



Digital Luxury
Group.

THE WORLD LUXURY INDEX™ Russia

TOP 50 MOST-SEARCHED FOR LUXURY BRANDS IN RUSSIA

Photo Source: fotopedia.com

24 May 2012

Strategic Partner:

LUXURYSOCIETY

Data Partner:

Yandex

A new luxury benchmark is born.

Created as a way to provide luxury brands with a standardized way of measuring brand interest at an international level, Digital Luxury Group, in partnership with Luxury Society, unveils:

The World Luxury Index.

An international ranking and analysis of the most searched-for brands within the luxury industry.

Russia takes the Stage.



“The market for luxury goods in Russia increased by 12 percent in 2011.”

~ Bain & Company study, 2012

With so much attention on Russia’s luxury industry the time is right for a standardized benchmark.

Introducing:

The World Luxury Index Russia

The World Luxury Index **Russia.**

Covering:

400+ brands

150 million+ searches*

**6 Key
Segments**



Cars



Fashion



Beauty



Hospitality



Jewelry



Watches

Unbiased insights from the **top**
search engine** in Russia:

Yandex

* From January – December 2011

** ~60% market share in Russia



WHAT ARE THE MOST SEARCHED LUXURY BRANDS IN RUSSIA?

Top 50 Most-Searched For Luxury Brands in Russia.

1	BMW	26	Burberry
2	Audi	27	Moncler
3	Volvo	28	Maserati
4	Mercedes-Benz	29	Tiffany & Co.
5	Lexus	30	Kenzo
6	Land Rover	31	Armani
7	Chanel	32	Ferrari
8	Infiniti	33	Sheraton
9	Porsche	34	McLaren
10	Louis Vuitton	35	Rolex
11	Bugatti	36	Lincoln
12	Swarovski	37	Renaissance
13	Hilton	38	Aston Martin
14	Dior	39	Prada
15	Hermès	40	Yves Saint Laurent
16	Cadillac	41	Bulgari
17	Rado	42	Max Mara
18	Lancôme	43	Estée Lauder
19	Jaguar	44	Shiseido
20	Bentley	45	Kempinski
21	Acura	46	Cartier
22	Omega	47	Tivoli
23	Guerlain	48	Le Meridien
24	Gucci	49	Dolce & Gabbana
25	Lamborghini	50	Clinique

By Luxury Segment.



CARS



FASHION



BEAUTY



HOSPITALITY



WATCHES



JEWELRY

#1



#2



#3



Automobile searches lead.

