

COMMERCE

Giorgio Armani, Patek Philippe have longest median tenures in luxury: report

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The median tenure at Prada is more than 5 years, ahead of the industry average. Image credit: Prada Group

By SARAH RAMIREZ

Luxury goods and jewelry companies have an average median tenure of less than five years, according to a new analysis of LinkedIn data.

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Per new [research](#) from online resume builder Resume.io, Italy's Giorgio Armani tops other luxury labels with a median tenure of 6.2 years. Businesses are increasingly focusing on retention, as the Great Resignation spurs more turnover and competition for talent.

"For the luxury goods aspect of the study, we were surprised to see that some of the most well respected and reputable fashion houses in the world are worst at holding onto their employees for a long time," said Lotte van Rijswijk, content team lead at [Resume.io](#). "That's because the industry is notorious for people moving around a lot and being poached by competitors."

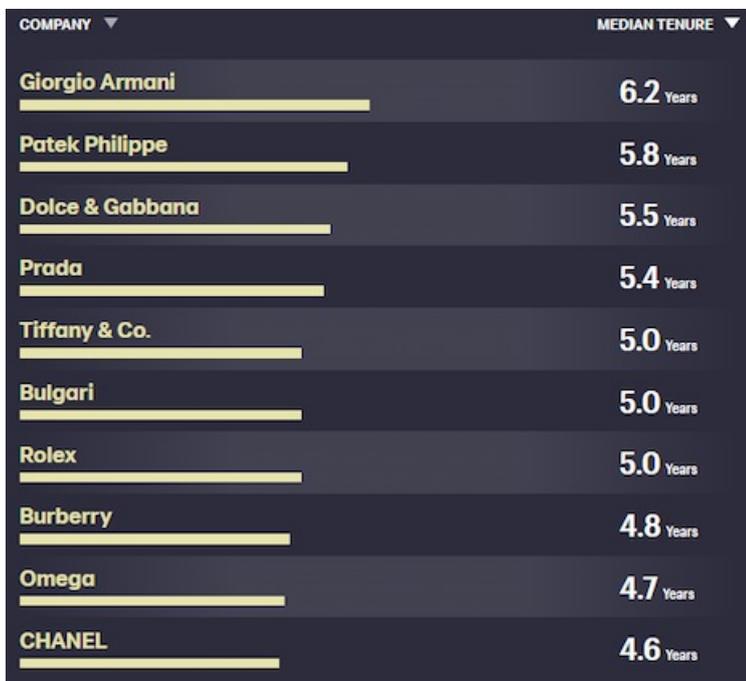
Resume.io reviewed the tenures of the biggest employers in 13 industries, including luxury goods and jewelry, retail, skincare and cosmetics, automotive and banking. The median tenure for each organization was based on LinkedIn Insights as of February 2022.

Median tenure is defined as the point at which half of employees had more tenure and half had less tenure. Average tenure is determined by dividing the total years of employment for each worker and dividing it by the total number of employees.

Tenure track

The 20 luxury goods and jewelry companies with the longest median tenure have an average median tenure of 4.3 years.

Armani is the only luxury goods brand with a median tenure longer than 6 years, while Swiss watchmaker Patek Philippe, Italian fashion label Dolce & Gabbana and Italian fashion house Prada all have median tenures longer than 5 years. U.S. jeweler Tiffany & Co., Italian jeweler Bulgari and Swiss watchmaker Rolex each have median tenures of 5 years.



The luxury goods brands with the longest median tenures. Image courtesy of Resume.io

French jeweler Cartier and Italian fashion label Valentino each have a median tenure of 4.3 years, matching the sector's average.

Brands with median tenures below 4 years include Italian fashion house Gucci at 3.8 years, and Herms, Givenchy and Tag Heuer each at 3.6 years. Rounding out the top 20 in terms of tenure are France's Louis Vuitton and Italy's Versace at 3.5 years.

Notably, the top 10 includes several watchmakers, jewelers and independent brands, including Burberry and Chanel. Brands that are part of a larger conglomerate, like LVMH's Fendi, Givenchy and Louis Vuitton, may have higher turnover rates because of transfers to other maisons in the group's portfolio.

Among automakers, Britain's Bentley Motors has a median tenure of 6.8 years leading all luxury carmakers and landing fifth on the industry's top 20 rankings.

British automaker Jaguar Land Rover ranked seventh while Japan's Lexus landed in ninth spot, with median tenures of 6.4 and 5.9 years, respectively. Audi, BMW, Rolls-Royce, Mercedes-Benz and Ferrari landed in the bottom half of the automotive ranking, with median tenures ranging from 5 to 5.7 years.

Luxury retailer Saks Fifth Avenue ranked third among all retailers with a median tenure of 6.7 years. Department store chain Bloomingdale's ranked seventh with a median tenure of 6.3 years and Nordstrom ranked 17th with a median tenure of 5.7 years.



Policies like flexible work schedules and parental leave can boost employee satisfaction. Image credit: Kering

With a median tenure of 10.2 years, U.S. personal care company Neutrogena leads all skincare and cosmetics companies, as well as tying HSBC Bank with the longest median tenure of all companies evaluated.

French beauty group L'Oral edged out U.S. rival Coty, with a median tenure of 5.3 to 5.2 years. Lancme rounded out

the top 10 skincare companies with a median tenure of 5 years, while Shiseido and Este Lauder ranked 17th and 19th with median tenures of 4.3 and 4.2 years, respectively.

Generally speaking, luxury automakers and retailers saw longer median tenures than fashion labels, jewelers and beauty brands.

Making the case to employees

With low rates of unemployment, luxury groups are stepping up both their recruitment and retention efforts.

In 2021, LVMH accelerated its recruitment efforts, with a special focus on early career professionals, and now boasts a workforce of 175,000.

The group onboarded more than 45,000 new employees last year, including employees from Tiffany & Co., an increase of 9 percent from 2019. LVMH also plans to hire 25,000 early career professionals under the age of 30 by the end of this year ([see story](#)).

More recently, French luxury conglomerate Kering is rolling out its first employee shareholder transaction effort, providing eligible employees opportunities to become directly involved in the company's development.

The new financial program, "KeringForYou," represents the group's recognition and trust in its employees and may reflect a strategy for increasing employee retention rates. The transaction will be implemented in France, Italy, the U.K., the U.S., mainland China, Hong Kong, Japan and South Korea ([see story](#)).

"Luxury brands can certainly learn a thing or two from the companies with longer tenures," Ms. van Rijswijk said.

"The most obvious point is that if they increase employee benefits, they should in turn see an increase in job satisfaction and therefore employee tenure.

"Employees often stay at companies with strong benefits and growth potential," she said. "Conversely, workers with in-demand skills like high-end fashion brands frequently jump from company to company."