



Luxury Goods Report 2020

Statista Consumer Market Outlook

August 2020

Agenda

01 Market Outlook

- Overview
- Market drivers
- Consumer insights
- Sales channels
- Key players
- Trends

02 Segments

- Overview and sales figures
- COVID-19 impact
- KPI comparison
- Regional ranking

03 Appendix

- Companies and brands
- Product overview
- Author

OVERVIEW



Luxury brands have to embrace experiences to stay relevant in materially saturated markets

Overview: management summary

The Luxury Goods market has enjoyed a remarkable upsurge during the last decade with growth rates exceeding mass consumer goods markets by a wide margin. However, the industry has had to face headwinds in some segments in 2015 and 2016 that were attributable to weakening demand from emerging countries and the U.S. in particular. 2018 and 2019 were good years for luxury goods companies, continuing the rebound of the global luxury goods industry which started in 2017. To unlock future growth, brands have to embrace their materially satisfied customers' desire for novel experiences.

The market is divided into five segments: Luxury Leather Goods, Luxury Watches & Jewelry, Luxury Fashion, Luxury Eyewear and Prestige Cosmetics & Fragrances. The Luxury Fashion segment accounts for the biggest share followed by Prestige Cosmetics & Fragrances. Overall, Luxury Goods have generated sales revenues of more than US\$313 billion worldwide in 2019 and are projected to grow to more than US\$388 billion by 2025.

The most important market drivers influencing the Luxury Goods market are High Net Worth Individuals on the one hand and on the other hand tourism flows and airline traffic. The number of High Net Worth Individuals is set to rise to more than 47 million people worldwide by 2023. Tourism and airline traffic is likewise projected to continue past growth patterns.

Detailed surveys on the shopping behavior of U.S. and German luxury shoppers have yielded valuable consumer insights on both sides of the Atlantic. While the Germans care much more for exclusivity than the Americans, both agree on the importance of quality and style.

Among sales channels eCommerce is still underdeveloped for Luxury Goods compared to non-food categories at large but is poised for high growth as millennial consumers increasingly demand the convenience of online shopping and delivery and brands find ways to create better digital brand experiences.

LVMH, Kering (formerly PPR) and Richemont are the most relevant key players as they all leverage large portfolios of luxury brands that are active in all or most of the segments covered in this report. Their scale and reach allow them to foster vast ecosystems of both small and big brands and to connect them to a global consumer base.

Three key trends have been identified that shape the global Luxury Goods market at the moment. Mass customization centers around the further personalization, while experientialization seeks to add value to store visits, enhance product experiences and broaden brand experiences to services.

The report covers personal luxury products from international manufacturers and brands

Overview: market definition

Market definition based on list of top companies and brands

In the context of this report, luxury goods comprise highly exclusive personal items that convey the taste and status of their owner. This includes apparel, footwear and leather goods, eyewear, watches and jewelry, as well as cosmetics and fragrances.

The market data presented here are based on an analysis of the financial filings of more than 120 companies¹ that target the luxury segments within the specified categories and takes into account the years between 2010 and 2019.

Smaller companies (with revenues of less than US\$150 million) and artisanal production unaffiliated with the covered companies as well as companies for which no financial filings or reasonable estimates could be obtained are not included in the data.

All market and company share data refer to the retail value (including sales taxes). Sales of licensed brands (especially important in the eyewear and cosmetics segments) are attributed to the licensee, so for example, Hugo Boss fragrances are counted as Coty sales to avoid double counting.



The Luxury Goods market is divided into 5 segments and 7 sub-segments

Overview: segments

Luxury Leather Goods

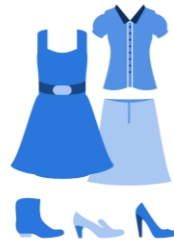


Luxury Watches & Jewelry



Luxury Watches
Luxury Jewelry

Luxury Fashion



Luxury Apparel
Luxury Footwear

Luxury Eyewear



Prestige Cosmetics & Fragrances



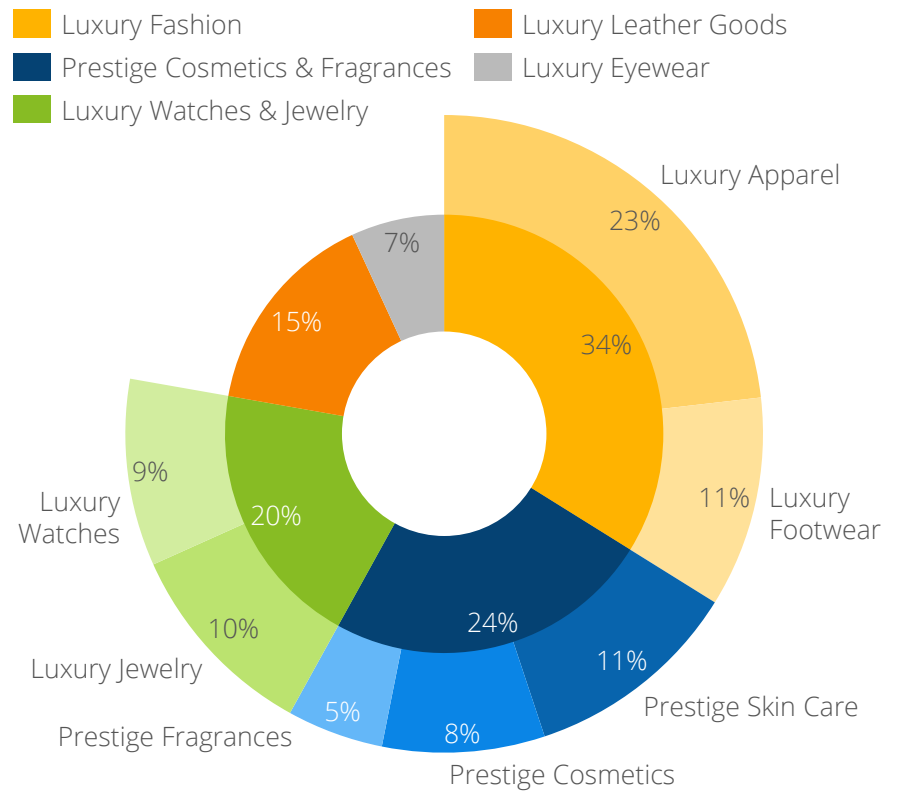
Prestige Cosmetics
Prestige Skin Care
Prestige Fragrances

With 34%, the segment Luxury Fashion accounts for the biggest share in the Luxury Goods

Overview: key takeaways

- The market for Luxury Goods realized a worldwide revenue of US\$313 billion in 2019 and is projected to grow to US\$388 billion by 2025.
- Luxury Fashion is the largest segment of the Luxury Goods market with sales values of US\$106 billion in 2019, followed by the Prestige Cosmetics & Fragrances segment (US\$ 76 billion), Luxury Watches & Jewelry (US\$62 billion) and Luxury Leather Goods (US\$48 billion). The smallest segment is Luxury Eyewear (US\$22 billion).
- Luxury Leather Goods witness the highest growth potential with an estimated total growth of around 33% projected for the years 2019 to 2025.
- With more than US\$848, the highest revenue per capita in 2019 was realized in Hong Kong, where visitors from Mainland China boost sales.
- eCommerce sales are still comparatively low in relation to other Non-Food categories and currently capture only 10% of all sales. However, online sales are projected to grow faster than the market to reach a share of 14% by 2023.
- LVMH Moët Hennessy - Louis Vuitton, Kering, Richemont and Chanel are the most important multi-brand and multi-segment players with each company wielding a portfolio of dozens of global luxury brands. In individual segments, however, other specialized players can be larger in terms of sales.

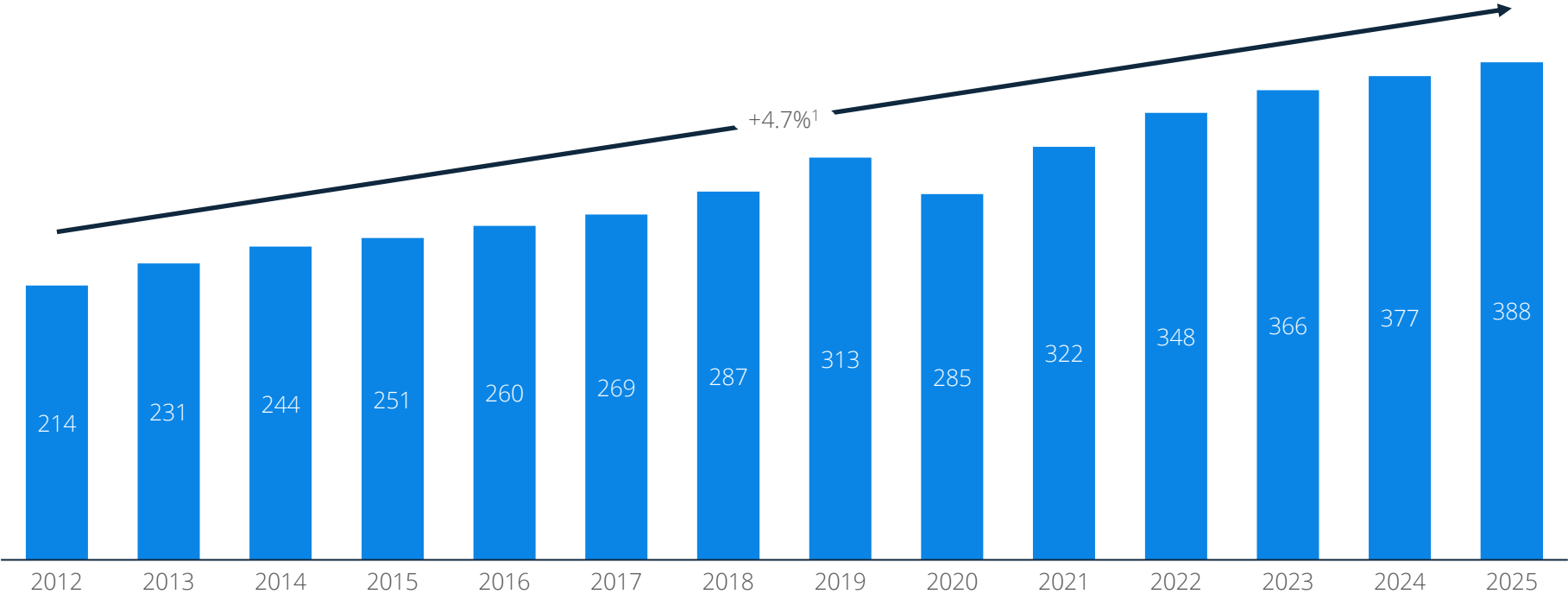
Worldwide revenue share in 2019



In 2019, the Luxury market realized a revenue of US\$313bn worldwide

Overview: sales figures (1/4)

Worldwide revenue in billion US\$

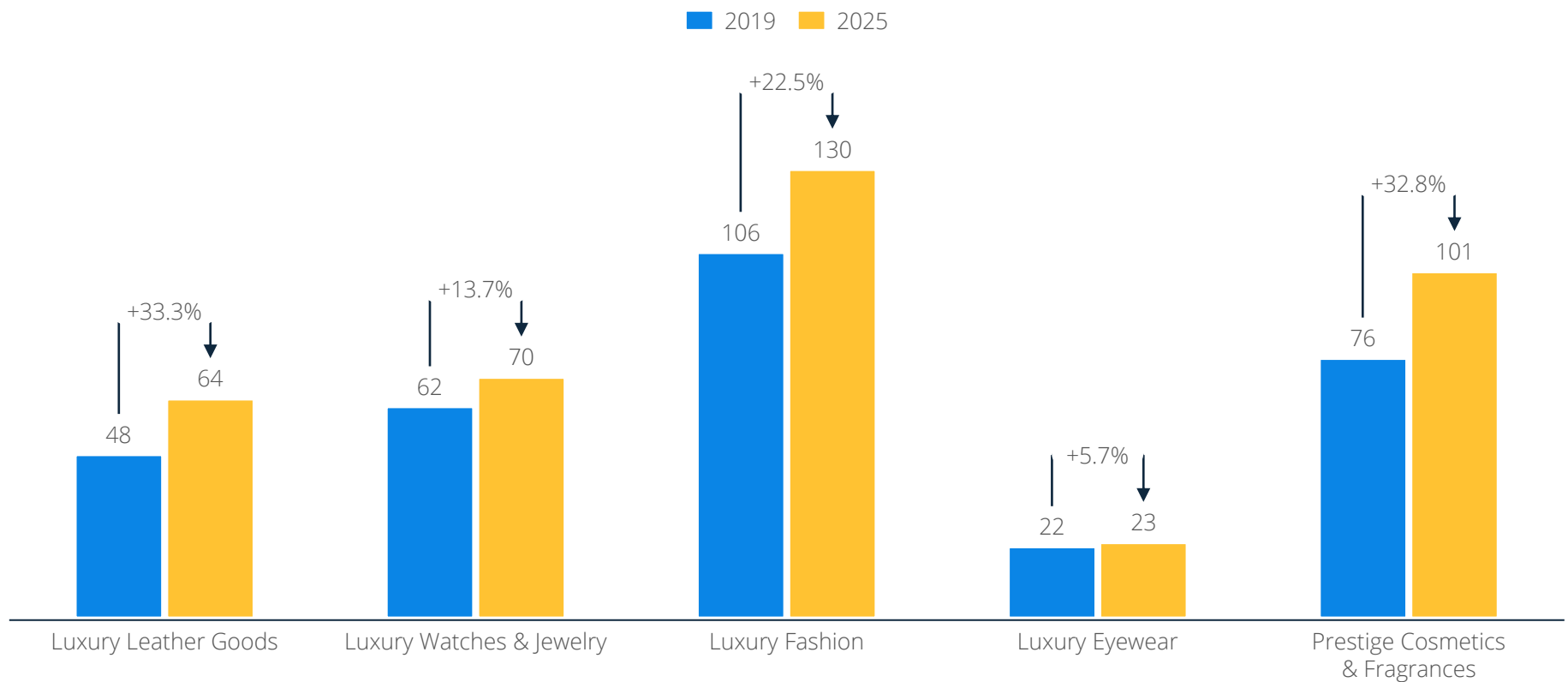


8 1: CAGR: Compound Annual Growth Rate / average growth rate per year
Source: [Statista Consumer Market Outlook 2020](#)

The Luxury Leather Goods segment has the highest growth potential with 33% from 2019 to 2025

Overview: sales figures (2/4)

Worldwide revenue in billion US\$

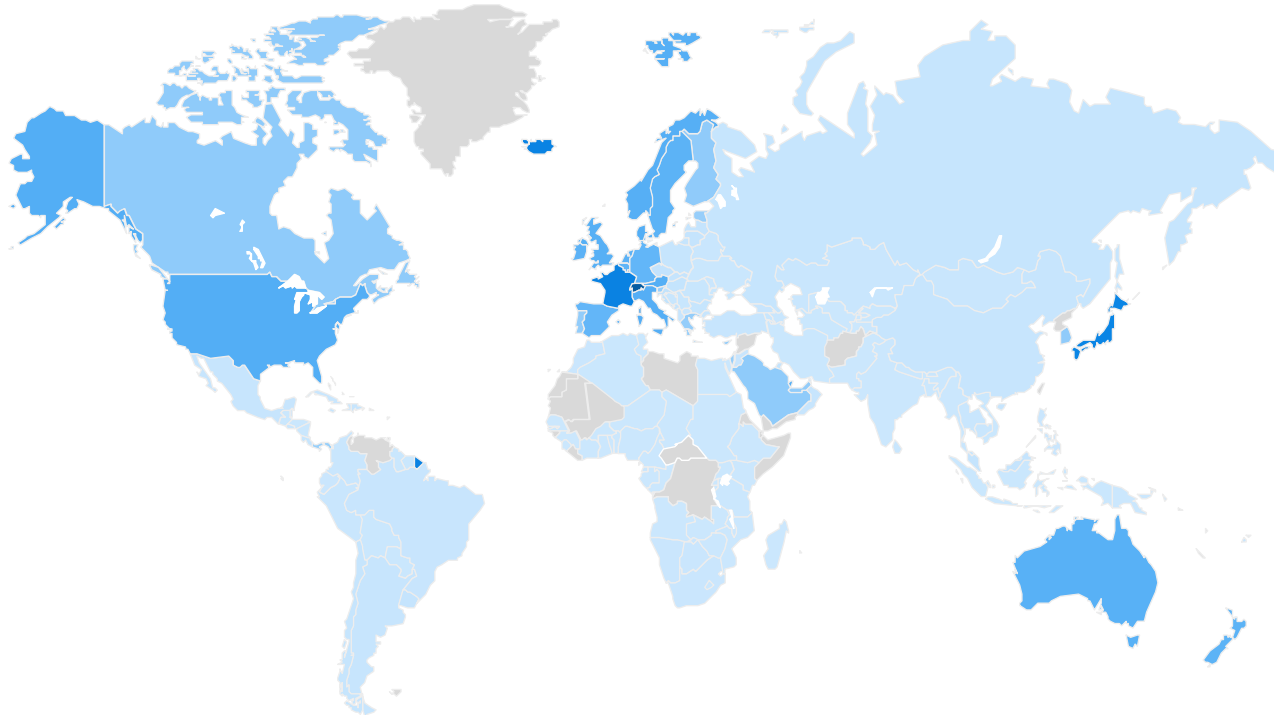


With US\$848 per capita, people in Hong Kong spent the most on Luxury Goods in 2019

Overview: sales figures (3/4)

Per-capita revenue in US\$ in 2019

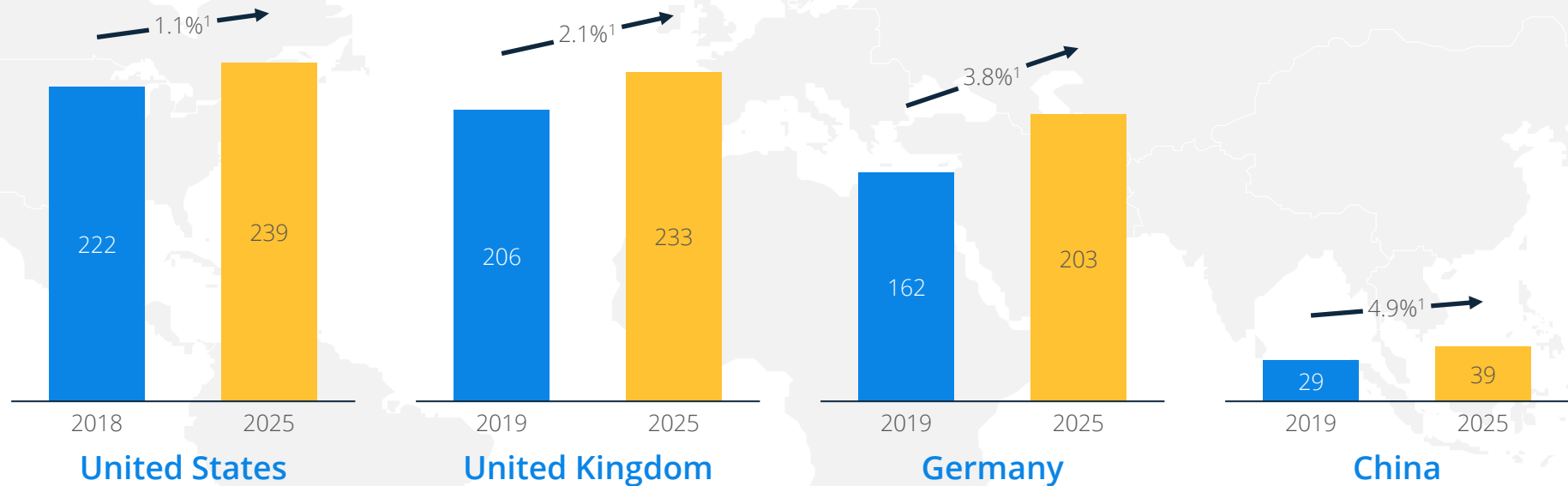
US\$3  US\$848  Out of scope



The Chinese per capita retail value is expected to increase at a CAGR¹ of 4.9% from 2019 to 2025

Overview: sales figures (4/4)

Growth and per capita revenue in US\$

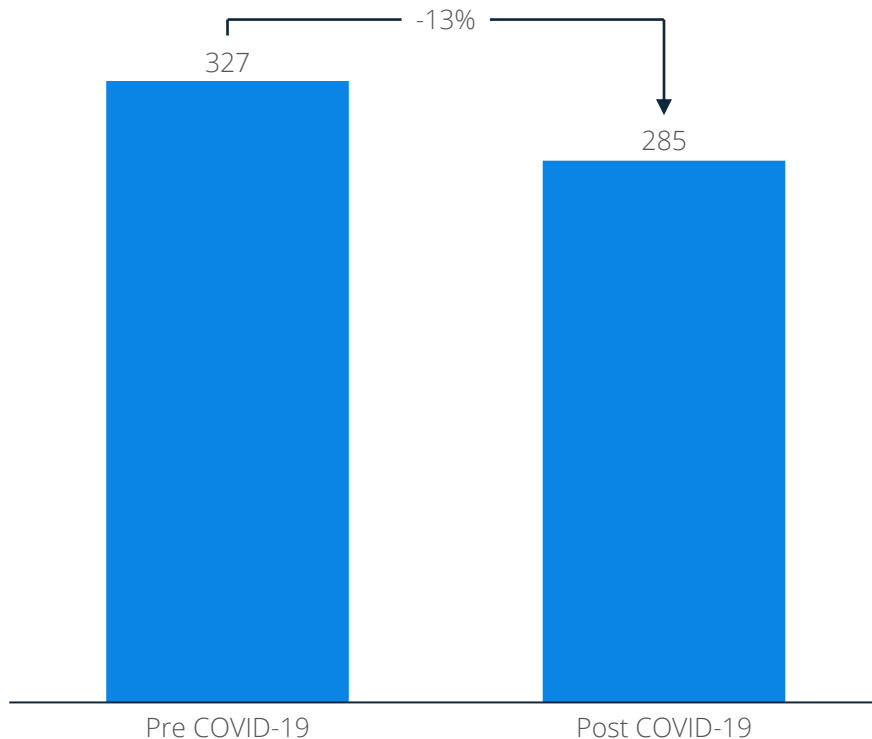


1: CAGR: Compound Annual Growth Rate / average growth rate per year
Source: [Statista Consumer Market Outlook 2020](#)