BREAKDOWN BY SEGMENT



CARS

73.64%



FASHION

8.09%



BEAUTY

7.81%



HOSPITALITY

3.71%



WATCHES

3.40%



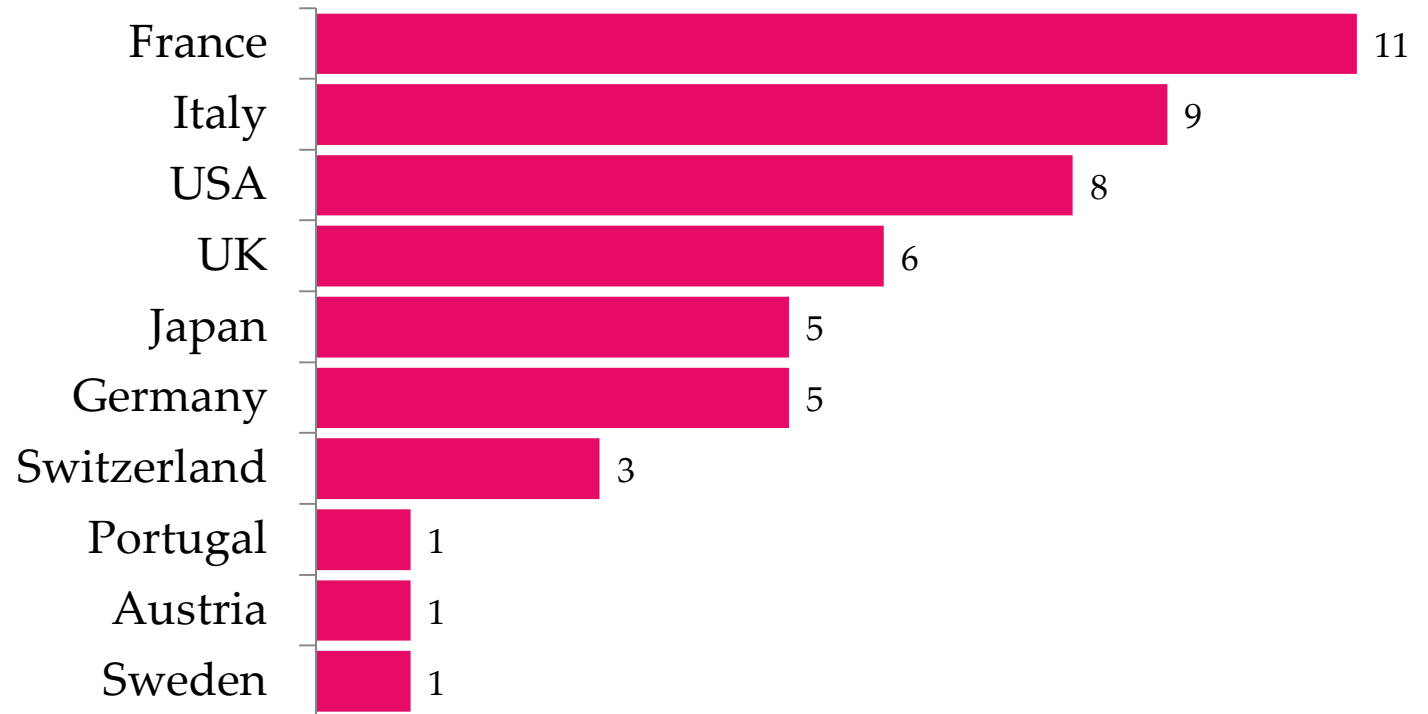
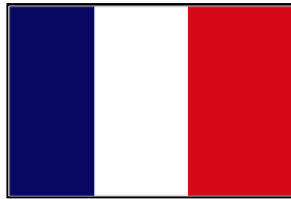
JEWELRY

3.35%

- Cars make up an impressive 73.64% of total searches for luxury brands in Russia
- Of all the luxury segments, automobiles are the most often researched online in advance of purchase
- Russia is expected to become Europe's largest car market by 2014¹

Europe Leads in Luxury Branding to Russians.

