

APPAREL AND ACCESSORIES

Chanel, Herms top brands for China's luxury shoppers: Agility

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Liu Wen for Chanel. Image credit: Chanel

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French fashion house Chanel is the top luxury brand among affluent and high-net-worth Chinese consumers, having remained agile in navigating the market's nuances.

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According to the second edition of the Agility Luxury Brand Affinity ALBA rankings from [Agility Research & Strategy](#), the most in-demand high-end brands in China have succeeded in developing new experiences that keep shoppers engaged. Understanding the Chinese market, particularly the social media landscape, is also essential.

The ALBA ranking of top 10 fashion brands is based on Agility's analysis of luxury brand performance and a survey of more than 1,000 affluent and high-net-worth Chinese consumers evaluating 19 key performance and perception metrics. Brands were evaluated on factors such as sustainability, influence, social responsibility, value and reputation.

Currently coveted

Chanel retained the top spot on the ALBA rankings, with a score of 94 out of 100. The label scored well across the able to strengthen its bond with Chinese consumers.

Climbing to second place with a score of 83 was Herms.



An Hermès boutique in Beijing. Image credit: Hermès

The fashion and leather goods house differentiates itself with an elevated brand stature, commanding esteem and influence among luxury shoppers. It also continues to foster an emotional connection with Chinese consumers.

For the 2021 fiscal year, Hermès reported a sustained performance in greater China ([see story](#)).

Meanwhile, LVMH's Dior slipped from second to third with a score of 80. The French fashion label is ubiquitous among luxury shoppers in China.

Like Hermès, Dior positions itself as a more elevated brand. It also earned praise for its ESG reputation, only trailing Chanel in that area.

Rounding out the top four is Kering's Gucci, the highest-ranking brand that does not originate in France.

The Italian fashion house has leaned into creative and playful collaborations and collections to shape its distinct personality. In turn, this has been strengthening Gucci's brand stature putting the brand in a position to continue its success in China.

Although numbers for China were not revealed, in 2021, Gucci's revenue amounted to 9.73 billion, or \$11.1 billion at current exchange rates, up 31 percent compared to 2020. The Italian label accounted for more than half of Kering's annual revenue ([see story](#)).



Chris Lee for Gucci. Image credit: Gucci

Armani, Louis Vuitton, Balenciaga, Saint Laurent, Prada and Coach made up the remainder of the top 10 fashion brands in China, with several labels improving on their previous scores.

Ultimately, however, the biggest brands remain the most dominant in China.

Investing in China

The COVID-19 pandemic has reinforced the strength of luxury's leading heritage brands such as Chanel and Hermès.

Luxury leaders have also been successful with their omnichannel strategies, tailoring experiences and marketing to discerning Chinese consumers.

For instance, Gucci builds long-term relationships with Chinese celebrities, from brand ambassadors to partners, and collaborates with them to create engaging content. Chinese singers and actors Xiao Zhan, Chris Lee, Ni Ni and Lu Han all represented the brand well and connected with global consumers ([see story](#)).

In recent months, Louis Vuitton, Dior and Chanel have all introduced price hikes to further fuel demand in China. Announcements of incoming price changes create a sense of urgency, as evidenced by the lines in front of the Louis Vuitton boutiques in China.

As goods become less accessible, it also heightens the perception of the French brand's exclusivity and rewards customers who purchased early, with classic items becoming investment pieces ([see story](#)).

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