The Luxury Goods market is expected to witness a COVID-19-related revenue decline of 13%

Overview: COVID-19 impact (1/2)

Worldwide Luxury Goods revenue in billion US\$ in 2020



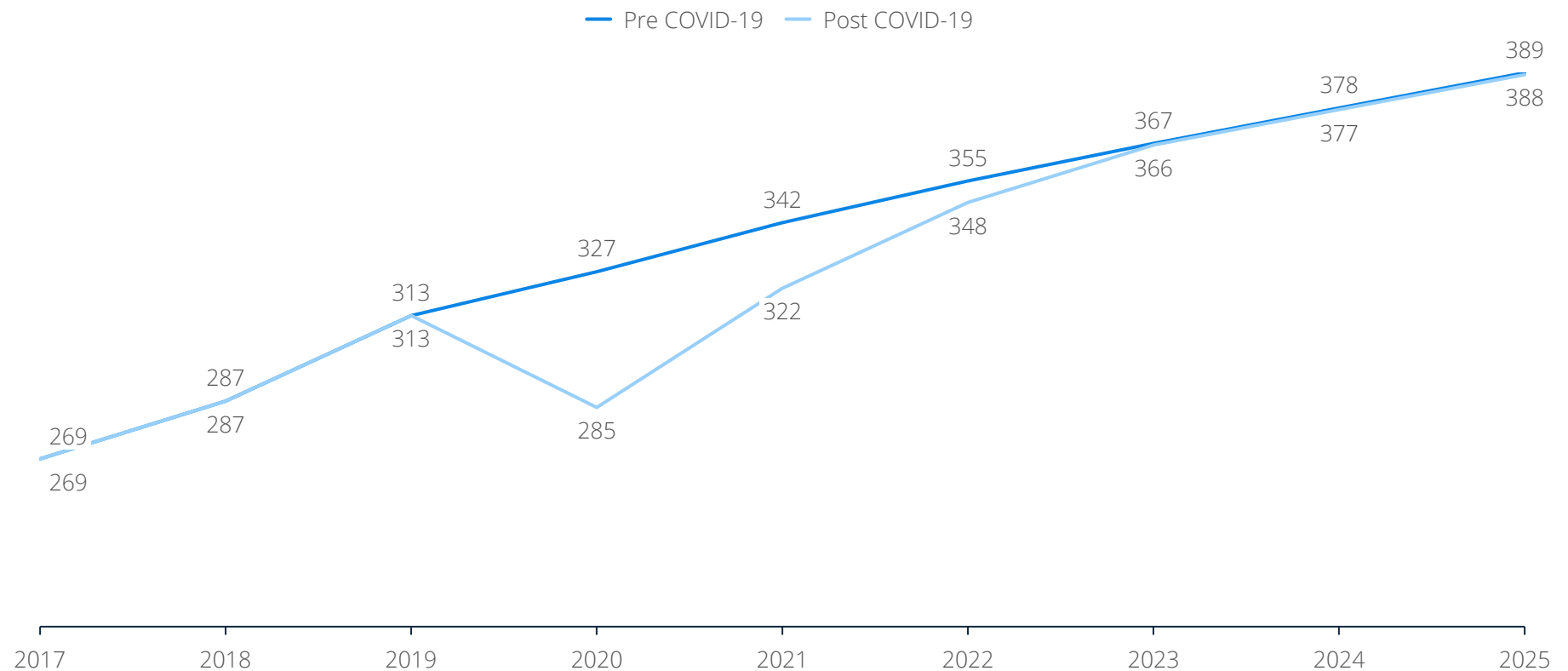
Pandemic likely to result in recession followed by v-shaped recovery

- The Corona pandemic will play out economically as an external shock to consumption. Its immediate effect on the luxury goods industry is on a historic scale.
- This shock directly affects face-to-face commerce like store retail due to the closing of stores. Additionally, manufacturing plants have been shut down and shipping has been adversely impacted.
- Therefore, our estimated revenues for the Luxury Goods market in 2020 have been adjusted by -13%, as online shops cannot provide any compensation.
- We do not anticipate a reversal of long-term trends, but a dissipation of the pandemic-induced shock over the next years. It remains to be seen how consumer's buying moods will develop.
- The forecasts are dependent on governments' ability to „flatten the curve“ of infections, the post-pandemic economic outcomes and labor market situations. A „second wave“ or continued high levels of infections would lead to further downgrading in 2020.

The worldwide Luxury Goods market is expected to reach only US\$285 billion in 2020

Overview: COVID-19 impact (2/2)

Worldwide Luxury Goods revenue in billion US\$



MARKET DRIVERS



The worldwide luxury market is driven by the affluent population and tourism flows

Market drivers: summary

The global luxury market continues to be driven by the growth of the key target demographic of High Net Worth Individuals (HNWI) as well as worldwide tourism flows.

The total number of High Net Worth Individuals (HNWI)¹ is forecast to grow to over 47 million people by 2023. Asia witnesses a high increase in numbers, but North America and Europe will still be home for more than 75% of them.

Almost half of luxury goods are purchased while travelling abroad or in travel retail shops highlighting the significance of inbound tourism and travel retail shops for the luxury goods industry. Europe will maintain the pole position among tourism destinations keeping its share of total arrivals at around 49%. Asian destinations show a slightly higher growth and are projected to claim a share of about 30% of all arrivals in 2023. In terms of total airline passenger traffic, Europe is about to overtake North America, but both regions are thwarted by Asia on account of absolute passenger numbers and growth.



Until 2023, the number of High Net Worth Individuals will increase to more than 47 million people

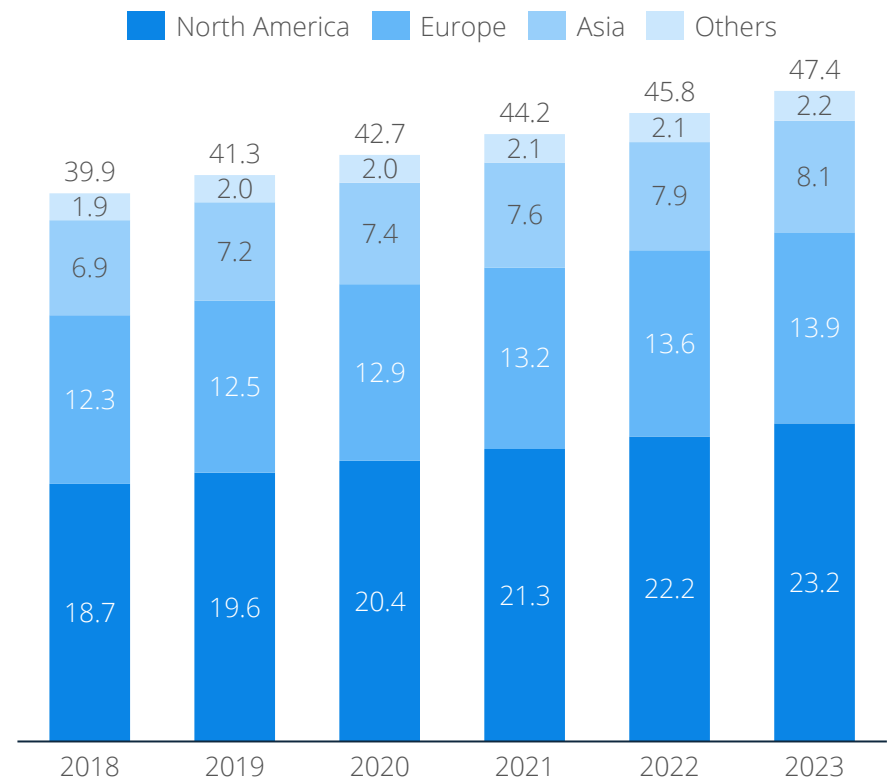
Market drivers: High Net Worth Individuals (HNWI)

The global population of High Net Worth Individuals (HNWI) currently stands at roughly 39.9 million persons with almost half of them (18.7 million) located in North America alone. High Net Worth Individuals denote persons with investible assets of more than US\$1 million (including residential property). Until 2023 the total HNWI population is set to rise to more than 47 million people.

Statista's estimate of the global HNWI population is based on research of Swiss bank Credit Suisse and own estimates. Credit Suisse estimates the size of this demographic in a bottom-up approach by sizing up total wealth per country and estimating its distribution among with a combination of results from national household budget surveys and mathematical distribution models. Other, solely survey-based methods tend to underestimate the top-end of high-income households since these households are hard to reach by traditional market research methods.

The geographic dislocation of HNWI can explain the still eminent importance of industrialized countries in Western Europe, North America and Japan for the global luxury goods industry. While emerging and developing nations have gradually caught up in terms of gross domestic product (GDP), wealth is still much more unevenly distributed globally since it represents the accumulated capital of many generations. However, the high net worth population is projected to grow fast in Asia highlighting the growth potential in emerging markets.

HNWI population worldwide in millions



Almost half of all luxury purchases occur abroad or while travelling at an airport

Market drivers: tourism (1/3)

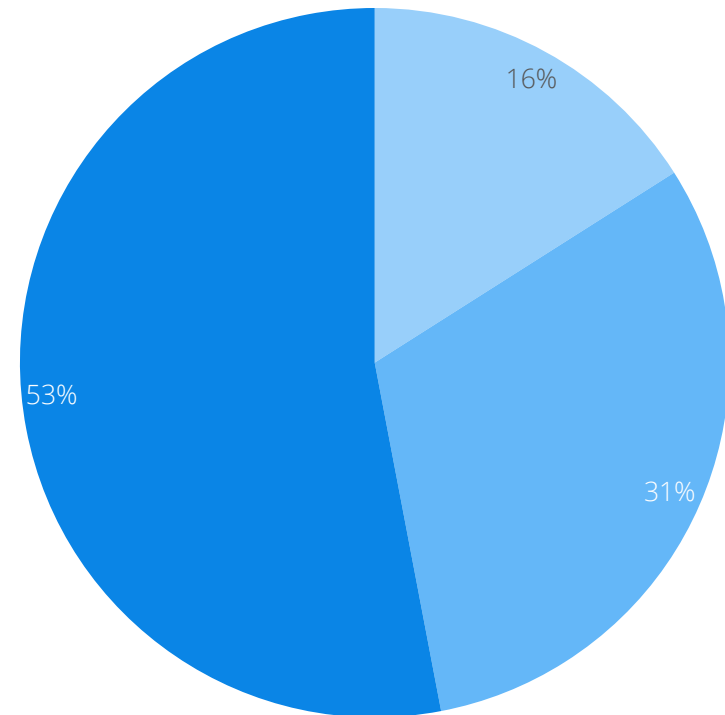
In February 2017, financial advisory company Deloitte conducted a survey among 1,300 luxury consumers from 11 countries worldwide as part of their yearly industry ranking "Global Powers of Luxury Goods".

Among other findings it showed that luxury consumers purchase luxury goods to a significant degree outside their home country. Globally, the respondents answered that 47% of their luxury purchases within the last year had been made while travelling abroad or at airports during transit. This number was even higher for consumers from emerging markets (in this context, Deloitte considers countries like China, Russia or the United Arab Emirates) with 40% of purchases abroad and 20% while travelling at an airport for a combined 60% of purchases happening not in the home country of the respondents.

While the results of this survey cannot be confused with an actual distribution of sales revenues since the respondents were not asked to provide detailed purchasing lists and of course might have forgotten or omitted certain purchases, they nevertheless show the importance of tourists as consumers and travel retail as a sales channel for the luxury goods industry.

Distribution of luxury product purchases worldwide

■ Home country ■ Abroad ■ Travelling at airport



"Consider the last 12 months. How many of your luxury products purchases took place in your home country, abroad or at an airport while travelling?" n=1,300 luxury consumers in 11 countries worldwide, February 2017
Source: Deloitte

Europe keeps attracting the most tourists worldwide potentially driving luxury sales in tandem

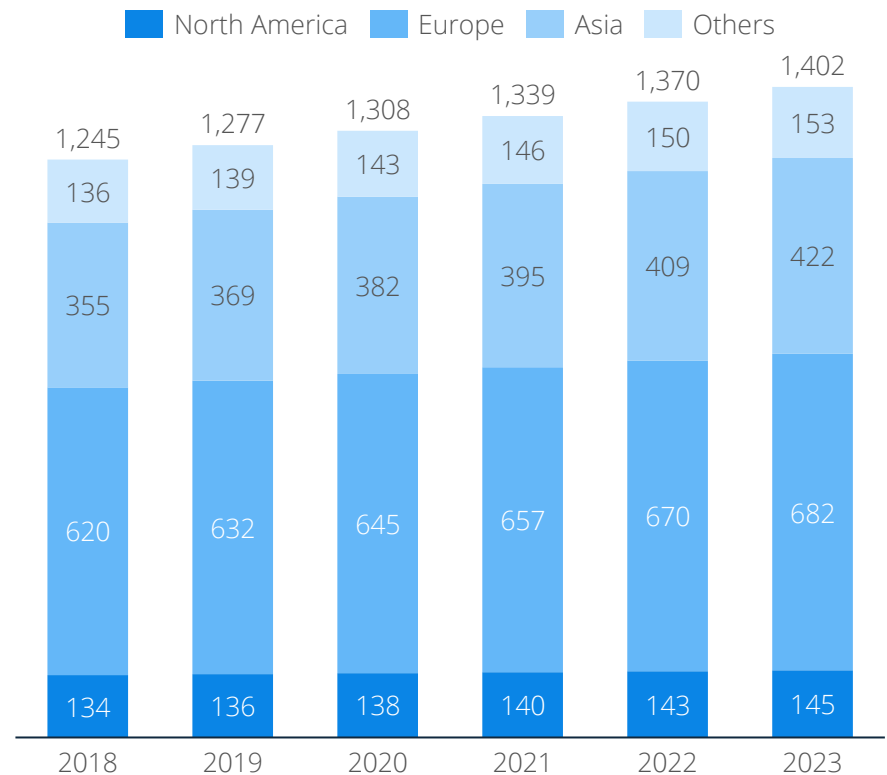
Market drivers: tourism (2/3)

In early modern Europe it was customary for young men and women from the upper rungs of society to visit the culturally significant historical cities of Italy and France as part of a “grand tour” meant to instill education and taste from the examples of classical antiquity and the renaissance art derived from it.

This past pattern is still visible in tourist flows today. Europe as a whole accounted for around 50% of global arrivals in 2018 which translates to 619.9 million tourists. Of this number more than one-fifth was attributable to France and Italy alone. Not coincidentally do these countries (together with Switzerland) have the highest density of luxury goods brands worldwide who are attuned to the taste of a globalist elite. Luxury retail today is reliant on visiting businessmen or tourists and retailers at high-end destinations like the Bond Street in London or the Rue Saint-Honoré in Paris have adapted to this global clientele, for example by employing associates with proficiency in different languages.

Europe will continue to attract tourists from around the world and will keep its pole position as international tourist destination through 2023. But mirroring the gradual shift of the global economy at large to the Asia-Pacific region is also an increased interest in Asia as a tourist destination. This interest is driven by the emergence of an affluent middle class in the region itself as well as its increasing attractiveness for tourists from the Americas and Europe.

International tourist arrivals worldwide in millions



Increased airline traffic will boost travel retail sales

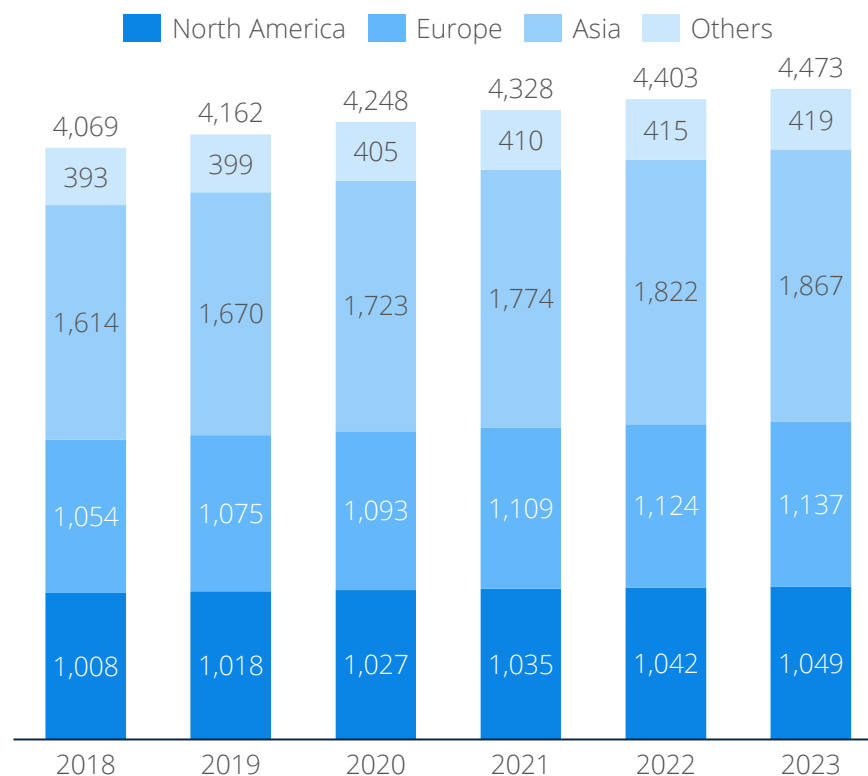
Market drivers: tourism (3/3)

The world's first Duty Free Shop opened at Shannon Airport in Ireland in 1947. Shannon Airport was at the time a way station for transcontinental flights that due to the limited range of airplanes of the era could not be completed in one leg. Thus Shannon teemed with the international jet-set and in order to stimulate local commerce the idea was born to incentivize sales by waiving sales taxes.

The concept has since been widely adopted and become a global retail phenomenon that was worth around US\$79 billion worldwide in 2018. The most popular categories were constituted by typical gift products like fragrances, wines and spirits, fashion, tobacco and watches and jewelry. While the air travel experience itself has become increasingly commodified over time, travel retail shops try to keep some of the past glamour alive by offering highly desirable consumer goods at slightly more affordable prices than everywhere else.

The overall size and specific product range explain the importance of travel retail as a sales channel and showroom for the luxury goods industry. Our forecast of global air passenger transport shows that North America has already almost reached a saturation point whereas the rest of the world is still growing strong with a compound average growth rate (CAGR) of 1.9% between 2018 and 2023. Asia will account for the bulk of this growth with more than half of all additional passengers being attributable to the region. This highlights once more the growing weight of Asian consumers also for the luxury goods industry.

Air transport, passengers carried worldwide in millions



CONSUMER INSIGHTS



Luxury consumers demand excellence in all aspects of the shopping experience

Consumer insights: summary

As a result of extensive fieldwork during the spring of 2018, this chapter presents insights into brand perceptions and consumption habits of luxury consumers in the U.S. and Germany.

Both U.S. and German luxury consumers associate luxury mainly with quality and style, but Germany notably value exclusivity and extravagance higher than their American counterparts.

Luxury consumers in both countries are driven towards luxury goods out of desires for personal fulfillment, to experience happiness and joy or to enhance their appearance or status. Accordingly, main motives for purchasing luxury goods are indulgence-oriented.

Physical stores are a key component of the customer journey, but the internet has become an important source for research and comparison. However, more than a quarter of luxury purchases were made spontaneously without a long decision process which presents a huge conversion potential for brick-and-mortar luxury retail.

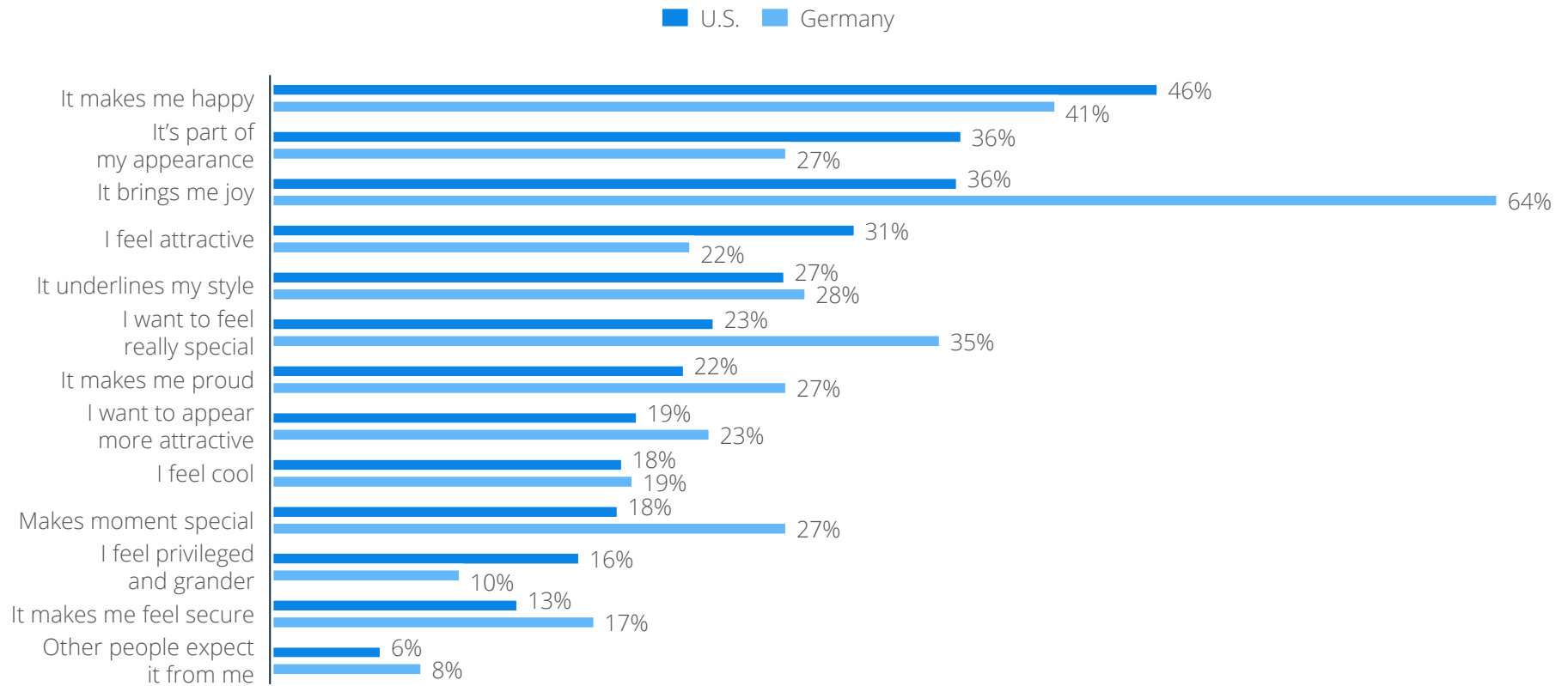
Brands have to be appealing and of the highest quality to entice consumers. Among fashion and accessory brands, Gucci and Louis Vuitton were named by the respondents as the most desirable luxury brands while Rolex captured the pole position for watches.