TOP COUNTRIES OF ORIGIN FOR BRANDS IN THE TOP 50 RANKING



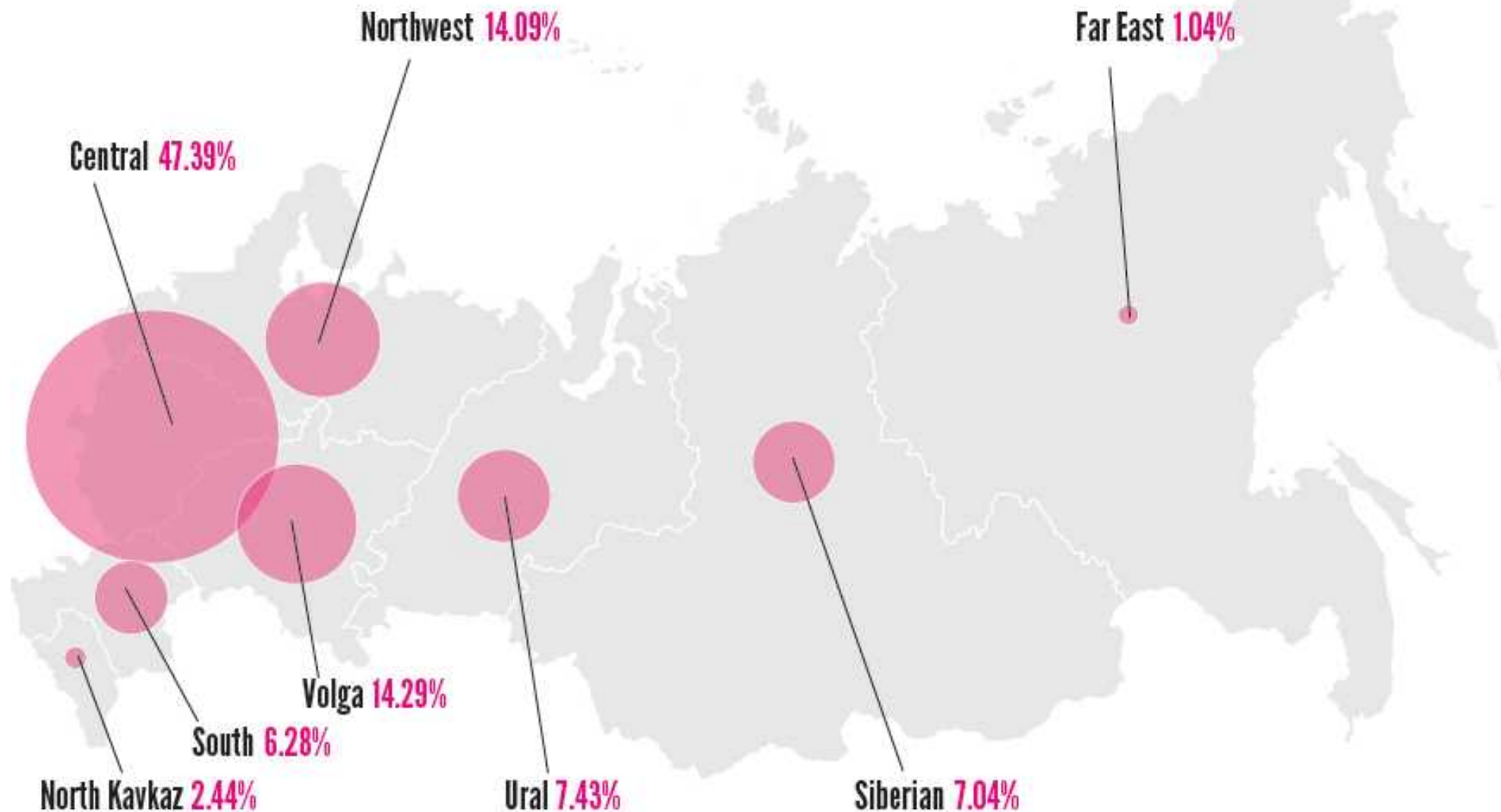
Of the top 50 most-searched luxury brands in Russia, 37 originate from a European country.

A vintage-style map of Russia, showing various cities and regions. The map is rendered in a warm, sepia tone. A white horizontal band across the center contains the text 'WHERE IN RUSSIA IS THE INTEREST IN LUXURY STRONGEST?' in a bold, pink, sans-serif font. The map background shows labels for cities like Mytishi, Dolgoprudnyj, and Vinogradovo, along with a network of roads and rivers.

**WHERE IN RUSSIA IS THE INTEREST IN
LUXURY STRONGEST?**

Russia searches breakdown per region.

Breakdown of searches by region - World Luxury Index™ Russia
January to December 2011 - Yandex





WHAT ABOUT THE CAR MARKET IN RUSSIA?



INSIGHT #1: Luxury Cars Rule the Road.



- Cars are the leading segment with 73.64% of the total searches for luxury brands
- In 2011, Russians purchased around 2.5 million cars, propelling the car market to the second-largest in Europe¹
- Furthermore, the Russian government has invested \$6.3 billion in foreign car manufacturers³

INSIGHT #1: BMW Leads.



- BMW is the most-searched for luxury brand in Russia, representing 18.8% of searches for ALL brands in the ranking
- BMW plans to build its own factory in Russia with expectation that it may soon overtake Germany as Europe's largest car market¹
- In Russia, BMW is largely regarded as an automobile for working businessmen²

INSIGHT #1: BMW Model Preferences.

69.85% of BMW-related searches in Russia are for specific car models, with larger models being at the top of the list.

BMW 5 Series



BMW 6 Series



BMW 3 Series



TOP BMW MODELS

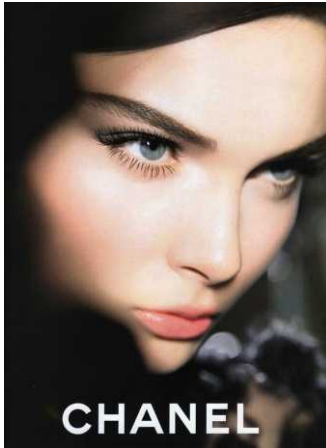
5 series	39.83%
6 series	19.10%
3 series	17.73%
1 series	9.99%
7 series	8.15%
M series	2.10%
Z4	1.88%
X series	1.22%



HOW ARE BEAUTY BRANDS PERFORMING IN THE RUSSIAN MARKET?

