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Luxury Industry Continued to Struggle to Build Bonds with Consumers, Ranking 13th of 15 Industries Studied in MBLM's *Brand Intimacy 2018 Report*

Jaguar is Top Luxury Brand Followed by Land Rover and Rolex

NEW YORK — April 17, 2018 — The <u>luxury industry</u> ranked 13th out of the 15 studied in MBLM's <u>Brand</u> <u>Intimacy 2018 Report</u>, which is the largest study of brands based on emotions. Jaguar again came in first in the industry followed by Land Rover and Rolex. The remaining brands in the Top 10 for the luxury industry were: Cartier, Hermès, Gucci, Tiffany & Company, Channel, Louis Vuitton and Prada.

Brand Intimacy is defined as a new paradigm that leverages and strengthens the emotional bonds between a person and a brand. For the third year, the study revealed that top intimate brands in the U.S. surpassed the top brands in the Fortune 500 and S&P indices in revenue and profit over the past 10 years.

"Luxury brands continue to struggle establishing strong emotional connections with consumers. This is a surprising result given how ionic and well known these brands are. We believe luxury brands fail to focus enough on building reciprocal relationships or leverage the power of emotion. We see this as an untapped opportunity," stated Mario Natarelli, managing partner, <u>MBLM</u>.

Other significant luxury findings in MBLM's Brand Intimacy 2018 Report include:

- The industry had an average Brand Intimacy Quotient of 11.9, well below the study average of 27.1
- Indulgence, which is associated with pampering and gratification, is the dominant archetype in the category
- Gucci ranked highest for indulgence in the industry
- Jaguar is the only brand in the category within the Top 100 intimate brands overall, ranking 91st
- Jaguar ranked #1 for men, women and millennials
- Land Rover ranked #1 for people between 55-64 years old
- Study participants with incomes higher than \$100,000 ranked Rolex first
- Hermès declined in the study, while Rolex, Cartier and Gucci all improved their Brand Intimacy score
- The luxury industry performed better in Mexico, where it ranked 10^{th} and in the UAE, where it ranked 7^{th}

This year's report contains the most comprehensive rankings of brands based on emotion, analyzing the responses of 6,000 consumers and 54,000 brand evaluations across 15 industries in the U.S., Mexico and UAE. MBLM's reports and interactive Brand Ranking Tool showcase the performance of almost 400 brands, revealing the characteristics and intensity of the consumer bonds.

To view the luxury industry findings, visit: <u>https://hubs.ly/H0bFjvC0</u>. To download the full *Brand Intimacy* 2018 Report or explore the Ranking Tool please visit: <u>http://mblm.com/lab/brandintimacy-study/</u>.

Methodology

During 2017, MBLM with Praxis Research Partners conducted an online quantitative survey among 6,000 consumers in the United States (3,000), Mexico (2,000), and the United Arab Emirates (1,000). Participants were respondents who were screened for age (i.e. 18 to 64 years of age) and annual household income (\$35,000 or more) in the U.S. and socioeconomic levels in Mexico and the UAE (A,

B, and C socioeconomic levels). Quotas were established to ensure that the sample mirrored census data for age, gender, income/socioeconomic level, and region. The survey was designed primarily to understand the extent to which consumers have relationships with brands and the strength of those relationships, from fairly detached to highly intimate. It is important to note that this study provides more than a mere ranking of brand performance and was specifically designed to provide prescriptive guidance to marketers. We modeled data from a total of 54,000 brand evaluations to quantify the mechanisms that drive intimacy. Through factor analysis, structural equation modeling, and other sophisticated analytic techniques, the research allows marketers to better understand which levers need to be pulled to build intimacy between brands and consumers.

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About MBLM: MBLM is the Brand Intimacy Agency, delivering expertise and offerings across three areas of focus: Agency, Lab and Platform. With offices in seven countries, our multidisciplinary teams help clients build stronger bonds and deliver optimized marketing outcomes and returns for the long term. To learn more about how we can help you create and sustain ultimate brand relationships, visit mblm.com.