Desires of personal fulfillment drive consumers to luxury products

Consumer insights: expectations (1/3)

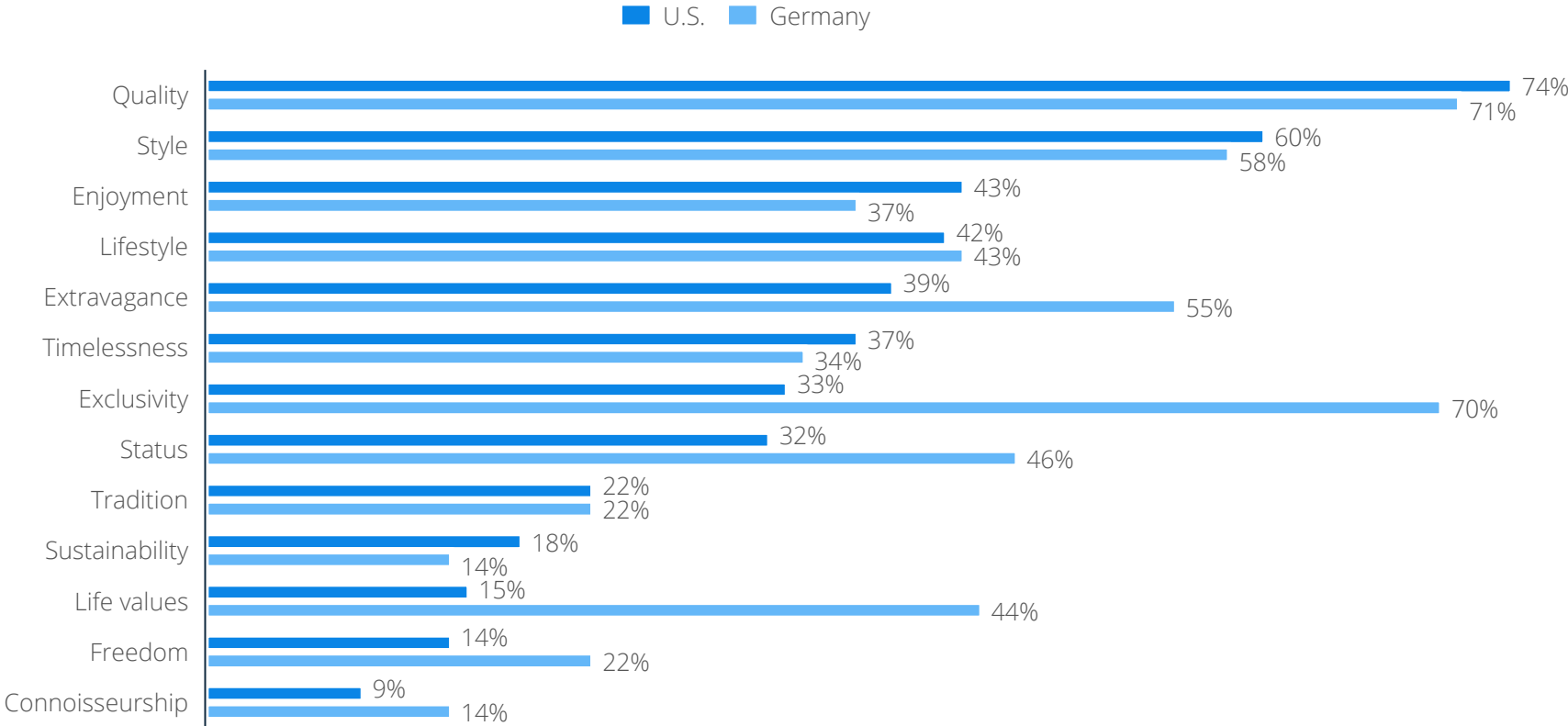
Reasons to wear personal luxury products



For U.S. consumers, luxury is mostly a question of quality and style while Germans also seek exclusivity

Consumer insights: expectations (2/3)

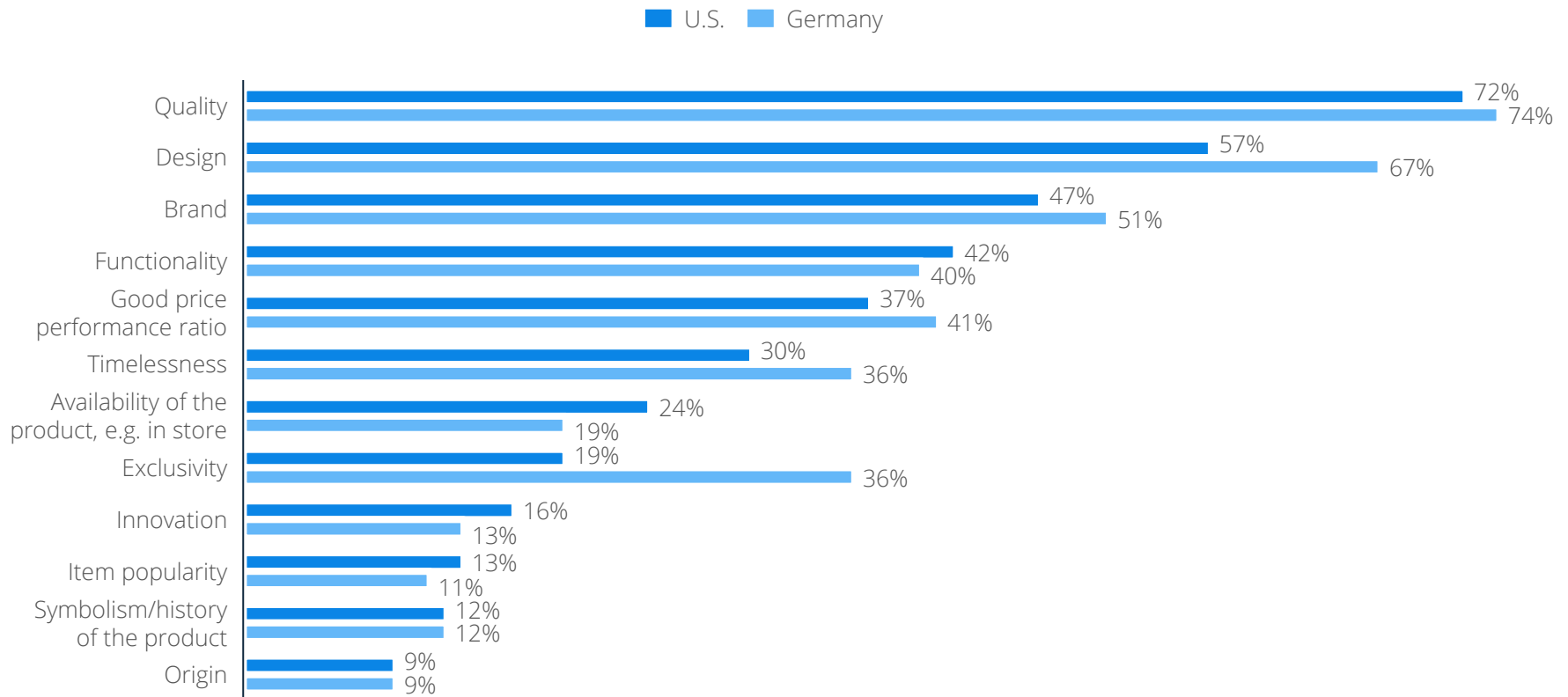
Terms associated with luxury



Quality, design and brand are the most important purchasing criteria for luxury goods

Consumer insights: expectations (3/3)

Decision drivers for purchasing personal luxury items



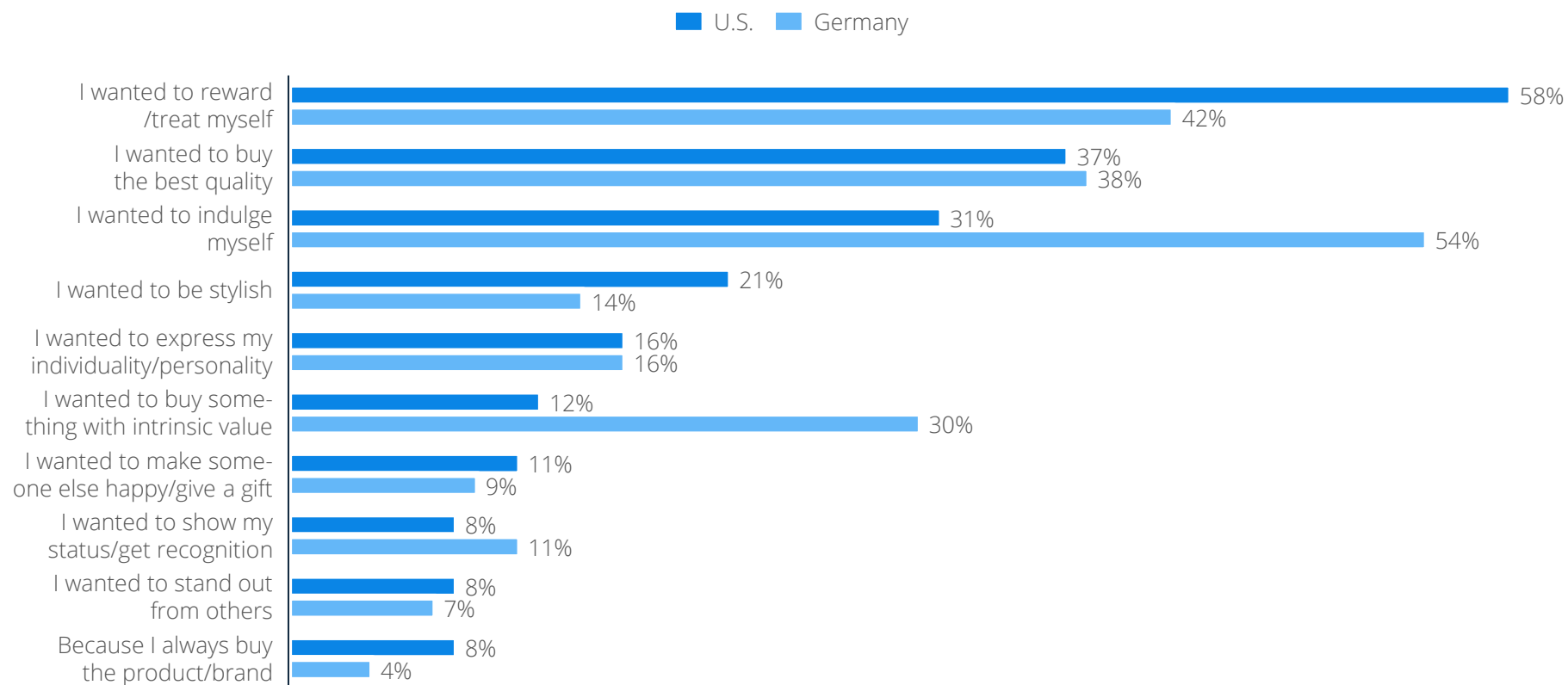
"Based on which aspects do you decide on a specific luxury brand? Please select all aspects which are relevant to you. I select a brand..."; Multi Pick; n= 900 (U.S.); n=1,015 (DE)

Source: [Statista Luxury Survey U.S. 2018](#), [Statista Luxury Survey Germany 2018](#)

Luxury consumers want to treat or indulge themselves with their purchases

Consumer insights: occasions

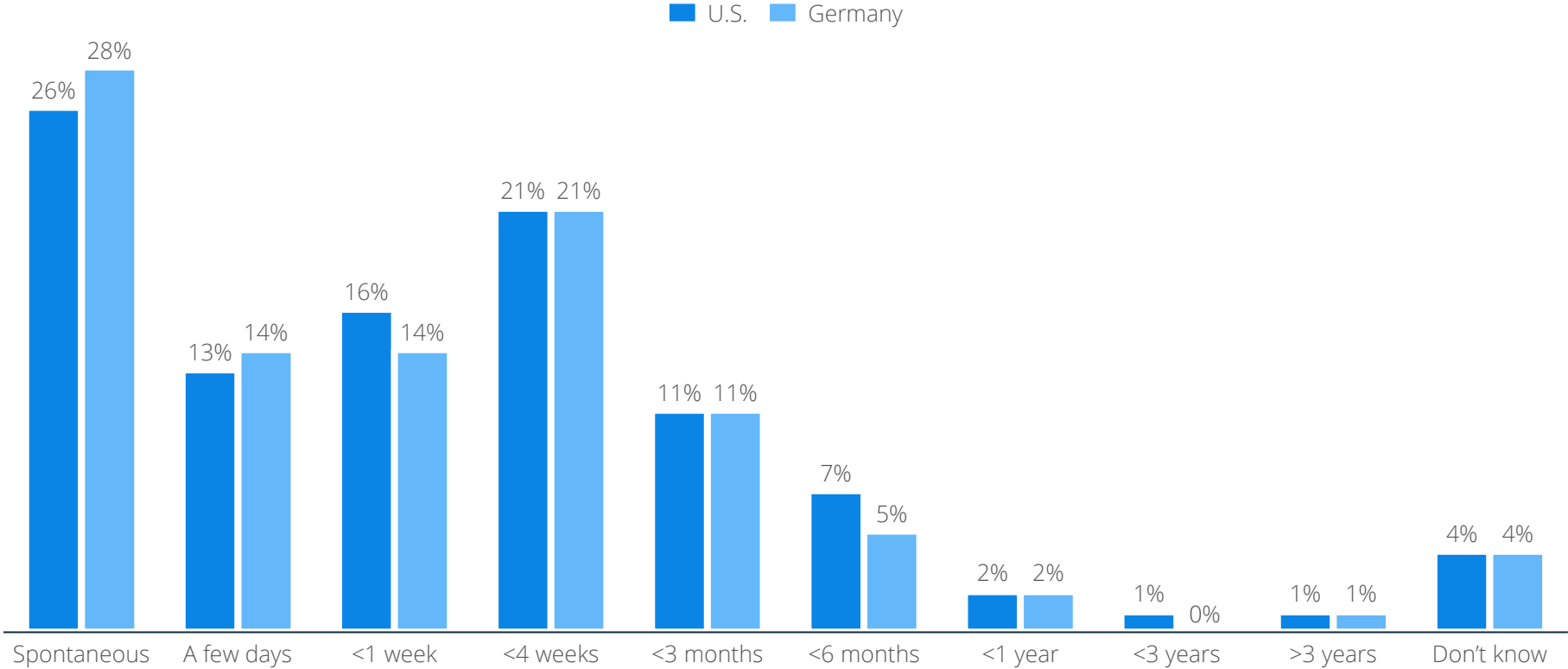
Reasons for purchasing personal luxury products



Despite the price tag, a quarter of U.S. luxury consumers purchased luxury goods spontaneously

Consumer insights: purchase planning time

Average planning time in advance of luxury purchases

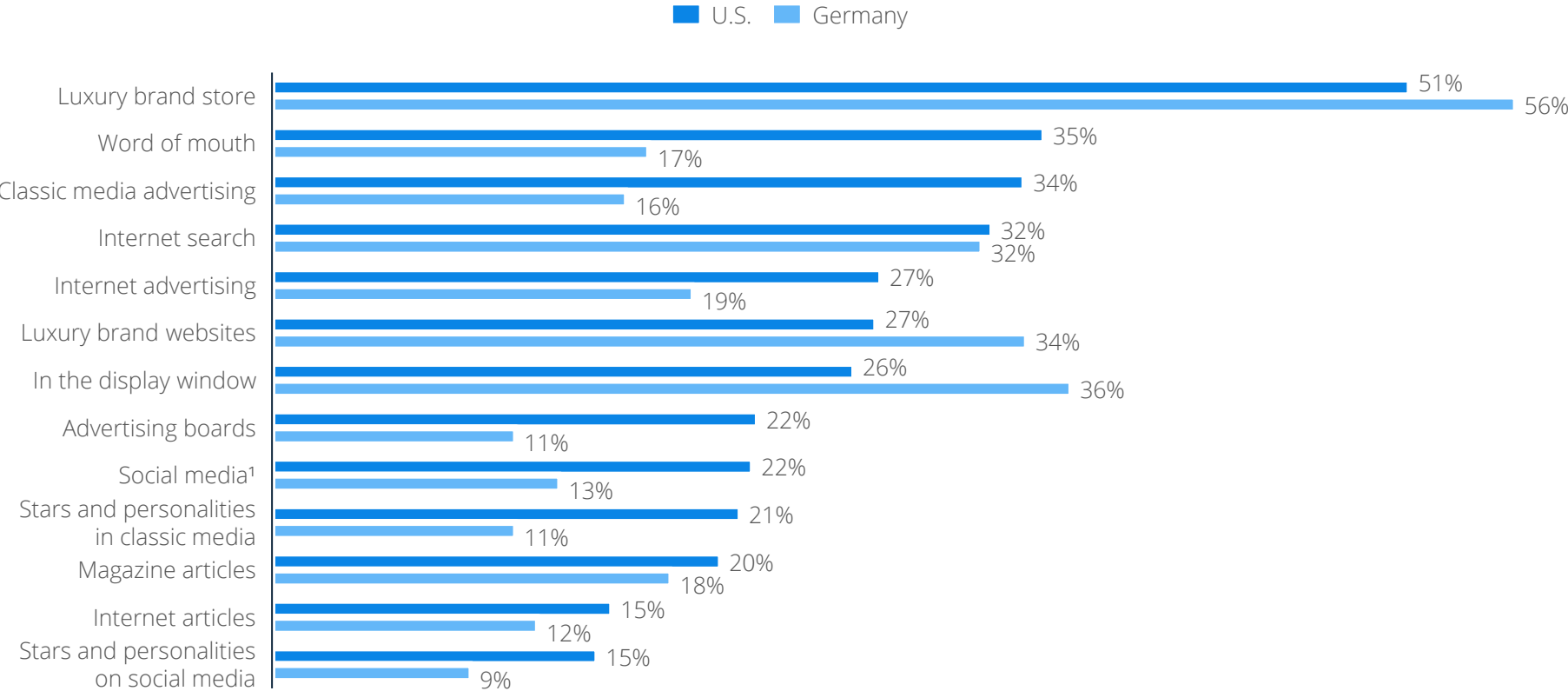


"Please think about your last purchase of a personal luxury item (accessories, clothing, bags, shoes, jewelry, watches). On average, how long in advance had you planned the purchase?"; Multi Pick; n= 900 (U.S.); n=1,015 (DE)
Source: [Statista Luxury Survey U.S. 2018](#), [Statista Luxury Survey Germany 2018](#)

Physical stores are still the most relevant source of information on new personal luxury products

Consumer insights: information channels (1/2)