INSIGHT #2: Beauty Brands Make an Impact.

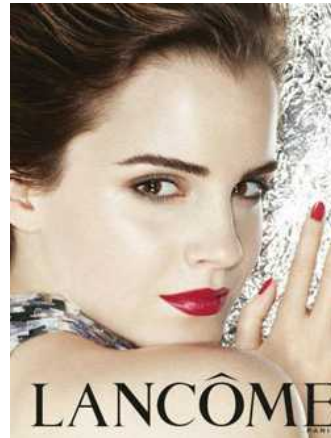
Chanel, Lancôme, and Guerlain are the top 3 most-searched brands in the beauty segment.



CHANEL

20.34%

of beauty searches



LANCÔME
PARIS

11.19%

of beauty searches




GUERLAIN

9.73%

of beauty searches

INSIGHT #2: Guerlain connection with Russia.



- Ranked #3 in the beauty category in Russia, far above its ranking in China (#10) and the US (#17)
- In 2011, Guerlain became an official sponsor of the Bolshoi theatre, supporting premiers and financially aiding the renovation of the main stage
- To celebrate the project, Guerlain created a limited edition perfume called *Le Bolshoi* that was launched exclusively in Russia

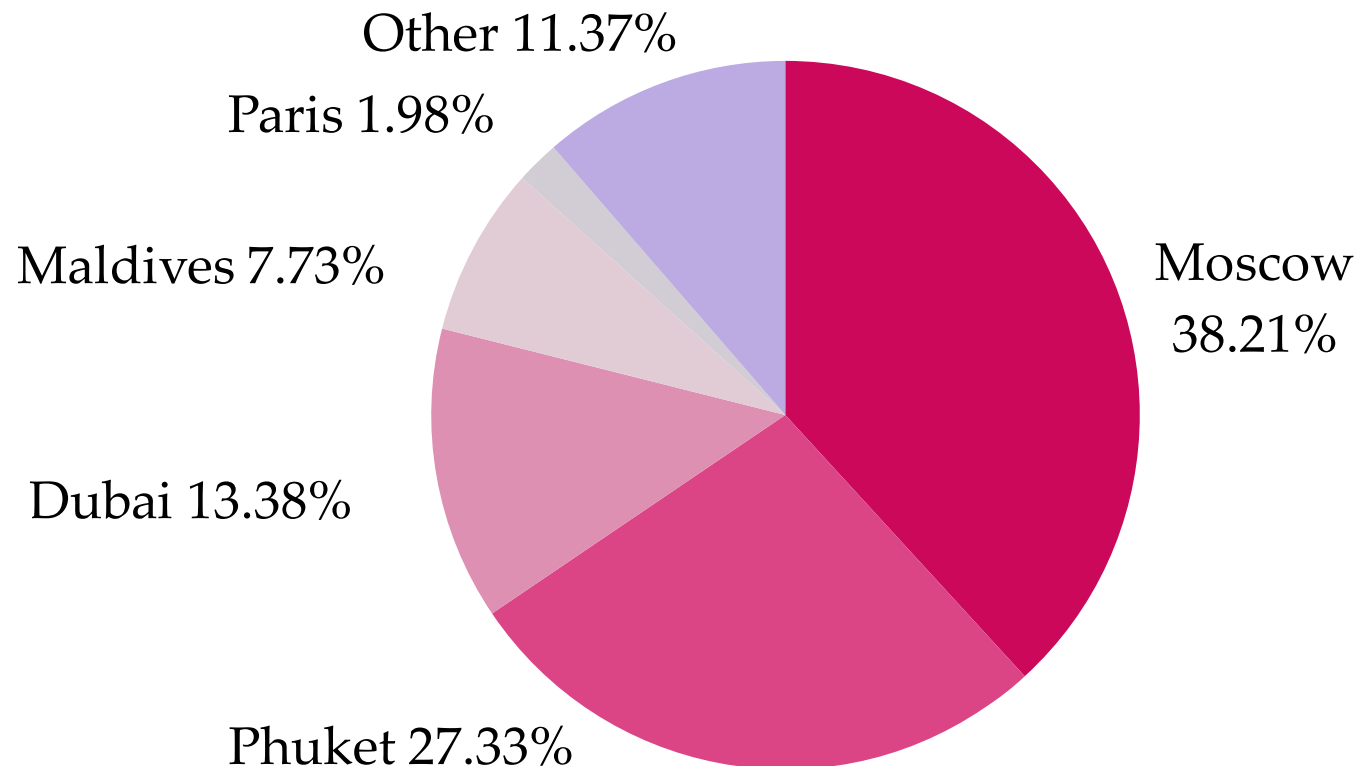


A tropical beach scene featuring several thatched-roof huts on stilts over the ocean. The huts have conical roofs made of dried palm fronds. The water is clear and blue, and the sky is a deep blue with a few clouds. A large palm tree is in the foreground on the right side.

WHICH ARE THE MOST SEARCHED FOR TRAVEL DESTINATIONS?

