Fendi and Bottega Veneta are among those experiencing the fastest growth in value, according to BrandZ.

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Luxury labels account for 42 percent of the total value of the [2021 BrandZ Top 30 Most Valuable Italian Brands](#). Gucci's brand value rose by 12 percent year-over-year to \$33.8 billion, while Bottega Veneta saw the fastest growth with an increase of 54 percent to \$2.2 billion, landing the label the 12th spot.

Kantar's Brand Z rankings include companies originating in Italy that are either public or have publicly available financial information. The market researcher also takes consumer interviews and insights into consideration to determine each brand's valuation.

Made in Italy

Italy's 30 top brands have a combined value of \$114.6 billion, up 11 percent despite shifts in consumer behaviors, supply chain stress and an almost 9 percent fall in the country's GDP.

Gucci alone is worth about 29.5 percent of the entire list's value. Luxury excluding fifth-ranked automaker Ferrari, with brand value of \$6.8 billion saw 16 percent growth from 2020 for combined brand value of \$48 billion.



Fendi was one of the fastest growing Italian brands. Image credit: Fendi

Fashion labels Prada and Fendi are ranked sixth and eighth, with respective brand values of \$3.9 billion and \$3.2 billion.

Fendi and Ferrari also joined Bottega Veneta as some of the fastest rising brands, with growth of 48 percent and 35 percent, respectively.

Also making the list are Armani, up 3 percent for brand value of \$2.1 billion, and Roman jeweler Bulgari, with brand growth of 27 percent to \$1.9 billion. Salvatore Ferragamo was the only luxury label to see brand value dip, with a decrease of 11 percent to \$1.1 billion.

French luxury conglomerates Kering and LVMH each had two fashion brands on the rankings, while the others are independently owned.



Ferrari was the only luxury automaker to make the Italian list. Image credit: Ferrari

The country's luxury sector was well insulated despite the year's uncertainty since most sales originate outside of Italy, and demand remained strong in the United States and most of Asia. According to BrandZ, luxury brands also average overseas exposure of 93.7 percent, while automakers average 80.9 percent.

While not worth as much as French luxury brands, valued at \$162.6 billion, Italian luxury is growing at a faster rate of 16 to 8 percent ([see story](#)).

Strategy spotlight

Bottega Veneta and Fendi each leveraged different strategies to see strong brand growth.

In one sudden move, Bottega Veneta severed ties with Facebook, Instagram and Twitter suggesting that the label may go in a more exclusive or authentic direction. Bottega Veneta's Instagram account alone had 2.5 million followers ([see story](#)).

Meanwhile, Fendi has been focusing on corporate social responsibility with a focus on sustainability.

Among the brand's recent moves are a boutique in Venice, opened in early 2020, designed in accordance with international standards of sustainability to reduce water and energy consumption ([see story](#)). Fendi also broke ground on construction of a new factory in the Tuscan countryside, designed with energy efficiency and biodiversity in mind ([see story](#)).

The strategy appears to be paying off for Fendi, which saw its BrandZ sustainability index climb from 96 to 105.

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