Information channels for new personal luxury items

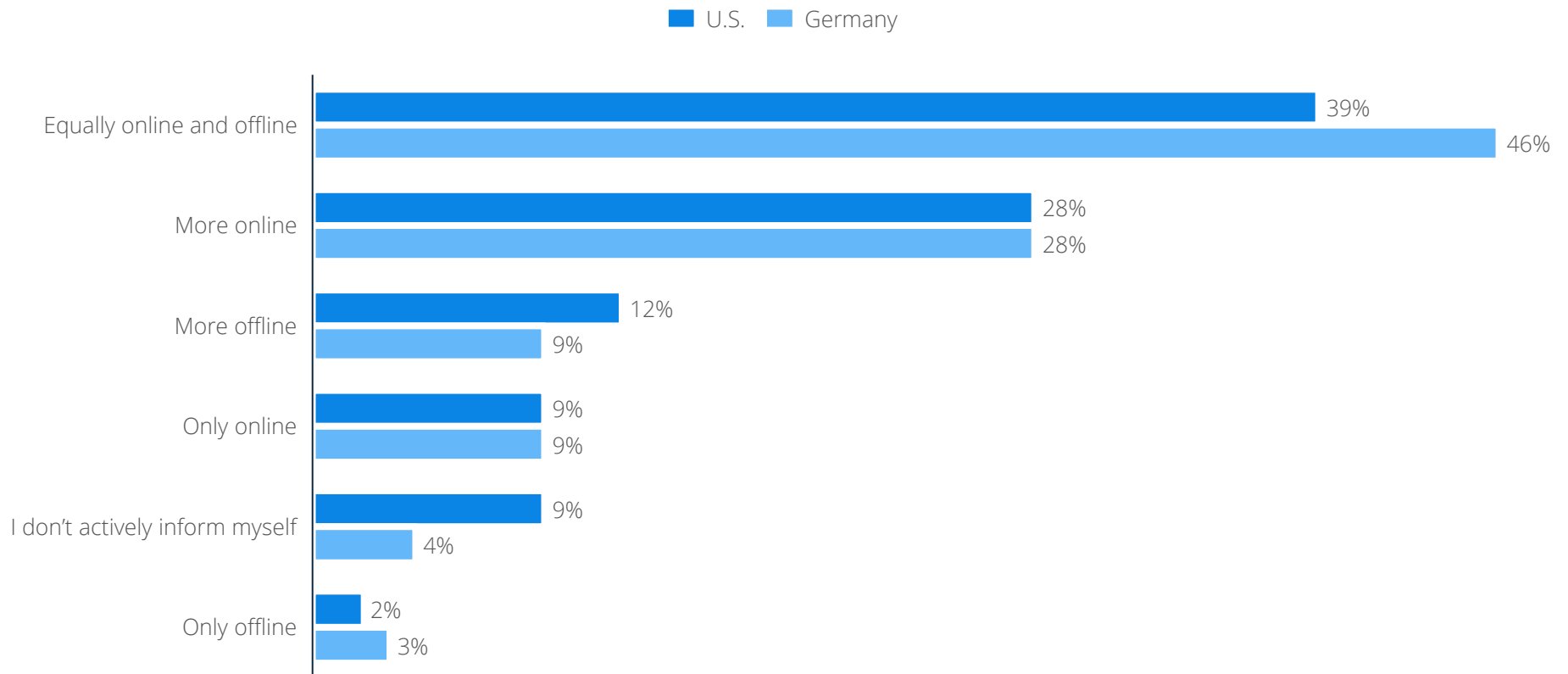


1: Social media including online communities in general
 "How do you become aware of new personal luxury items?"; Multi Pick; n= 900 (U.S.); n=971 (DE)
 Source: [Statista Luxury Survey U.S. 2018](#), [Statista Luxury Survey Germany 2018](#)

The Internet plays an important role as an information source on luxury products

Consumer insights: information channels (2/2)

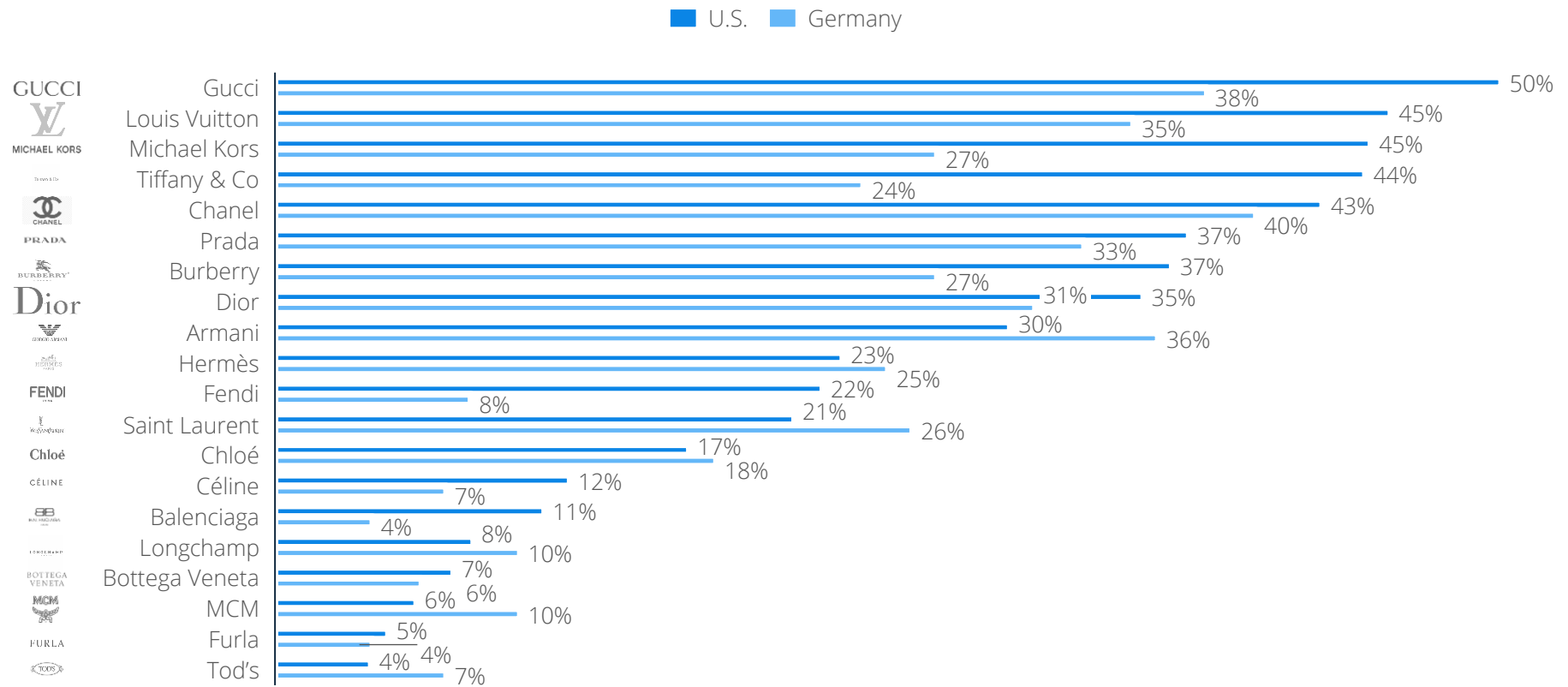
Role of the Internet as information source for personal luxury items



Gucci is the most desirable luxury fashion and accessories brand for U.S. and German consumers

Consumer insights: brands (1/2)

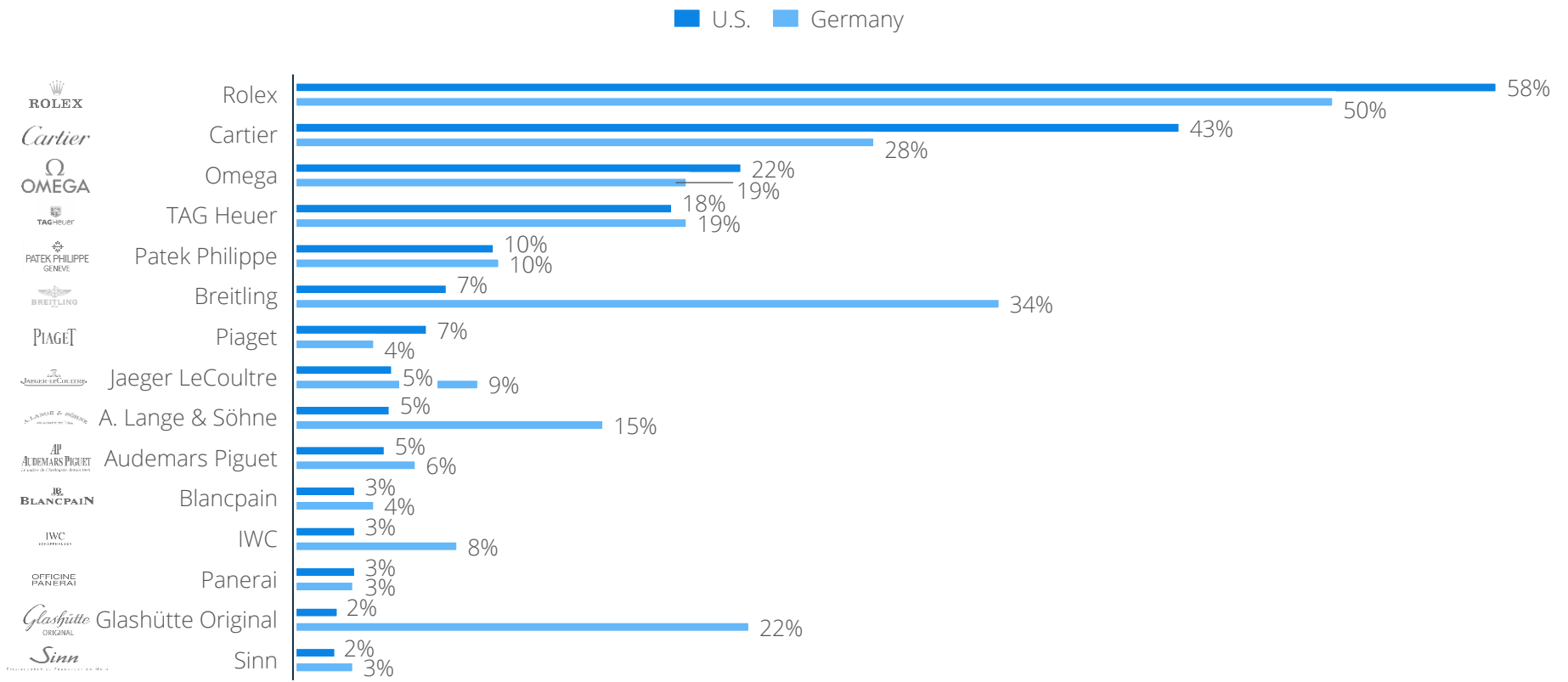
Particularly desirable brands for luxury fashion and accessories



Rolex is the most desirable luxury watch brand for U.S. and German luxury consumers

Consumer insights: brands (2/2)

Particularly desirable luxury watch brands



In 2018, consumer spending in the United States reached US\$40,510 per capita

Market drivers: consumer spending (1/2)

Consumer spending is the average per-capita spending of private households and is influenced by various factors. Key determinants include income, household debt levels and consumer expectations.

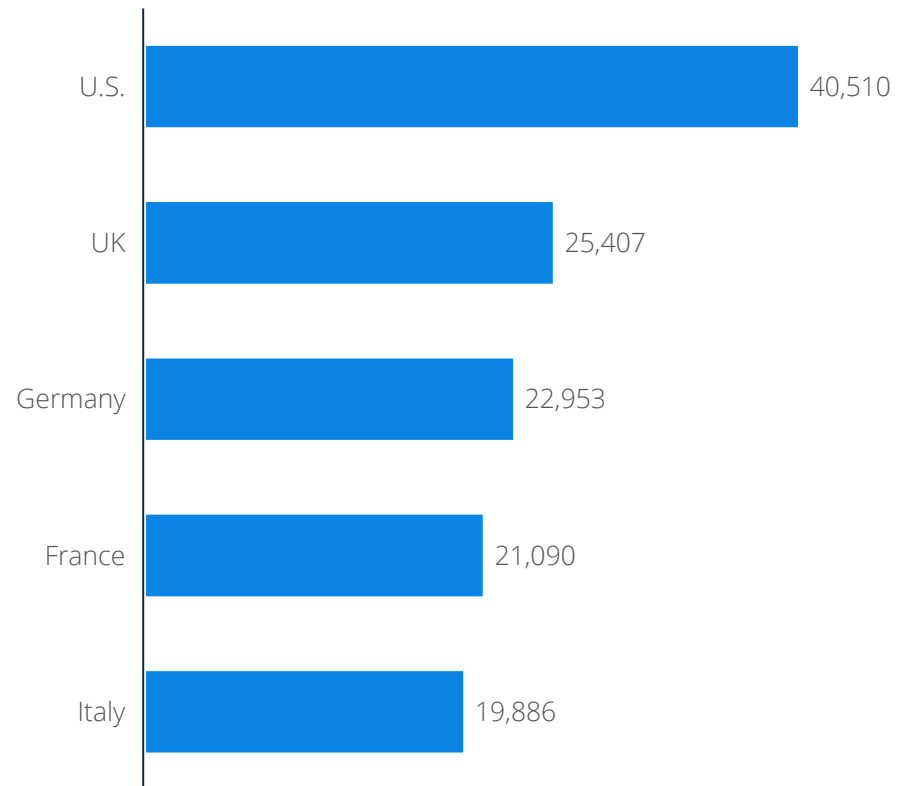
As disposable income levels are constantly increasing, demand grows as well and with it the economy as a whole. In addition, per-capita income also plays a significant role. It indicates how much money each person has to spend on average. Per-capita income sheds light on how the standard of living develops over the years.

The level of household debt, especially in relation to the disposable income, shows how much people really have left to spend. Household debt levels have reached new heights and particularly the increasing health care costs have contributed to worldwide debt rises.

Consumer confidence also impacts consumer spending. Depending on how confident people are, they spend their money or they save. In other words, people's expectations of the country's economic development have an influence on how prices develop and if an inflation is likely. The more stable the economic situation, the more confidently people spend their money.

The development of consumer spending indicates how the industry and economy are going to evolve. Consumer spending in the United States is one of the highest worldwide and expected to grow even more.

Per-capita consumer spending in US\$ in 2018



SALES CHANNELS



Luxury goods are an emerging category in global eCommerce

Sales channels: summary

Ecommerce has fundamentally changed the structure of trading goods. Currently about 50% of the world's population are shopping online regularly. The penetration of internet-enabled devices and the increase of online stores have led to an inevitable change within the retail landscape. But it also had a tremendous influence on the shopping behavior.

Nowadays, there are two major ways for a retailer to bring products or services to market – online and offline. The online sales channel refers to the purchase of physical goods via the internet – on a desktop PC, tablet or smartphone. The offline sales channel covers all purchases in stationary stores, via telesale or mailorder (e.g. print catalogs).

Luxury brands have long eschewed eCommerce out of curation concerns about the context of their ad and product placement. For this reason, online sales channels are still relatively underdeveloped for luxury goods. However, recently brands have started to push aggressively into the online market which is projected to grow more than twice the market rate and capture 14% of all sales revenues by 2023.

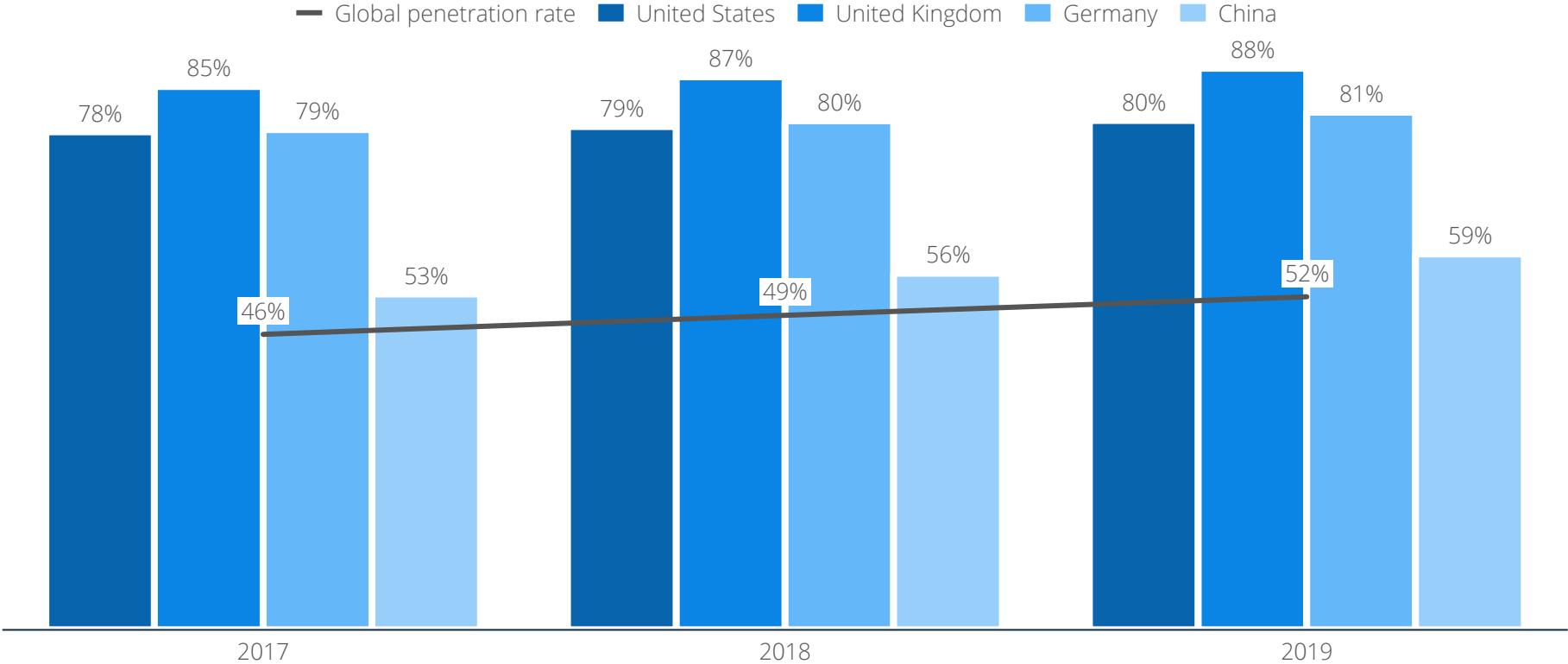
The online share is highest in China and South Korea where a young generation of newly-minted, digital-first High Net Worth Individuals drives this transition. eCommerce's total value share of luxury goods there currently stands at 27% and 30% respectively and is set to grow to 40% or 37% of sales in 2023.



eCommerce penetration in the four main markets increased steadily over the past three years

Sales channels: eCommerce overview (1/3)

eCommerce¹ penetration rate

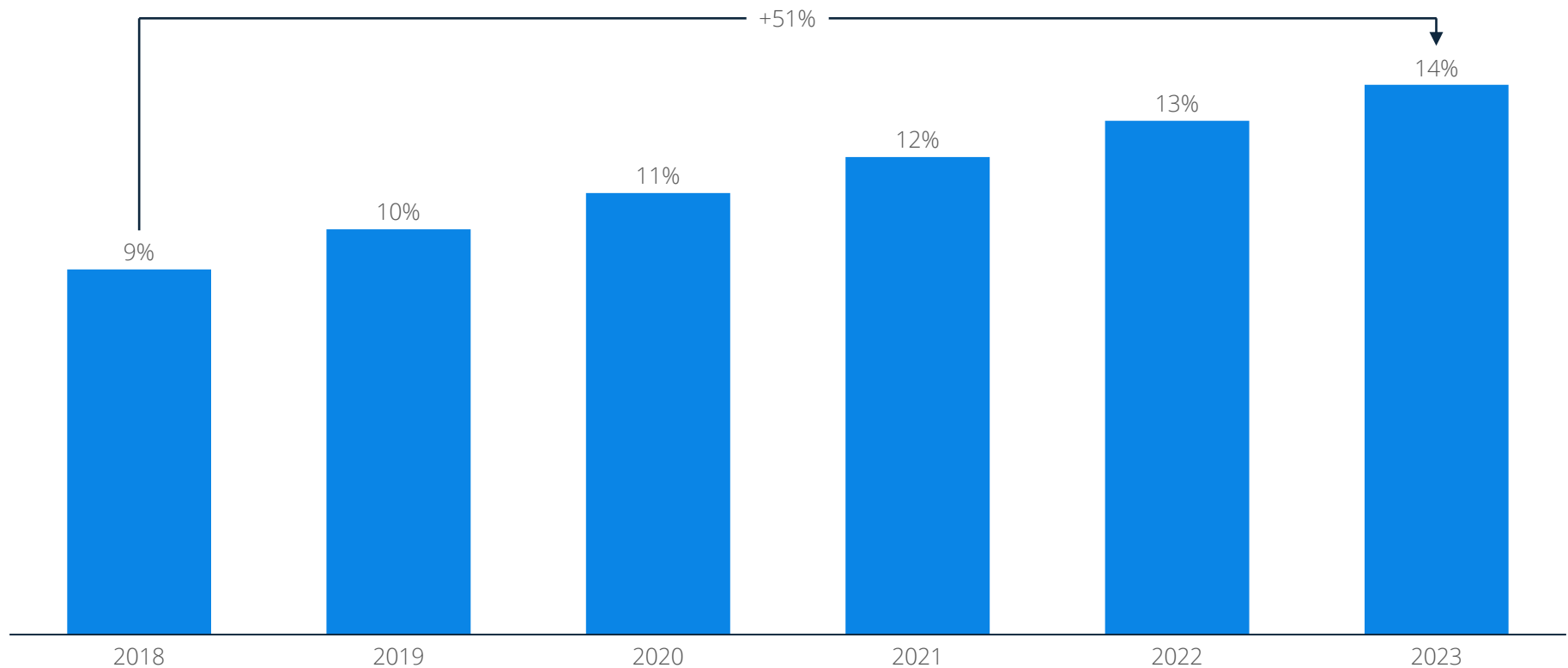


1: Refers to the total eCommerce market including all segments
Source: Statista Consumer Market Outlook 2019, Statista Digital Market Outlook 2019

The worldwide online share for Luxury Goods is expected to grow by 51% between 2018 and 2023

Sales channels: eCommerce overview (2/3)

