



## Luxury Goods Advertising

Closet doors swing open revealing the likes of Gucci and Prada, with a Mercedes parked in the garage and a Baja Marine docked at a nearby pier, an estimated 45.8 million Americans bring in over \$125,000 annually and are key targets for these brands.

**Nielsen Monitor-Plus™**, a service of The Nielsen Company, takes a close look at advertising for luxury goods.

### Handbags

Don't be fooled by the knock-offs. The giants of luxury handbags, which include Louis Vuitton, Gucci, and Kate Spade, each more than doubled their advertising spending for the first quarter of 2008 compared to the same time period in 2007. Although Longchamp Paris was the top spender, the company decreased its ad budget by 27%.

### Jewelry and Diamonds

Advertisers in the Jewelry and Diamonds category spent \$54.8 million in the first quarter of 2008, a 5% decrease from Q1 2007. As with most luxury goods, the overwhelming majority (\$45.7 million) of the total budget was spent on advertising in National Magazines.

Top 5 Handbag Advertisers	Q1 2008 Ad Spending
Longchamp Paris	\$1,141,382
Dooney & Burke	\$914,698
Louis Vuitton	\$889,343
Gucci	\$770,310
Kate Spade	\$662,646

Source: Nielsen Monitor-Plus

## Nielsen Monitor-Plus Spotlight:

# Luxury Goods Advertising

Jewelry/Diamond Advertiser	Q1 2008 (\$ mil)
Diamond Trading Co. Diamonds	\$6.50
David Yurman Jewelry	\$4.20
Tiffany & Co. Jewelry	\$3.30
Tacori Jewelry	\$2.20
Hearts On Fire Diamonds	\$1.40
Marco Bicego Jewelry	\$1.30
Cartier Jewelry	\$1.10
Gucci Jewelry	\$1.00
Simon G Jewelry	\$1.00
Roberto Coin Jewelry	\$1.00

Source: Nielsen Monitor-Plus

The top 10 “bling” advertisers each spent over \$1 million in the first quarter 2008, with Diamond Trading Co. on top with \$6.5 million. Roberto Coin, which placed no advertising in the first quarter of 2007, saw the greatest dollar and percent increase for the period. Gucci’s budget soared, climbing from \$60,800 to over \$1 million. Meanwhile, the company behind the famous “blue box”, Tiffany & Company, cut its budget by 32% to \$3.3 million.

### Country Clubs, Golf Clubs, and Boats

While women dress themselves in expensive handbags and jewelry, men enjoy golfing, boating, and exclusive country club memberships.



Advertisers in the Boat category spent \$2.7 billion in the first quarter of 2008 -- 50% more than its 2007 budget for the same time period. Country Club ad spending also saw a modest 11% increase, reaching \$3.2 billion.

Top Golf Club Brands	Q1 2008 (\$ mil)	% change vs. Q1 2007
Adams	\$3,933	44%
Callaway	\$6,151	-14%
Cleveland	\$5,116	13%
Nike	\$7,350	89%
Titleist	\$880	38%
<b>Total Top 5 Brands</b>	<b>\$23,431</b>	<b>24%</b>

Source: Nielsen Monitor-Plus

Advertising for the Golf Club category fell 16% in the first quarter of 2008 to \$38.4 billion. Spending for the top five brands reached \$23.4 billion, an increase of 24% from the same time period last year. Adams was the top spender (\$3.9 billion). Four of the five brands — with the exception of Callaway (-14%) — increased spending.

### Luxury Automotive Spending

Aston Martin and Porsche showed the most significant percentage increase in advertising spending. Meanwhile, Lexus was the top spender, reaching \$78.9 million for the first quarter of 2008 -- a decrease of 14% compared to the same time period last year. Mercedes-Benz, with \$77 million in ad spending, and Infiniti, with a \$57 million ad budget, rounded out the top three luxury car advertisers.

Luxury Car Brand	Q1 2008 Ad Spending	% change vs. Q1 2007
Aston Martin	\$480,982	169%
Audi	\$24,998,848	49%
Bentley	\$292,995	-57%
BMW	\$35,271,747	-10%
Hummer	\$15,592,498	-36%
Infiniti	\$57,115,551	2%
Jaguar	\$13,430,210	25%
Lexus	\$78,892,180	-14%
Maserati	\$2,538,241	-15%
Mercedes-Benz	\$77,136,623	36%
Porsche	\$16,591,520	167%
Rolls-Royce	\$223,272	-32%

Source: Nielsen Monitor-Plus

## Nielsen Monitor-Plus Spotlight:

# Luxury Goods Advertising

### Automotive Product Placements

Although traditional advertising spending decreased for both Bentley and Hummer, product placements by these two brands increased in the first quarter of 2008. According to Nielsen Product Placement Service, Bentley jumped from five to 13 placements in broadcast programs such as *Ugly Betty* (ABC) and *Two and a Half Men* (CBS), while Hummer increased by four placements to 29 within programs such as *CSI Miami* (CBS) and *Jericho* (CBS).

Of the seven cable networks monitored (A&E, BRAVO, TLC, MTV, SHOWTIME, HBO, and HGTV), Lexus placements were down from 93 occurrences in the first quarter of 2007 to 37 occurrences in the first quarter of 2008; Mercedes-Benz also decreased its product placements from 326 occurrences to 244 during that time period. Cable programs that featured placements for Lexus or Mercedes-Benz included *Millionaire Matchmaker* (Bravo) and *Real Estate Pros* (TLC).



**Please contact your Nielsen Representative today for  
Monitor-Plus advertising information on any category  
that interests you.**