

How to elevate a luxury brand

Article

High-end luxury is having a moment. Consumers in this category haven't been hurt by inflation the same way the average US consumer has, so brands need to elevate to hold onto them.

"At least for the time being, personal luxury sales are holding up," said our analyst Sky Canaves on a recent "[Behind the Numbers: Reimagining Retail](#)" podcast. "This year, they'll grow by a healthy 13.3% and close to 7% next year."

How can you elevate a luxury brand?

Stop discounting. “When you start discounting, it gives the brand less of an exclusive feel,” said analyst Zak Stambor. Brands like Coach have used this strategy to raise prices and to drive its perception as a higher-end brand.

Invest in creative talent. “Product quality and design or appearance were the top factors that influenced respondents’ luxury purchase decisions,” according to an **Insider Intelligence survey**, said Canaves. New talent and novel approaches can reinvigorate forgotten and legacy brands.

Get celebrity buy-in. Brands brag about who they dress. Influencer and celebrity product use builds an aura of exceptionalism for brands. Plus, wide social media followings mean more visibility for brands.

The flip-side. Pushing up prices and exclusivity can alienate younger and lower-income buyers entering the luxury market. And while brands can attract these customers via ecommerce and accessibly priced products, they risk bringing down the overall brand profile. That means they’re more likely to hurt when the average consumer ditches unnecessary spending, like in today’s inflationary times.

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