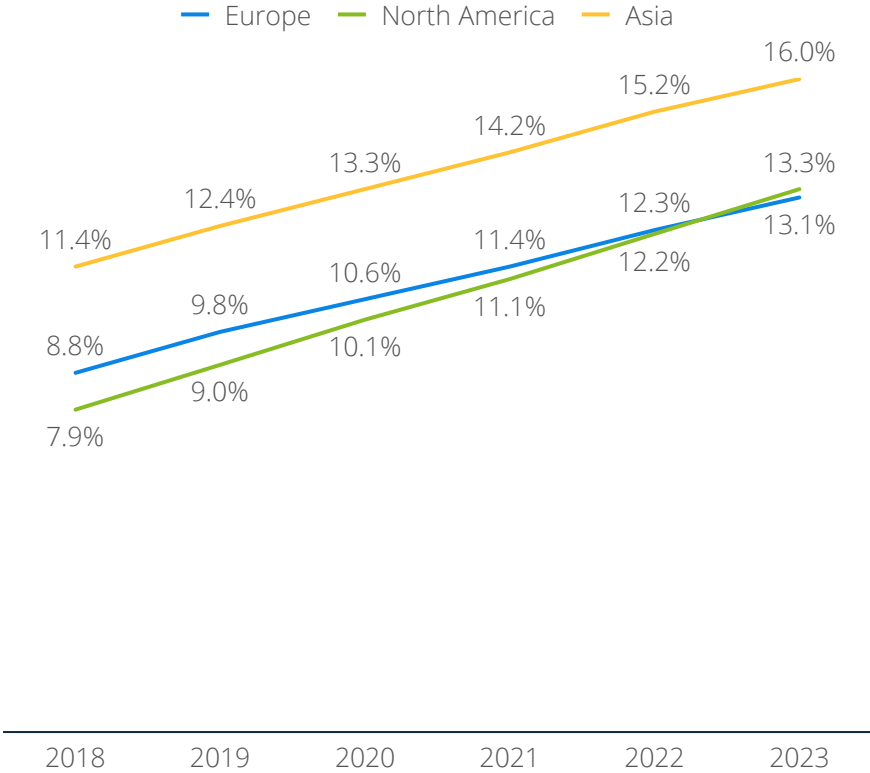
Worldwide online share



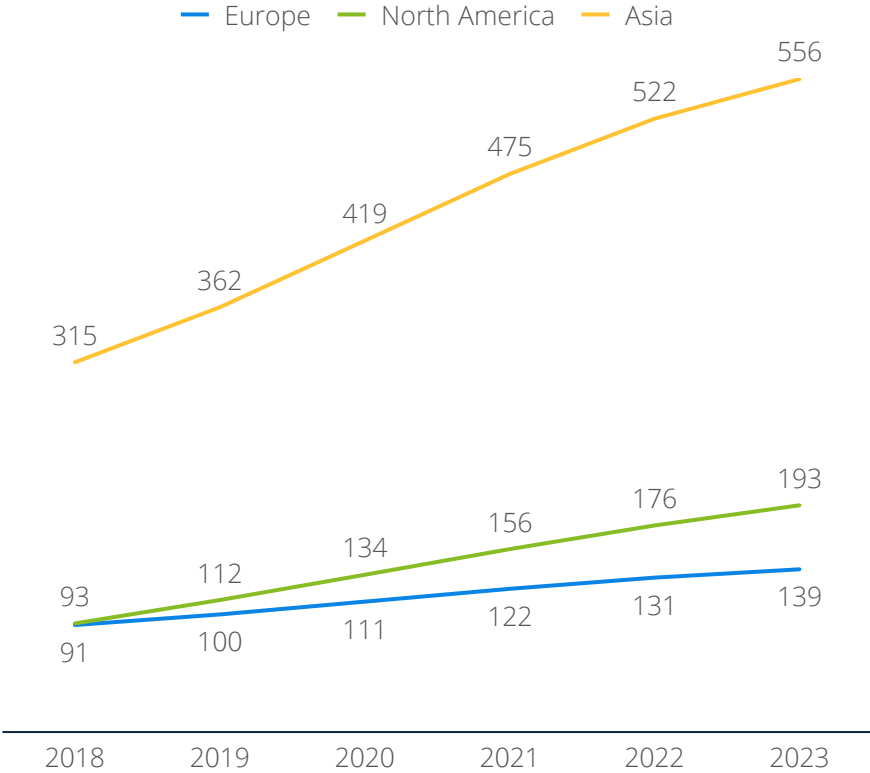
In 2023, the Luxury Goods online share is expected to reach 16% in Asia

Sales channels: eCommerce overview (3/3)

Luxury Goods online share



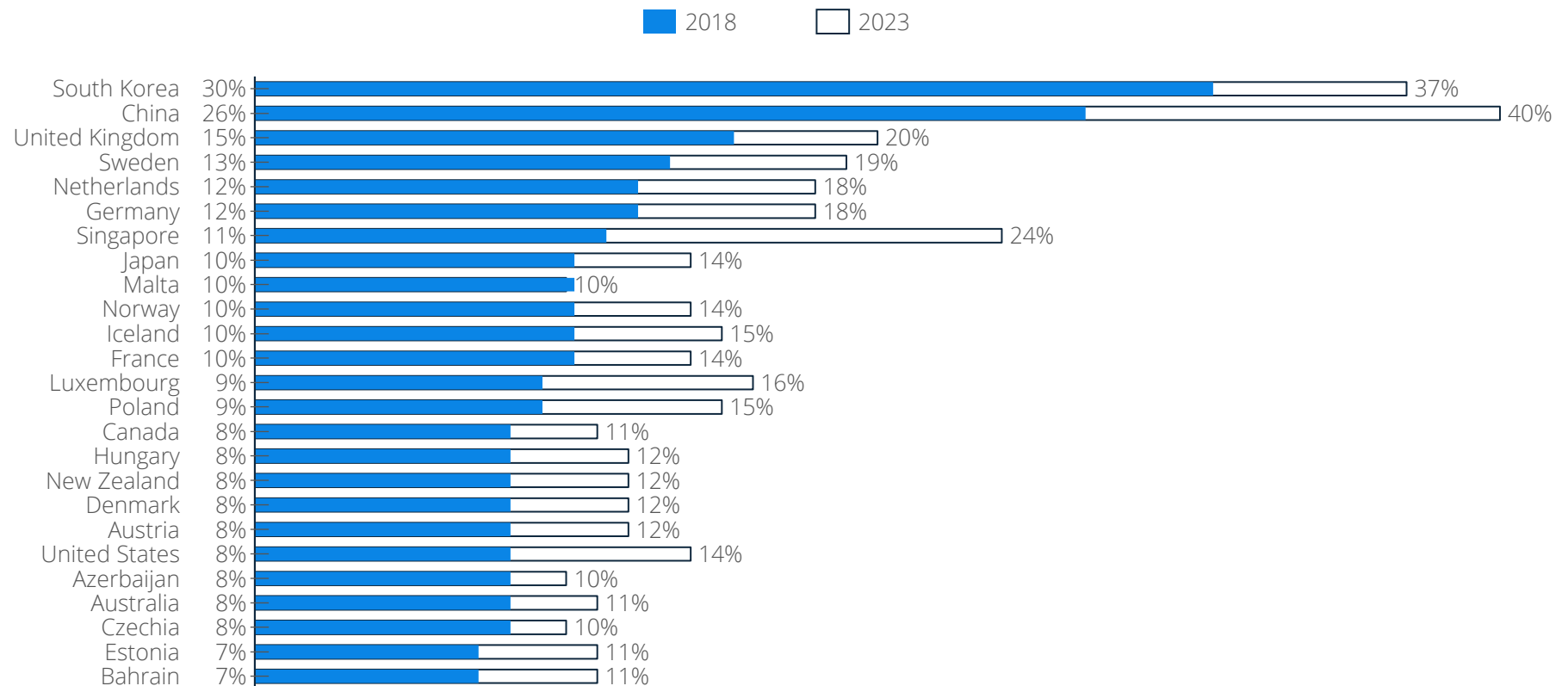
Fashion eCommerce revenue in billion US\$



In 2023, the online share for Luxury Goods in China will increase up to 40%

Sales channels: regional comparison

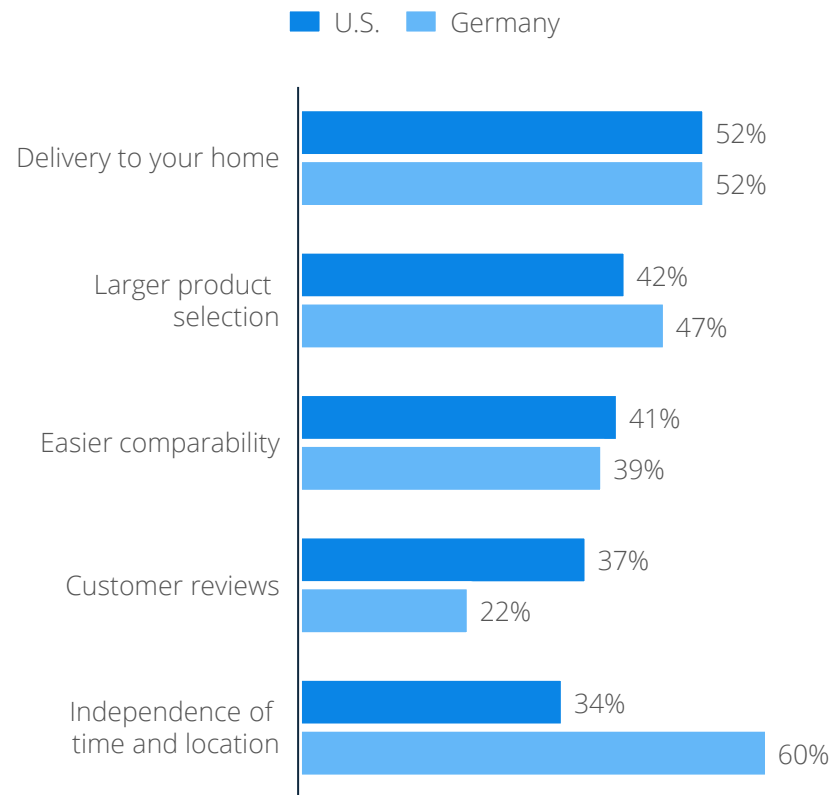
Top-25 Luxury Goods online share



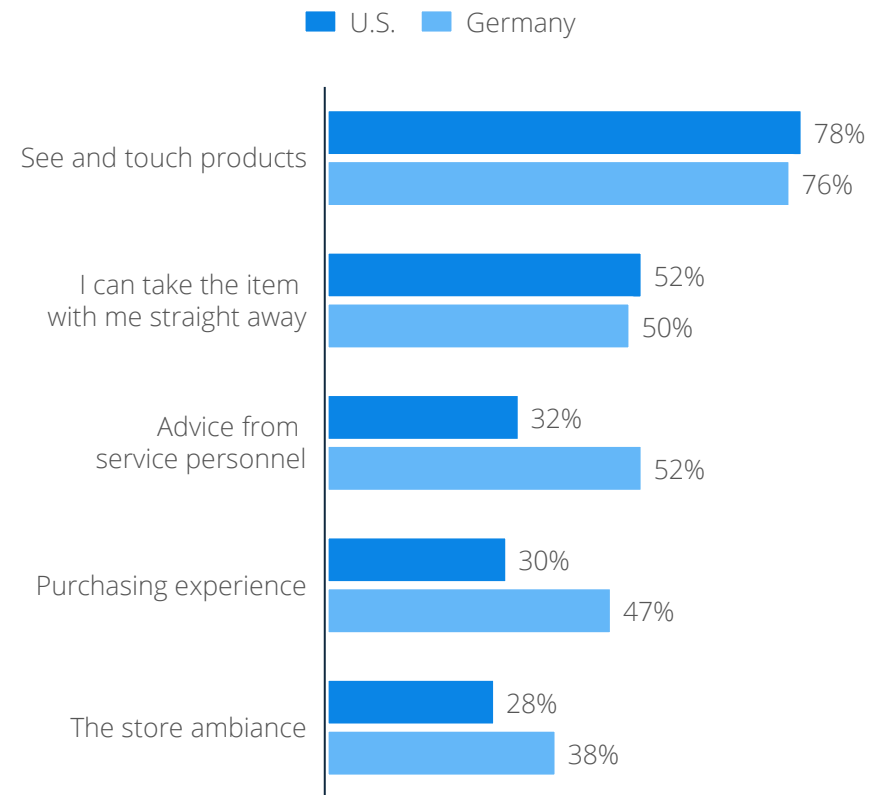
Online luxury shopping entices for its convenience while physical stores offer experiences

Sales channels: channel comparison (1/3)

Advantages of purchasing luxury products online



Advantages of purchasing luxury products offline



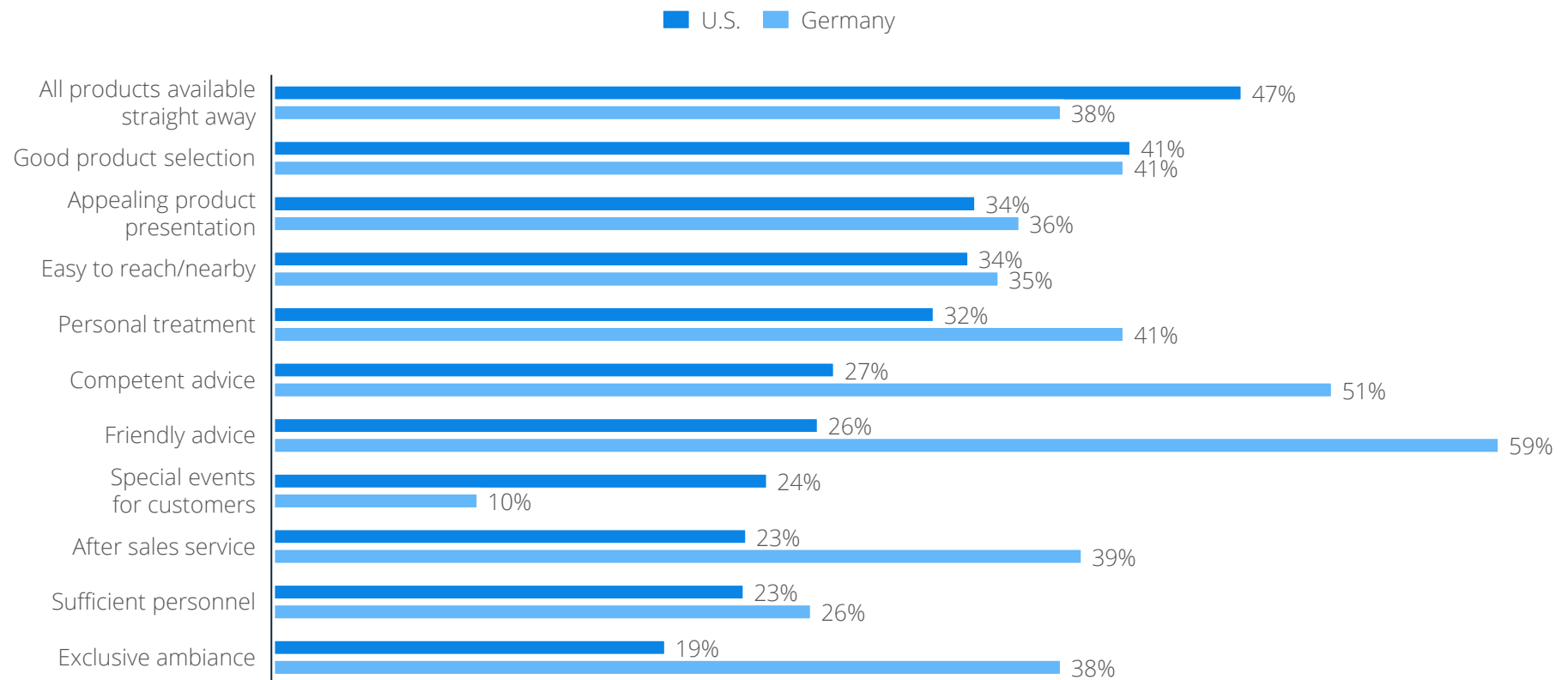
"What advantages does online purchasing of a personal luxury item offer you?"; "What advantages does the offline purchase of a personal luxury item offer you?"; Multi Pick; n= 900 (U.S.); n=1,015 (DE)

Source: [Statista Luxury Survey U.S. 2018](#), [Statista Luxury Survey Germany 2018](#)

Direct product availability and product curation are the main assets of physical luxury stores

Sales channels: channel comparison (2/3)

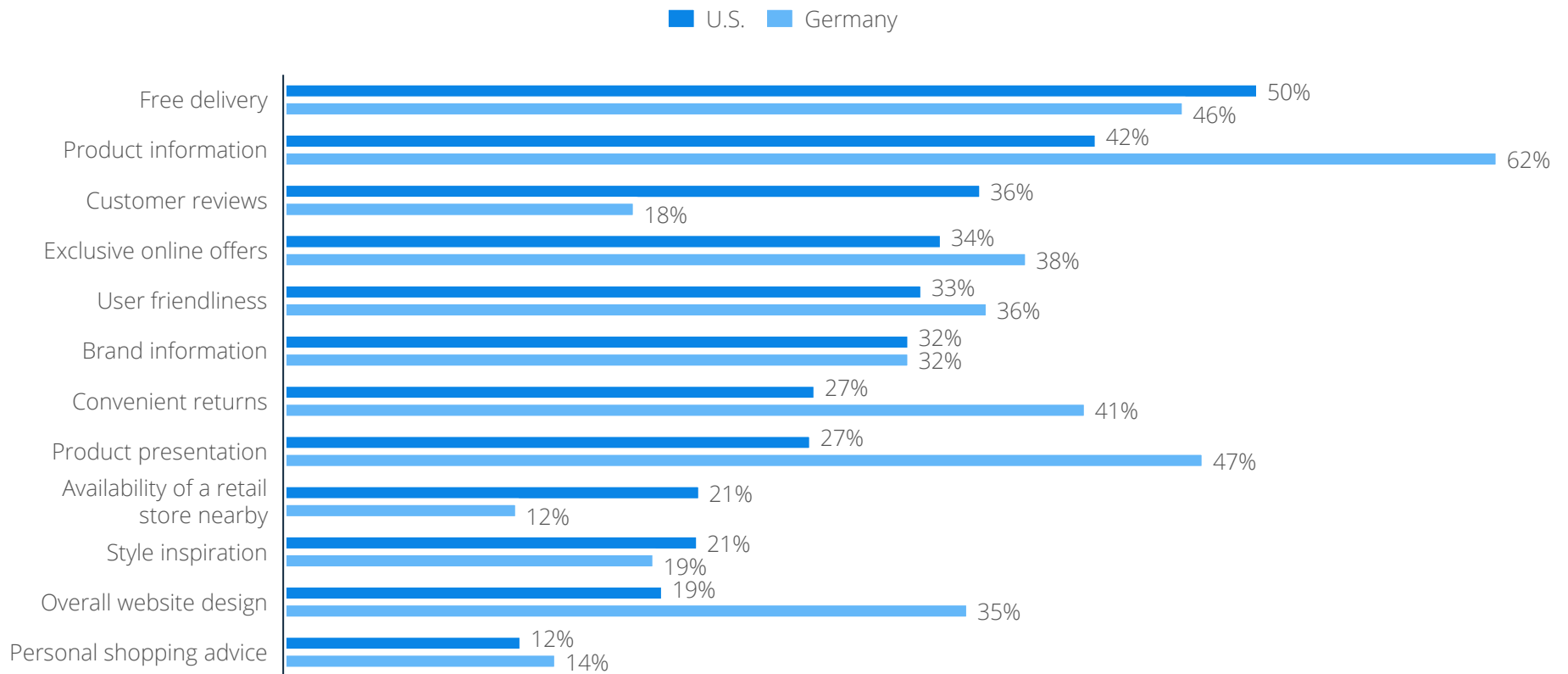
Particularly relevant aspects of luxury retail stores



Luxury online consumers value free delivery highly

Sales channels: channel comparison (3/3)

Particularly relevant aspects of luxury online shops












KEY PLAYERS



With almost US\$61bn global revenue, LVMH is the biggest luxury company worldwide

Key players: representative companies and their brands

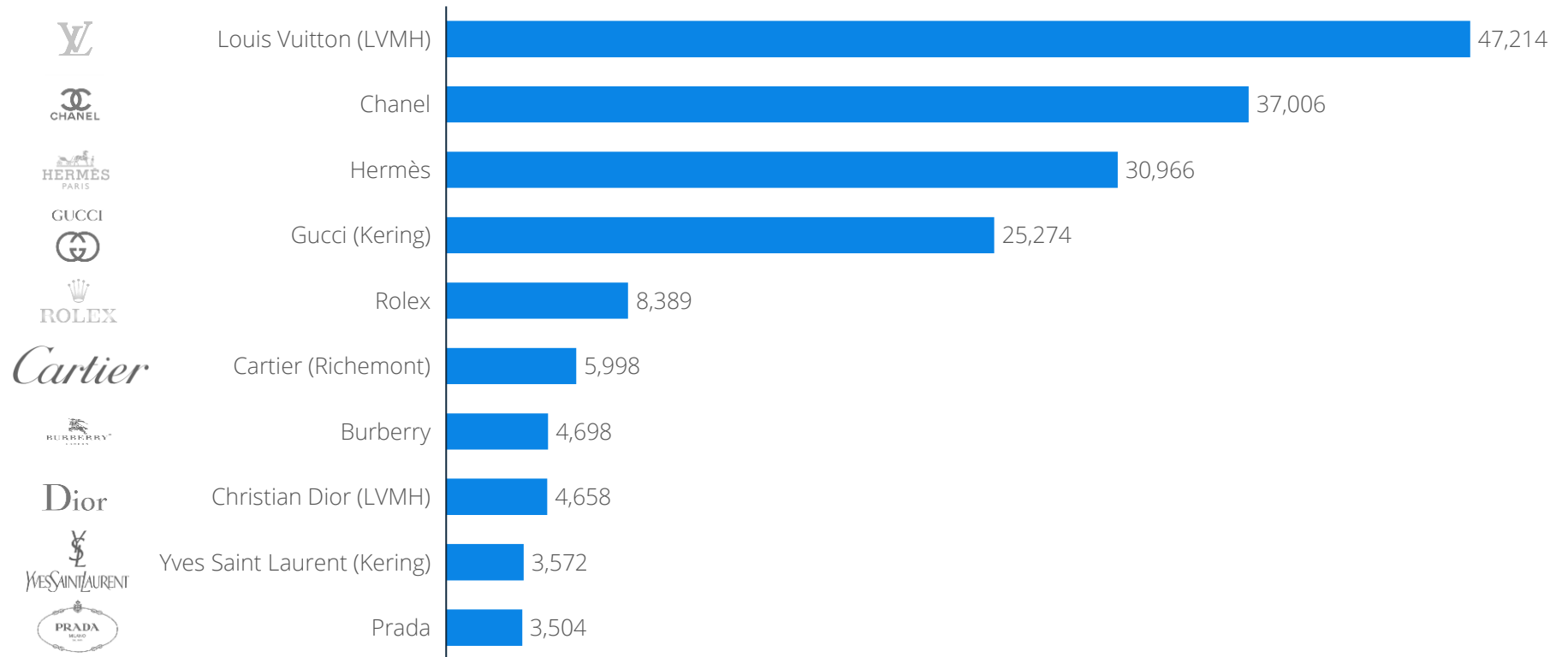
Company				
Sales 2019 ¹	US\$60.6bn	US\$17.9bn	US\$15.8bn	US\$13.9bn
Key brands 	LOUIS VUITTON FENDI ROMA Christian Dior COUTURE GIVENCHY	 YVES SAINT LAURENT  BALENCIAGA PARIS GUCCI BOTTEGA VENETA	PIAGET <i>Cartier</i> Chloé 	 CHANEL N°5 CHANEL PARIS