INSIGHT #3: Luxury Travel in the Tropics.

Apart from Moscow, which leads as the destination most associated to luxury hotel searches, exotic tropical destinations mark a large percentage of hotel research being done by Russians:



INSIGHT #3: Holidays in Thailand.



- Interestingly, the island of Phuket in Thailand is the most searched for destination within the hotel brands featured in the top 50 ranking
- Of the luxury hotels with presences in Phuket, Le Meridien captures over 48% of the searches being done by Russians for luxury hospitality in Phuket.

Le MERIDIEN
PHUKET BEACH RESORT



**HOW ARE RUSSIAN TASTES EXPRESSED IN
JEWELRY AND WATCHES?**

INSIGHT #4: Bling Beckons.



Photo source: rolex.com

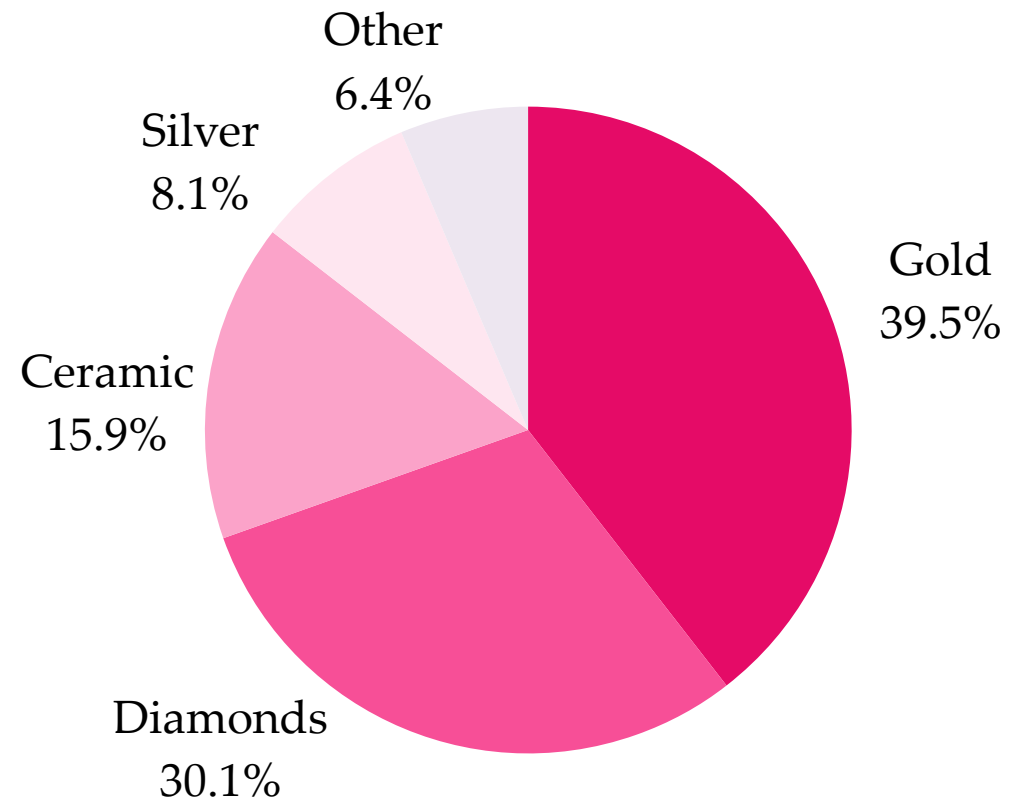
- It's a common belief that to do well in the Russian jewelry and watch market, a brand needs to offer “bling” to meet the flashy tastes of Russian clientele.
- Beyond being a stereotype, data shows that there is a large interest for flashy materials and brands that focus on shine

INSIGHT #4: Bling Watches.