1: Refers to net sales of the company, exclusive of additional markups for products sold via third-party retail distribution, including sales of products not covered in the Consumer Market Outlook; converted from Euro using the average exchange rate for 2017 (1 USD = 0.886 EUR)
 Source: [Statista Consumer Market Outlook](#) 2020, Kering, LVMH, Richemont, Estée Lauder

Louis Vuitton is the world's most valuable luxury brand

Key players: brand value

Brand value in 2019 in million US\$



LVMH is a global luxury powerhouse

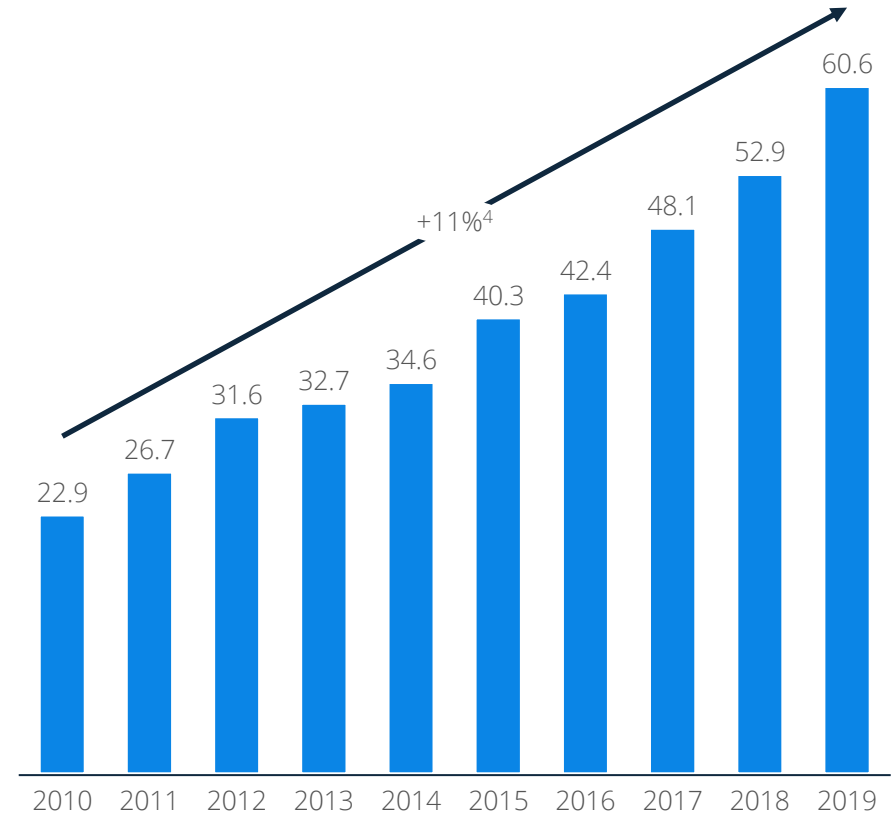
Key players: LVMH



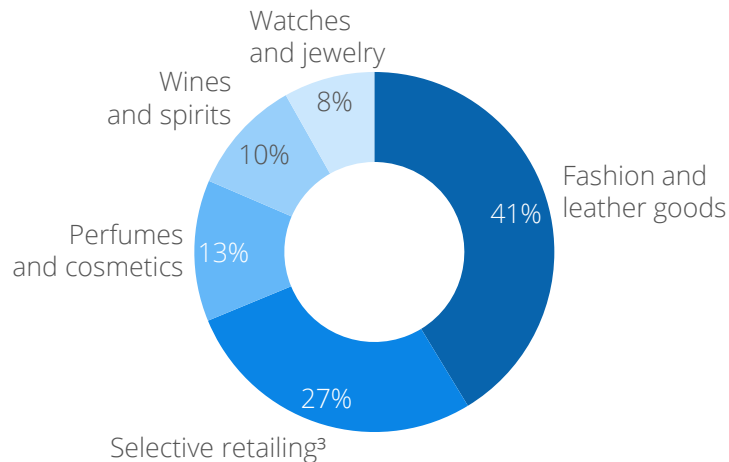
LVMH (LVMH Moët Hennessy Louis Vuitton SE) was formed in 1987 by the merger of luxury fashion house Louis Vuitton with champagne and cognac producer Moët Hennessy. The company is tightly connected to Dior which is a major shareholder of LVMH and both groups are owned completely (in the case of Dior) or mostly (in the case of LVMH) by the French Arnault family.

With constant acquisitions, LVMH pioneered the integration of multiple luxury brands under one roof, a strategy that has now been adapted by many other players in the field.

LVMH worldwide revenue in billion US\$²



LVMH worldwide revenue shares¹ in 2019



1: %ages without segment "Other activities and eliminations" 2: Converted from Euro using the average exchange rate for 2017 (1 USD = 0.886 EUR) 3: Le Bon Marché, La Grande Épicerie de Paris, Starboard Cruise Services, DFS, Sephora 4: CAGR: Compound Annual Growth Rate / average growth rate per year
Source: LVMH

Gucci is Kering's crown jewel

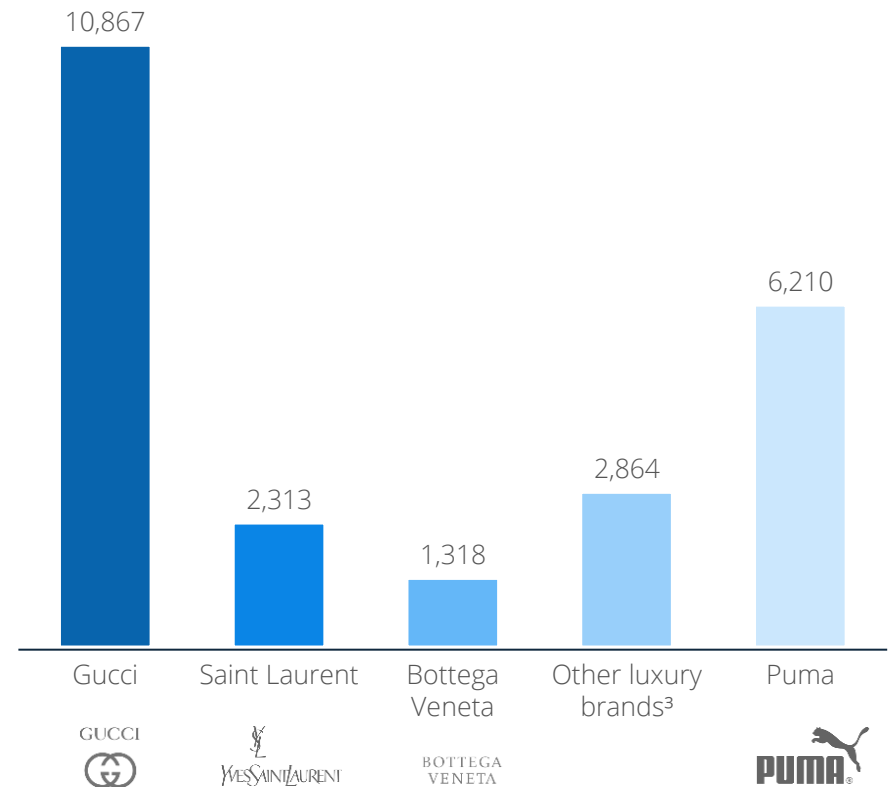
Key players: Kering

Kering's roots lie in the French Pinault family's investment portfolio which started as a timber trading company in Brittany in 1963 and has pivoted repeatedly in the past, first to industrial and pharmaceutical wholesale in Françafrique, then to European consumer retail and finally to international luxury and lifestyle brands.

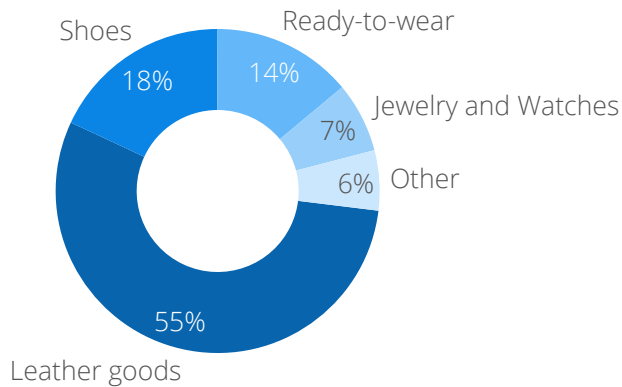
The latest transformation to a multinational luxury and lifestyle company was finalized in 2012/13 with the divestment of the last retail assets (FNAC and La Redoute) and the renaming from PPR to Kering.



Kering worldwide revenue in 2019 in million US\$²



Kering worldwide luxury revenue shares in 2019¹



1: Revenue without Puma 2: Converted from Euro using the average exchange rate for 2017 (1 USD = 0.886 EUR) 3: Include Alexander McQueen, Balenciaga, Brioni, Ulysse Nardin and others
Source: Kering

Richemont reboots after struggling against strong headwinds in hard luxury

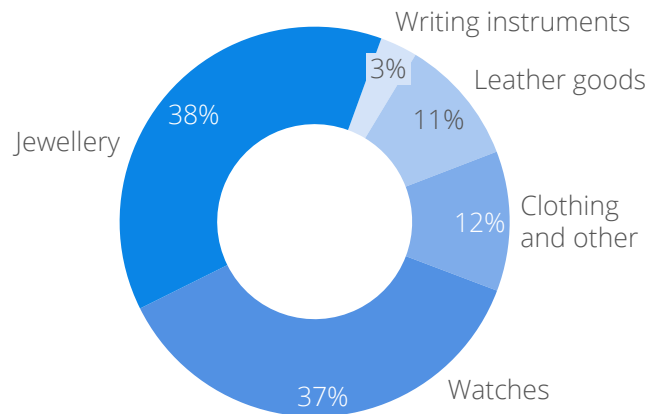
Key players: Richemont

The Swiss Compagnie Financière Richemont SA was founded in 1988 as a holding company for the international assets of South-Africa's Rupert family. The Ruperts are still the most significant shareholder of the enterprise.

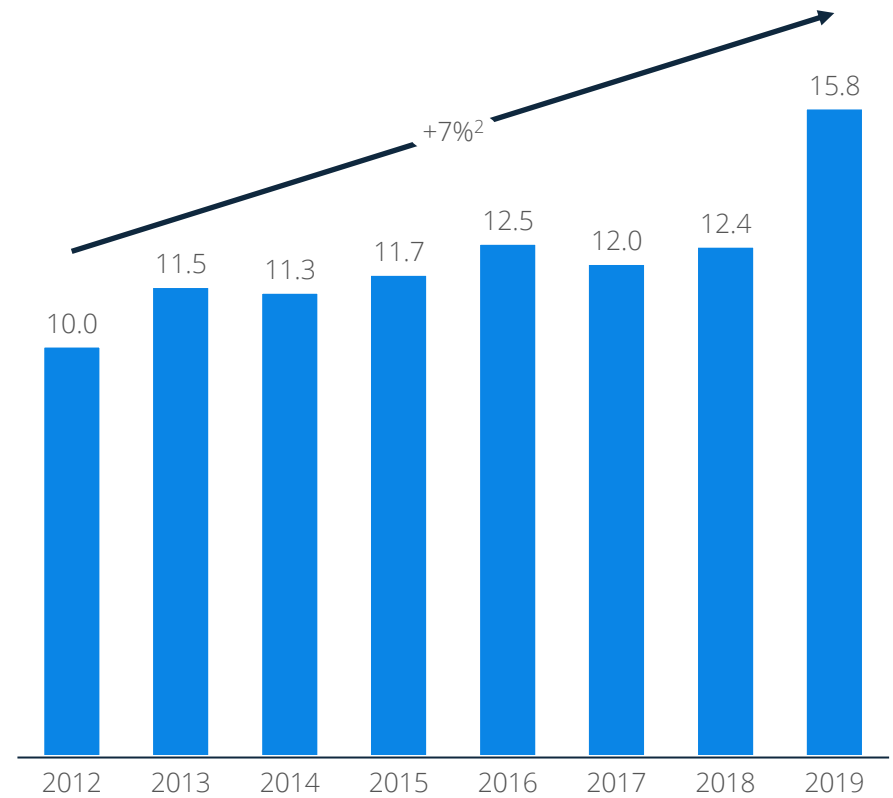
Richemont is focused on hard luxury (Watches & Jewelry) where it owns many globally-known brands like A. Lange & Söhne, Cartier, IWC Schaffhausen, Jaeger-LeCoultre, Piaget or Van Cleef & Arpels. Its reliance on the ailing hard luxury segment and the currently difficult Asian market had slowed revenue growth over the last years before 2019.

RICHEMONT

Richemont worldwide revenue shares in 2019



Richemont worldwide revenue in billion US\$¹



The step to more transparency after 108 years underlines Chanel's competitive strength

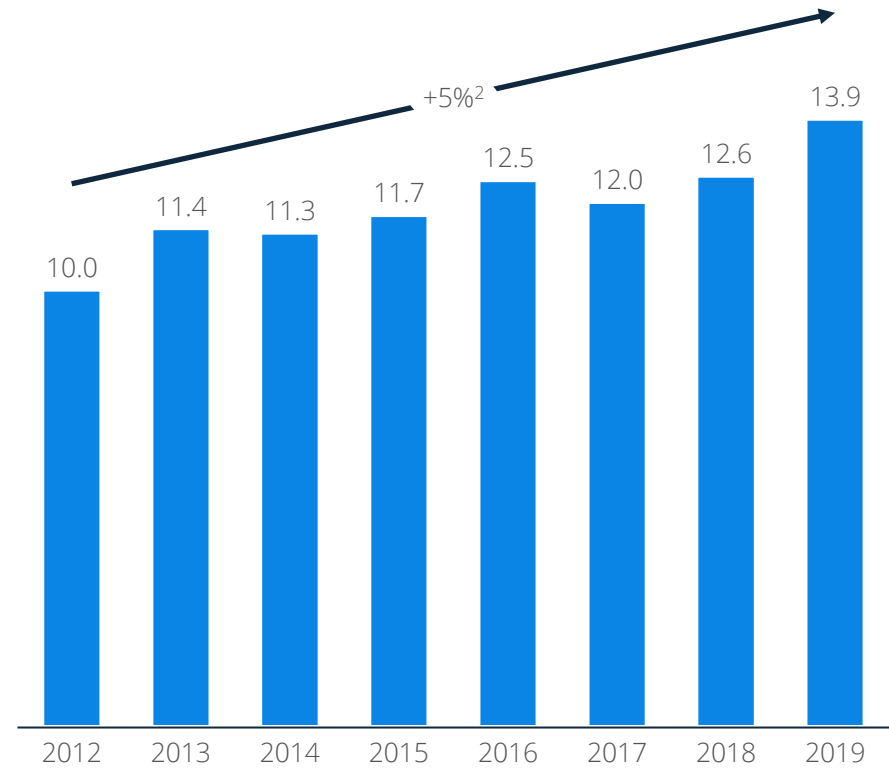
Key players: Chanel



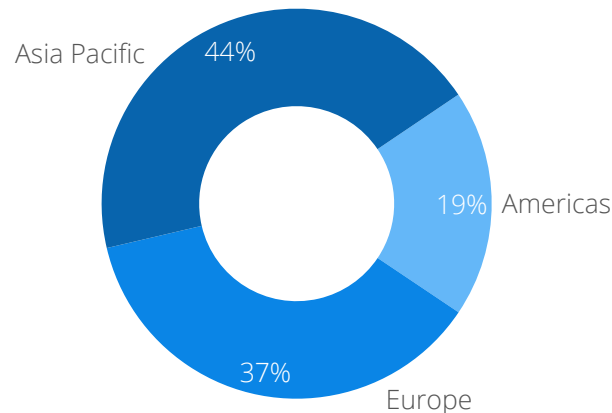
French company Chanel S.A., founded by Parisian Gabrielle "Coco" Chanel in 1909 as House of Chanel, is nowadays privately held by the brothers Alain and Gérard Wertheimer.

Well known for the perfume No. 5 de Chanel, Chanel Suit and the "little black dress", the House of Chanel revolutionized more than once the fashion of that time. Traditionally been very discreet about its business, Chanel in 2017 for the first time released an annual report giving insights in the mystique wafting around the brand.

Chanel worldwide revenue in billion US\$ ¹



Chanel worldwide revenue shares in 2019



TRENDS



Brands shift from selling wares to providing experiences

Trends: experientialization

Consumers in materially saturated markets, especially cash-rich and time-poor luxury customers increasingly define their lifestyle by (well-)being instead of material consumption. Experiential marketing seeks to transcend the gap between material goods and edifying experiences to enable a more holistic brand experience that is not limited any longer to the physical products themselves. This can encompass an array of measures from specially-tailored store events over gastronomical offerings to augmented reality applications.

The curation of the shopping experience and product presentation is a key component of luxury marketing. A high share of sales occur in owned retail locations that are custom-tailored to the brands on offer and wholesale partners are committed to exacting standards in terms of shop design and service requirements.

Luxury retail stores have undergone a transformation over the years to accommodate more demanding consumers and adapt to a changed retail landscape where eCommerce sales gain in importance. One consequence has been to reinvent stores as opportunity spaces where the shopping and cash-out process takes a backseat to enriching experiences that primarily shape brand perceptions that do not necessarily translate into instantaneous sales but lay the foundations for future purchases.



Photo: Gucci press release

Gucci's (Kering) new Soho store in New York City aims to connect to millennial consumers by creating a more welcoming atmosphere sans security guards but with plush sofas and a multisensory screening room with 3D technology that offers documentaries and AR applications.



Photo: Fendi press release

Above its flagship store in Rome, Fendi (LVMH) operates a small hotel with seven suites in elegant, luxurious, exclusive design that offer customers a unique and holistic Fendi-tailored Rome experience.

Mass customization lets consumers connect more closely with brands

Trends: mass customization

Mass customization means the combination of industrial mass production with certain individuation features that allow consumers to participate in the final design of a product by choosing color combinations and/or materials, usually from a modular range of options or by adding bespoke slogans or initials.

In most implementations, customers configure their final product in a store or via a web-interface or app over the internet. The product is then (in cases of minimal modifications) completed on-location in the store or (in the case of more complex production processes) manufactured on-demand in a factory and then sent to the customer or the store for pick-up.

Personal luxury goods can profit especially from mass-customization since it enables brands to connect much closer with its customers than before without adding significantly to the cost-base. In addition, products finished in store by artisans makes the production process at least in the finishing stages visible and experiential enhancing a brand's credibility.



Photo: Unsplash

Louis Vuitton (LVMH) offers with its Monogram service a platform that lets its customers co-design a select range of 26 products for men and women by adding initials and stripes. The customizations are painted by artisans and cost between 20 and 55% more than the standard products.



Photo: Unsplash

At the entry level of luxury apparel, Ralph Lauren offers on its web shop a wide range of customization options under the "Create your own" umbrella which allows the addition of logos, colors and similar modifications to existing standard products.

Facing a millennial future, core luxury brands embrace streetwear

Trends: casualization

Casualization has been shaping the fashion industry for decades. Today, casual everyday wear has conquered all but the most conservative business areas and, in most companies, employees can opt for more casual outfits at least for a few days during the week. Especially younger, millennial consumers value the gain in freedom casual outfits offer. Having grown up in hoodies and sneakers made by sports and streetwear brands they are unlikely to give up the acquired relaxed understatement these casual outfits provide.

The cross-pollination of luxury and lifestyle brands can work in both directions as various collaboration projects in recent years can attest. Mass market fashion brands have long used collaborations with star designers to improve their own brand image, as was recently the case for instance with a limited Balmain edition for H&M. This image transfer can also work the other way, when luxury brands infuse themselves with street credibility from smaller lifestyle brands. By blending urban and streetwear into their collections, traditional luxury fashion brands can recruit a customer base among millennials and stay relevant in a dressed-down future.

Certainly the most buzz was generated in 2017 by Louis Vuitton's collaboration with skater brand Supreme which was extended in 2018 to LVMH's travel bag subsidiary Rimowa (see box on the right). Released in early 2018 was also a capsule collection of boots, heels and sandals designed by Italian street wear company Off-White for Jimmy Choo (Michael Kors) and a special Chanel edition of Adidas sneakers created by Pharrell Williams.



Photo: LVMH

In collaboration with streetwear brand Supreme, Louis Vuitton and Rimowa (both LVMH) launched in 2017 and 2018 crossover collections of T-shirts, hoodies, bags and trolleys emblazoned with Supremes' white logo on characteristic bright red Louis Vuitton patterns and classic Rimowa hard shell trolleys.



Photo: Vans

In fall 2017, casual footwear company Vans (VF Corp.) released six interpretations of classic Vans sneakers in collaboration with recently-deceased designer Karl Lagerfeld. They combine black luxe leather uppers and white rubber platform soles for a minimalist everyday shoe. Pictured here is the Lagerfeld variant of the Old Skool Laceless.

Agenda

01 Market Outlook

- Overview
- Market drivers
- Consumer insights
- Sales channels
- Key players
- Trends

02 Segments

- Overview and sales figures
- COVID-19 impact
- KPI comparison
- Regional ranking

03 Appendix

- Companies and brands
- Product overview
- Author

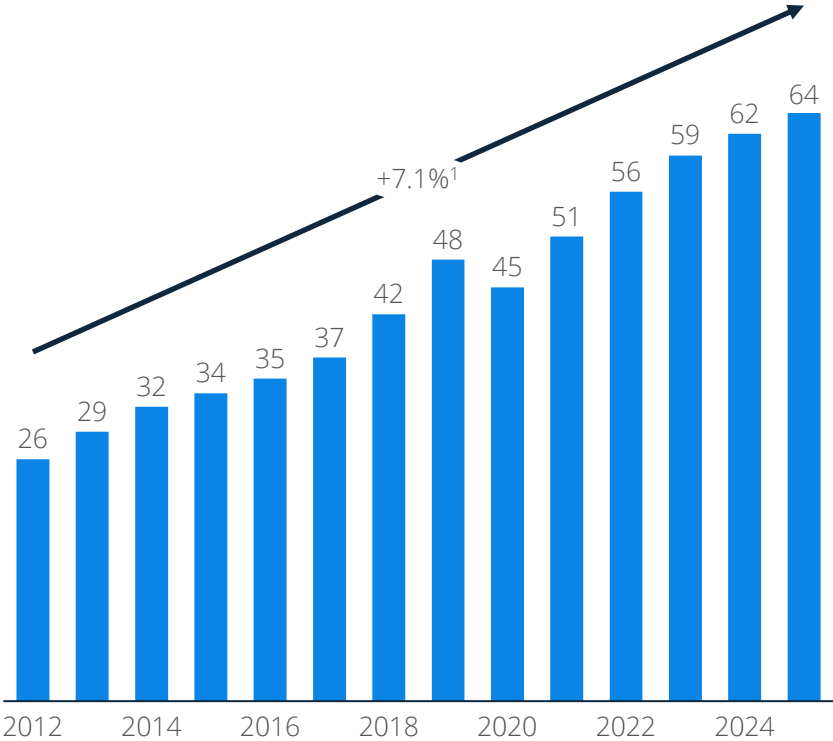
LUXURY LEATHER GOODS



In 2019, worldwide Luxury Leather Goods sales amounted to US\$48 billion

Luxury Leather Goods: overview and sales figures

Worldwide revenue in billion US\$



Segment overview

The segment Luxury Leather Goods accounted for 15% of the Luxury Goods revenue in 2019.

In 2019, Luxury Leather Goods sales increased by 14.1% in comparison to 2018 and reached US\$48 billion.

In the Luxury Leather Goods segment, Hong Kong (US\$179) and Singapore (US\$103) had the highest annual revenue per capita in 2019.



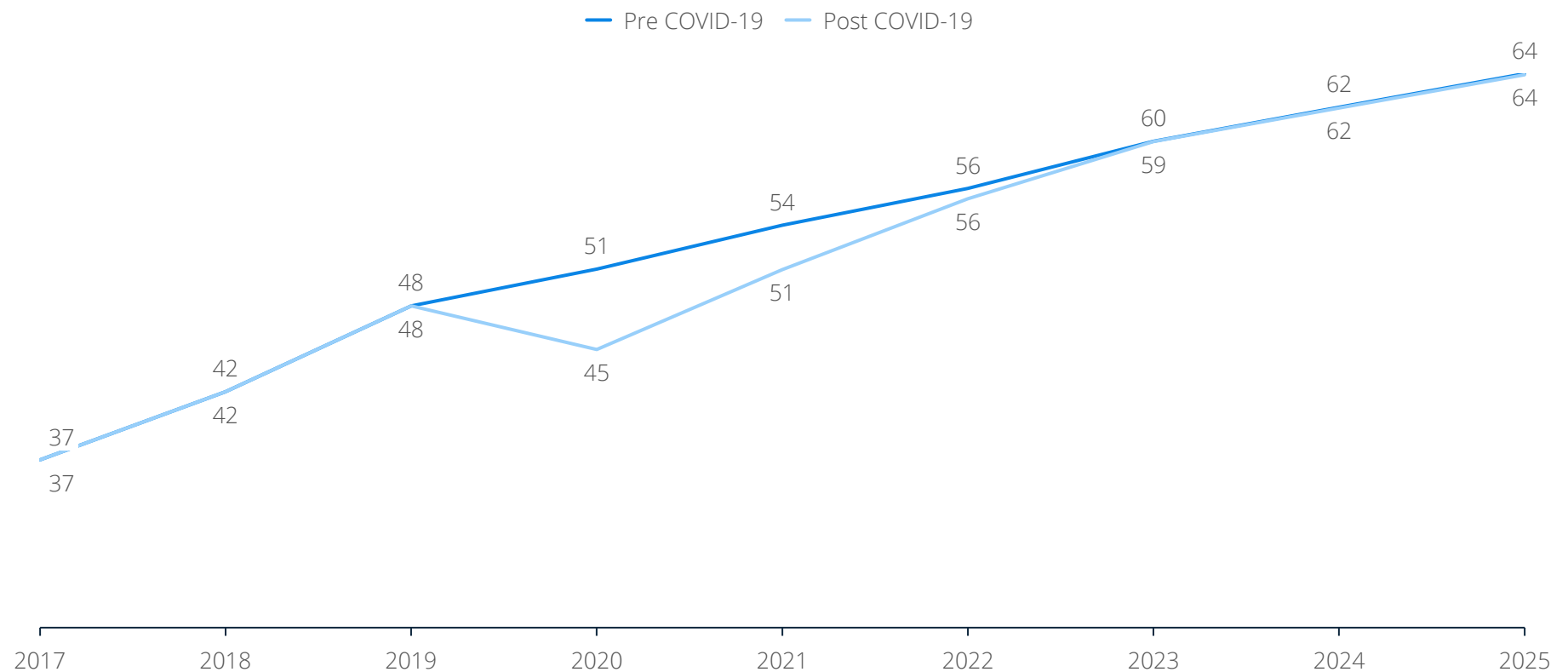
US\$48bn
in 2019

+9.0%
CAGR¹ 2012-2019

The worldwide Luxury Leather Goods segment is expected to reach only US\$45 billion in 2020

Luxury Leather Goods: COVID-19 impact

Worldwide Luxury Leather Goods revenue in billion US\$

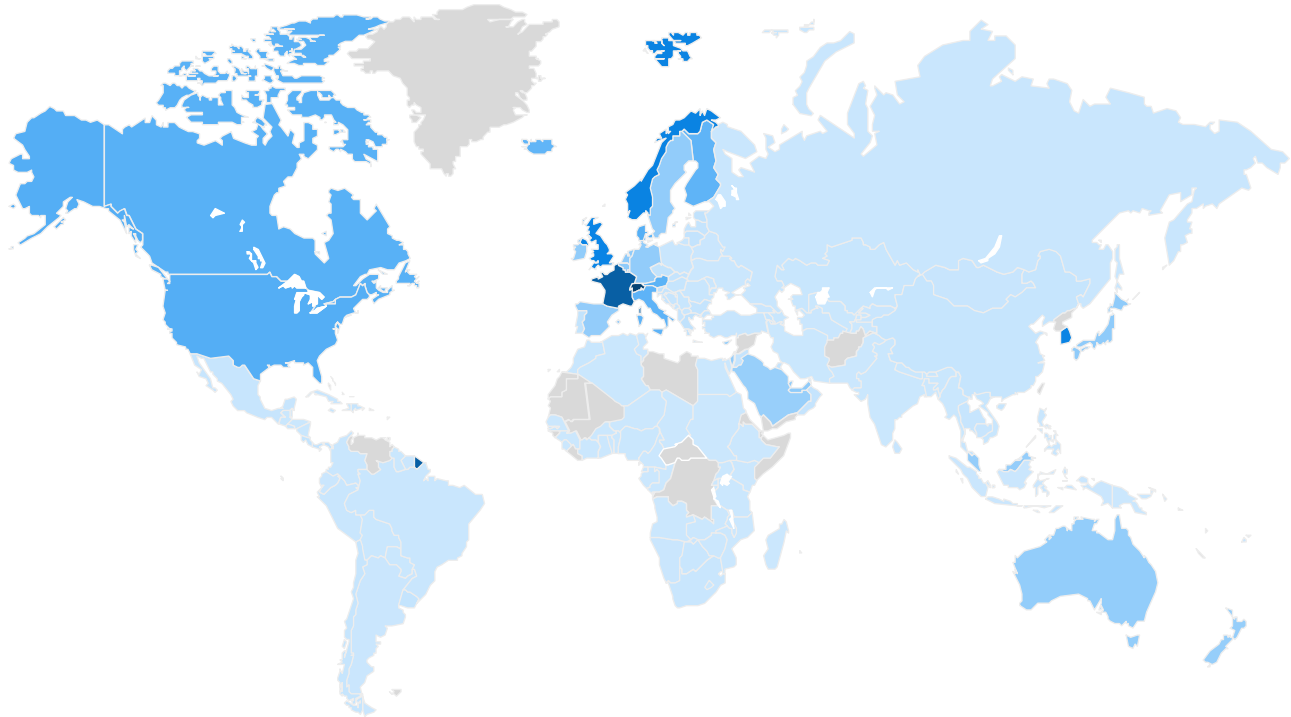


In 2019, Hong Kong and Singapore spent the most on Luxury Leather Goods

Luxury Leather Goods: regional comparison (1/2)

Per-capita revenue in US\$ in 2019

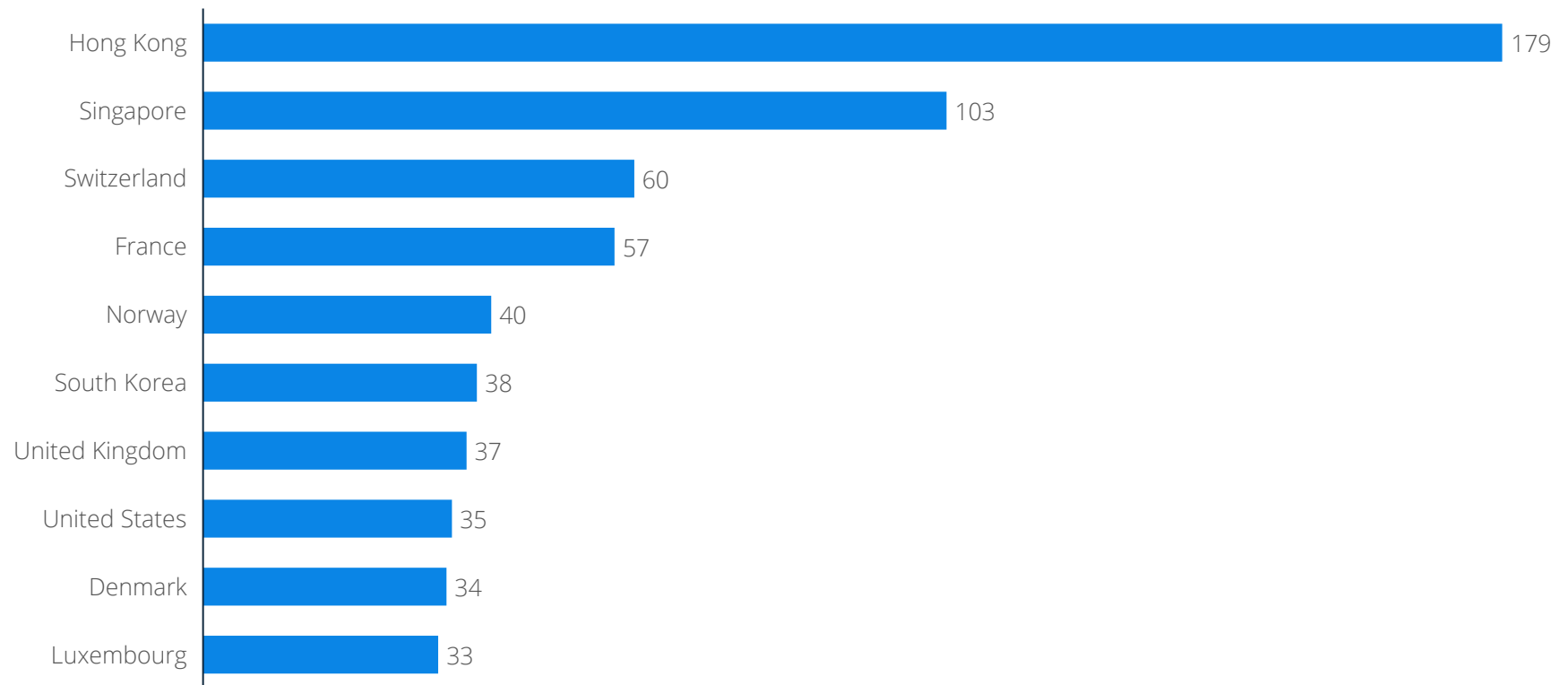
US\$1  US\$179  Out of scope



In 2019, people of Hong Kong spent an average of US\$179 on Luxury Leather Goods

Luxury Leather Goods: regional comparison (2/2)

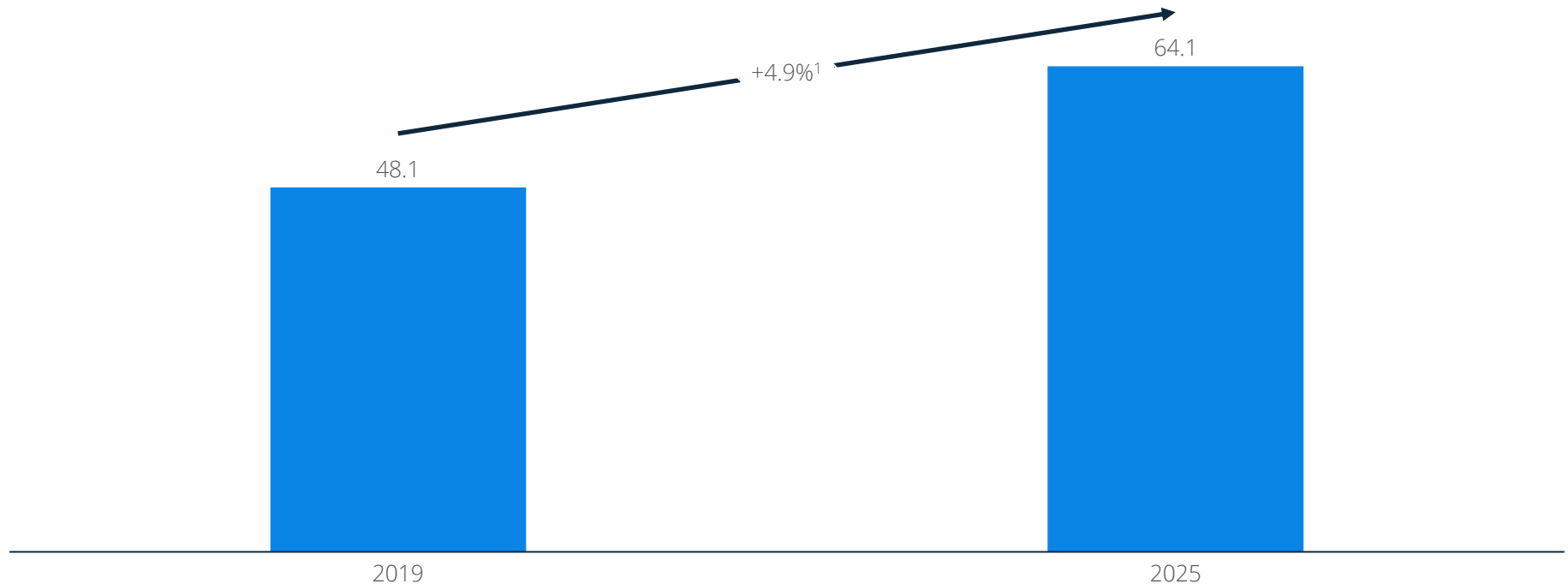
Top-10 per-capita revenue in US\$ in 2019



Luxury Leather Goods sales worldwide will increase at a CAGR¹ of 4.9% from 2019 to 2025

Luxury Leather Goods: revenue and growth

Worldwide revenue in billion US\$



1: CAGR: Compound Annual Growth Rate / average growth rate per year
Source: [Statista Consumer Market Outlook 2020](#)

Luxury Leather Goods sales in Europe will increase at a CAGR¹ of 7.5% from 2012 to 2025

Luxury Leather Goods: KPI comparison (1/2)

Revenue in billion US\$

Europe

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	66.2	71.6	75.1	77.0	80.1	83.7	90.0	97.6	88.8	100.2	108.4	113.9	117.4	120.8	4.7%
Luxury Leather Goods	7.4	8.4	9.3	10.0	10.6	11.3	12.7	14.3	13.4	15.0	16.5	17.6	18.3	18.9	7.5%
Share of total market (in %)	11.1	11.7	12.4	13.0	13.3	13.6	14.1	14.7	15.1	15.0	15.2	15.5	15.6	15.7	2.7%

United States

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	56.5	61.2	65.8	68.0	68.7	67.8	68.8	73.1	65.0	72.0	76.6	79.2	80.3	81.5	2.9%
Luxury Leather Goods	7.2	8.0	8.9	9.3	9.5	9.8	10.5	11.5	10.6	11.6	12.6	13.3	13.7	14.1	5.3%
Share of total market (in %)	12.8	13.1	13.5	13.7	13.8	14.4	15.2	15.7	16.2	16.2	16.4	16.8	17.1	17.3	2.3%

Luxury Leather Goods sales in China will increase at a CAGR¹ of 7.8% from 2012 to 2025

Luxury Leather Goods: KPI comparison (2/2)

Revenue in billion US\$

China

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	26.4	28.6	29.4	29.6	30.9	33.1	37.0	42.3	38.1	44.6	49.4	52.8	55.1	57.3	6.1%
Luxury Leather Goods	4.0	4.5	4.8	4.8	5.0	5.4	6.4	7.7	7.2	8.3	9.2	9.9	10.3	10.8	7.8%
Share of total market (in %)	15.3	15.7	16.3	16.3	16.1	16.4	17.4	18.1	19.0	18.5	18.5	18.7	18.8	18.8	1.6%

South America

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	8.3	8.9	9.2	9.2	9.4	9.4	9.4	9.7	8.8	9.5	9.9	10.2	10.3	10.4	1.7%
Luxury Leather Goods	0.7	0.8	0.9	0.9	0.9	0.8	0.8	0.9	0.8	0.9	0.9	0.9	0.9	1.0	2.2%
Share of total market (in %)	8.7	9.3	9.5	9.6	9.2	8.7	8.9	9.4	9.1	9.0	9.1	9.2	9.2	9.2	0.5%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025
Source: [Statista Consumer Market Outlook 2020](#)

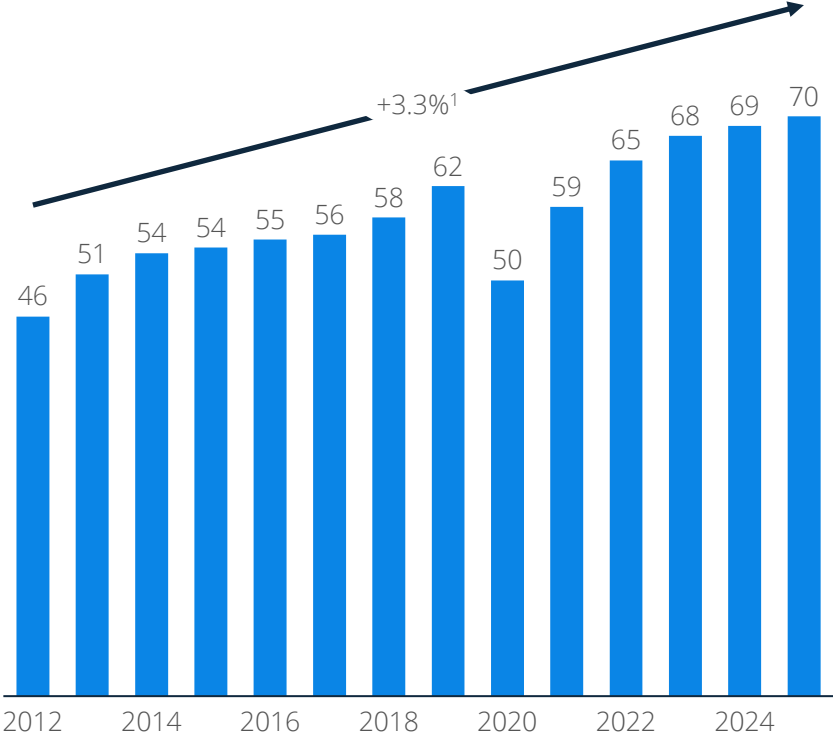
LUXURY WATCHES & JEWELRY



In 2019, worldwide Luxury Watches & Jewelry sales amounted to US\$62 billion

Luxury Watches & Jewelry: overview and sales figures

Worldwide revenue in billion US\$



Segment overview

The segment Luxury Watches & Jewelry accounted for 20% of the Luxury Goods revenue in 2019.

In 2019, Luxury Watches & Jewelry sales increased by 6.5% in comparison to 2018 and reached US\$62 billion.

In the Luxury Watches & Jewelry segment, Hong Kong (US\$371) and Singapore (US\$140) had the highest annual revenue per capita in 2019.