In the [WorldWatchReport](#)TM, a study focused solely on the luxury watch market globally, it was found that watch-related searches in Russia were more often associated with flashy materials like gold and diamonds than in other markets:



Omega Constellation Luxury Edition



INSIGHT #4: Crystals Shine.



Photo Source: onlinepunch.net



- Swarovski (#12 overall) tops the list as the most-searched jewelry brand in Russia
- More than 50% of all the searches for high-end jewelry in Russia are for Swarovski
- Swarovski is well-positioned as a brand that fits the Russian taste for bling, yet remains an accessible luxury, with an attainable price point



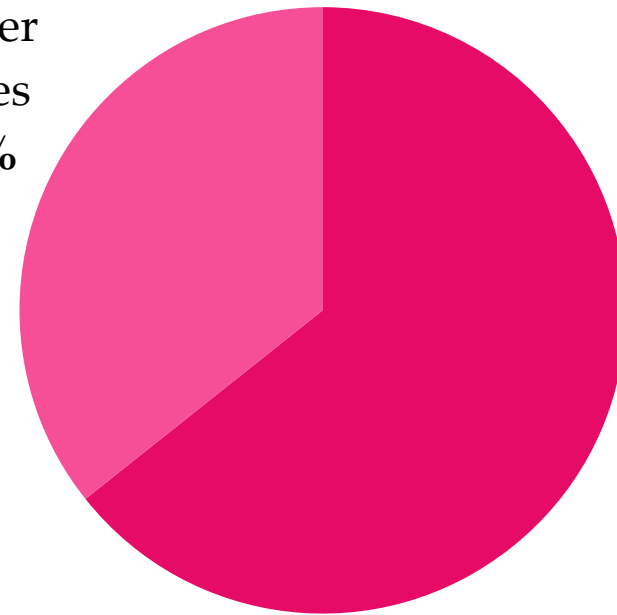
HOW DO RUSSIAN CONSUMERS SEARCH FOR LUXURY BRANDS?

INSIGHT #5: Russians Continue to Search in Cyrillic

International luxury brands traditionally use their trademarked Latin character names when marketing in Russia, however, 35% of luxury-related online searches are made in Cyrillic characters.



Cyrillic
character
searches
35.68%



Latin
character
searches
64.32%

ABOUT.

The **World Luxury Index** is an international ranking and analysis of the most searched-for brands within the luxury industry. Covering over 400 brands within six key segments (fashion, beauty, jewelry, cars, watches, and hospitality) in ten key luxury markets, the **World Luxury Index** provides insights on the unbiased search inputs coming from global luxury consumers in the world's top search engines (Google, Bing, Baidu, Yandex). The result is a one-of-a-kind benchmark of the luxury brands capturing the attention of luxury-minded consumers around the world.

Digital Luxury Group has a history in luxury industry market intelligence. Since 2004, the **WorldWatchReport** has provided the luxury watch industry with unmatched insights and garnered attention from the world's leading publications:



ABOUT.

Digital Luxury
Group.

www.digital-luxury.com

Yandex

www.yandex.ru

LUXURYSOCIETY

www.luxurysociety.com

With offices in New York, Geneva, Shanghai, and Dubai, Digital Luxury Group (DLG) is the first international company dedicated exclusively to the design and implementation of digital communication strategies for luxury brands.

Yandex is Russia's largest search engine and a leading Russian internet and technology company. Its mission is to answer any questions web users may have. The company provides easy access to the wealth of local, national and international information through its search and a portal with dozens of free online services. Yandex generates about 60% of all search traffic in Russia, while its websites attract a monthly audience of more than 79.4 million users from all over the world (comScore, March 2012).

Luxury Society is the world's most influential online community of top luxury executives. Based in Paris, with members in more than 150 countries, Luxury Society informs and connects CEOs, managers, journalists, consultants, designers and analysts from across the luxury industry.

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