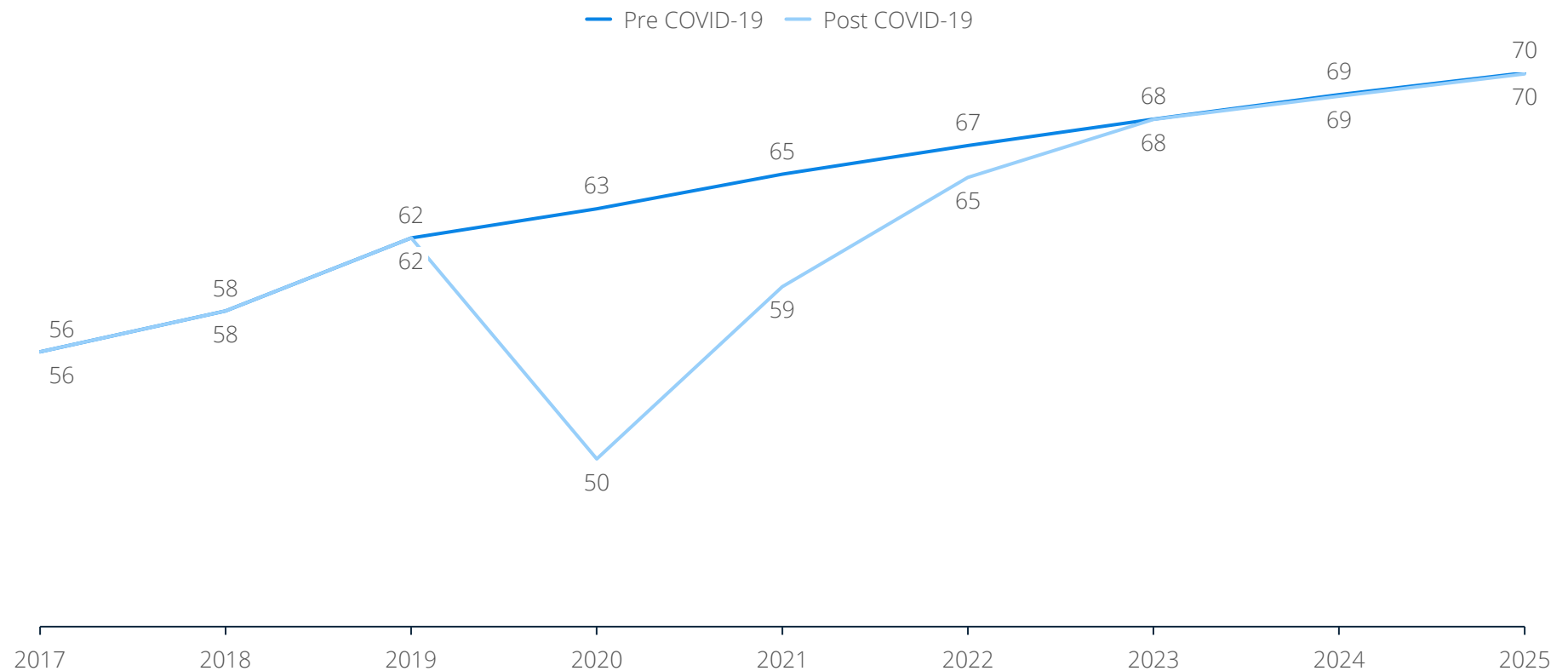
US\$62bn
in 2019

+4.3%
CAGR¹ 2012-2019

The worldwide Luxury Watches & Jewelry segment is expected to reach only US\$50 billion in 2020

Luxury Watches & Jewelry: COVID-19 impact

Worldwide Luxury Watches & Jewelry revenue in billion US\$

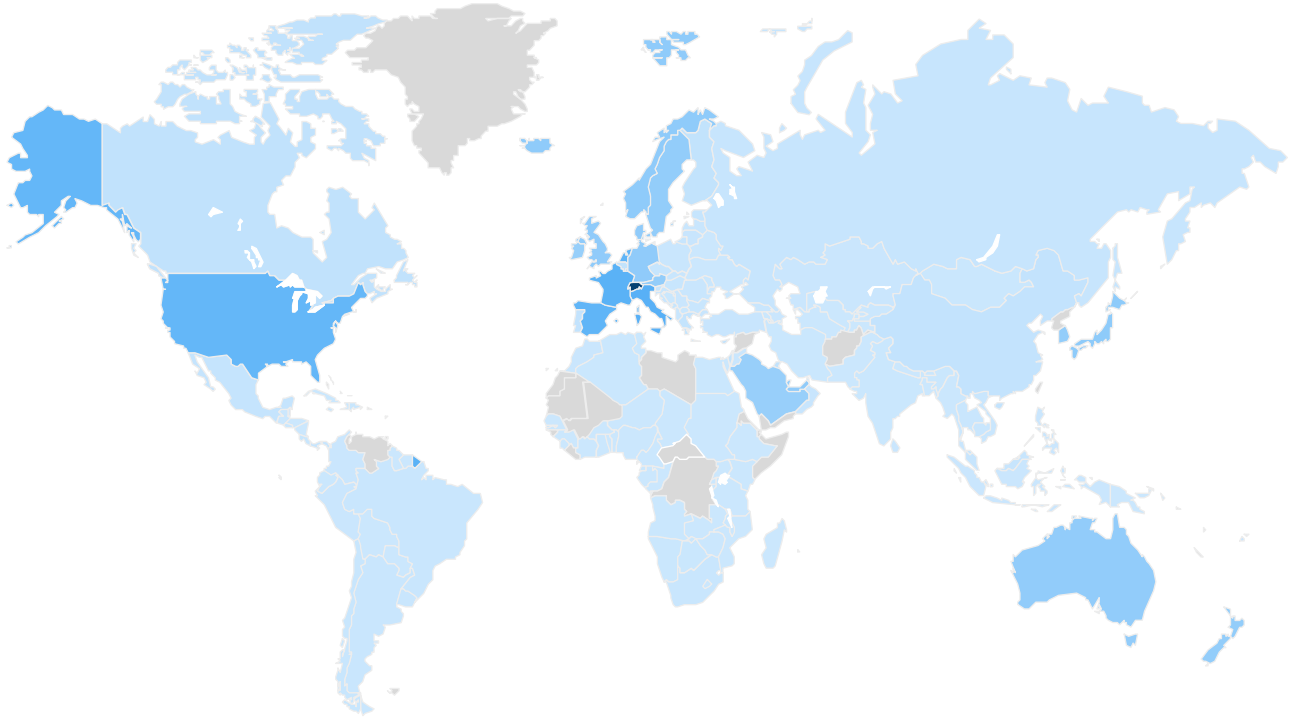


In 2019, Hong Kong and Singapore spent the most on Luxury Watches & Jewelry

Luxury Watches & Jewelry: regional comparison (1/2)

Per-capita revenue in US\$ in 2019

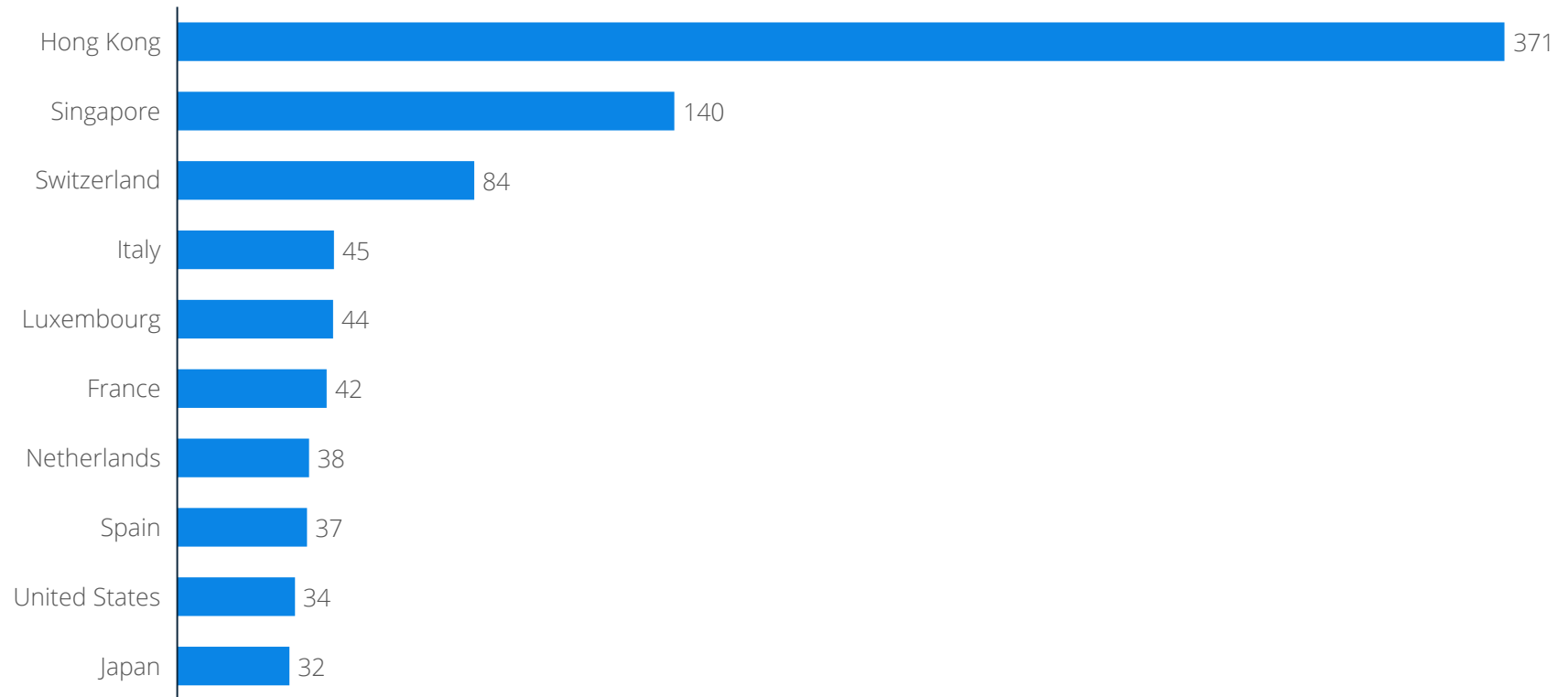
US\$1  US\$371  Out of scope



In 2019, people of Hong Kong spent an average of US\$371 on Luxury Watches & Jewelry

Luxury Watches & Jewelry: regional comparison (2/2)

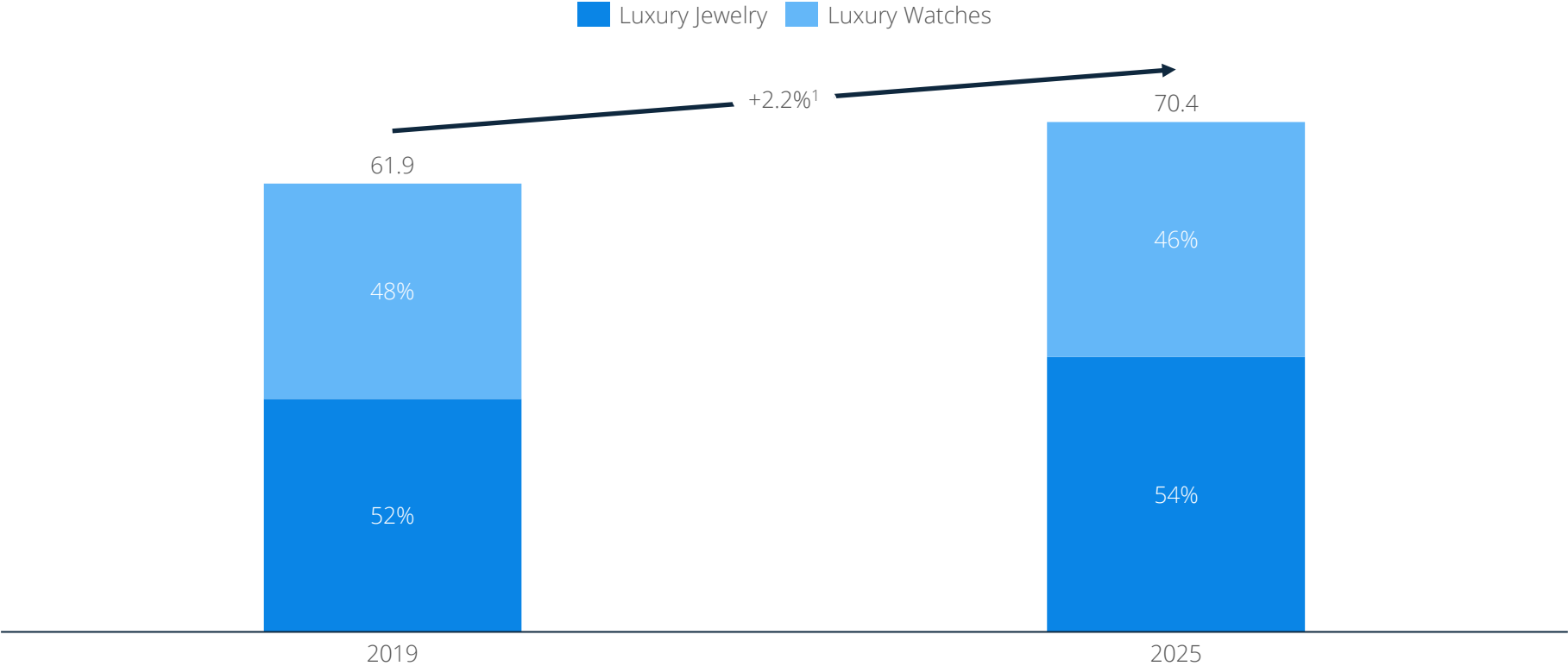
Top-10 per-capita revenue in US\$ in 2019



Luxury Jewelry generates the most revenue within the Luxury Watches & Jewelry segment

Luxury Watches & Jewelry: revenue and growth by subsegment

Worldwide revenue in billion US\$



Luxury Watches & Jewelry sales in Europe will increase at a CAGR¹ of 2.5% from 2012 to 2025

Luxury Watches & Jewelry: KPI comparison (1/2)

Revenue in billion US\$

Europe

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	66.2	71.6	75.1	77.0	80.1	83.7	90.0	97.6	88.8	100.2	108.4	113.9	117.4	120.8	4.7%
Luxury Watches & Jewelry	12.9	14.3	15.0	15.2	15.3	15.1	15.5	16.5	13.4	15.6	16.9	17.6	17.7	17.9	2.5%
Share of total market (in %)	19.6	20.0	20.0	19.7	19.0	18.1	17.2	16.9	15.1	15.6	15.6	15.4	15.1	14.8	-2.1%

United States

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	56.5	61.2	65.8	68.0	68.7	67.8	68.8	73.1	65.0	72.0	76.6	79.2	80.3	81.5	2.9%
Luxury Watches & Jewelry	8.9	10.2	10.8	10.9	10.5	10.1	10.4	11.1	8.8	10.2	11.0	11.3	11.3	11.4	1.9%
Share of total market (in %)	15.8	16.6	16.5	16.0	15.3	15.0	15.0	15.1	13.5	14.1	14.3	14.3	14.1	13.9	-1.0%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025

Source: [Statista Consumer Market Outlook 2020](#)

Luxury Watches & Jewelry sales in China will increase at a CAGR¹ of 3.9% from 2012 to 2025

Luxury Watches & Jewelry: KPI comparison (2/2)

Revenue in billion US\$

China

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	26.4	28.6	29.4	29.6	30.9	33.1	37.0	42.3	38.1	44.6	49.4	52.8	55.1	57.3	6.1%
Luxury Watches & Jewelry	13.6	14.6	14.6	14.5	15.0	15.6	16.6	17.9	14.7	17.7	19.7	20.9	21.6	22.2	3.9%
Share of total market (in %)	51.4	51.2	49.8	49.0	48.5	47.3	44.9	42.4	38.6	39.6	39.8	39.6	39.1	38.8	-2.2%

South America

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	8.3	8.9	9.2	9.2	9.4	9.4	9.4	9.7	8.8	9.5	9.9	10.2	10.3	10.4	1.7%
Luxury Watches & Jewelry	1.3	1.4	1.4	1.3	1.3	1.3	1.2	1.2	1.0	1.1	1.2	1.2	1.2	1.2	-0.5%
Share of total market (in %)	15.6	15.5	14.8	13.8	13.5	13.5	13.1	12.9	11.3	12.0	12.2	12.2	12.0	11.7	-2.2%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025

Source: [Statista Consumer Market Outlook 2020](#)

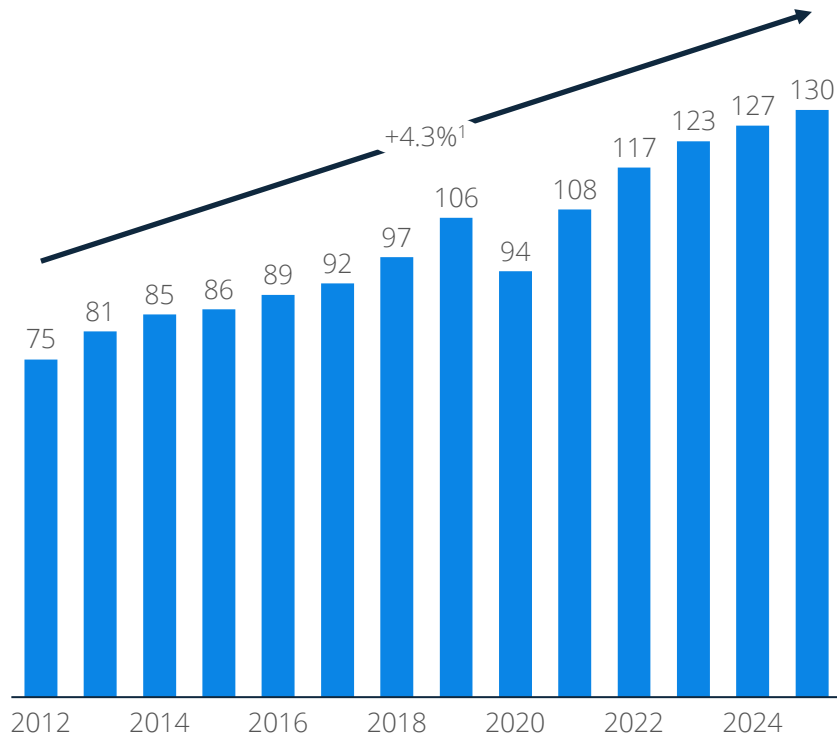
LUXURY FASHION



In 2019, worldwide Luxury Fashion sales amounted to US\$106 billion

Luxury Fashion: overview and sales figures

Worldwide revenue in billion US\$



Segment overview

The segment Luxury Fashion accounted for 34% of the Luxury Goods revenue in 2019.

In 2019, Luxury Fashion sales increased by 9.0% in comparison to 2018 and reached US\$106 billion.

In the Luxury Fashion segment, Luxembourg (US\$249) and Hong Kong (US\$236) had the highest annual revenue per capita in 2019.



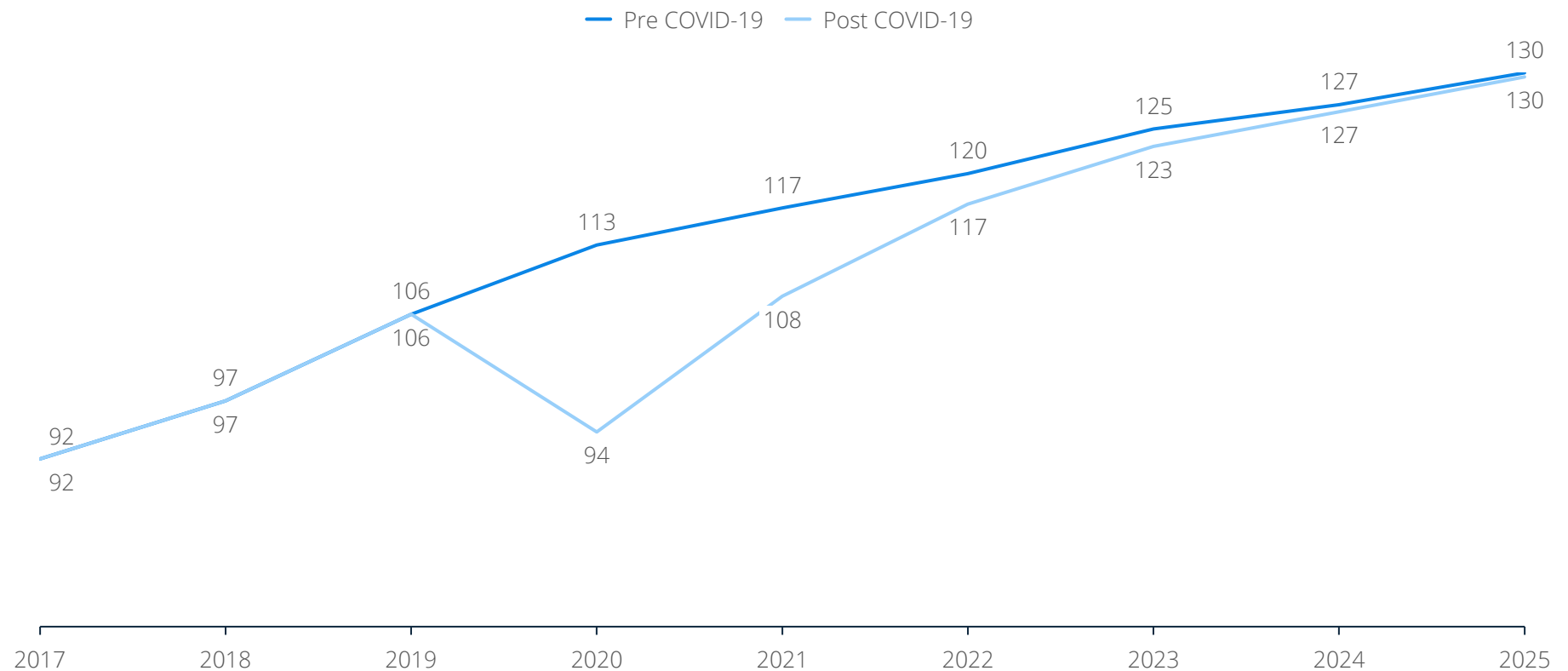
US\$106bn
in 2019

+5.1%
CAGR¹ 2012-2019

The worldwide Luxury Fashion segment is expected to reach only US\$94 billion in 2020

Luxury Fashion: COVID-19 impact

Worldwide Luxury Fashion revenue in billion US\$

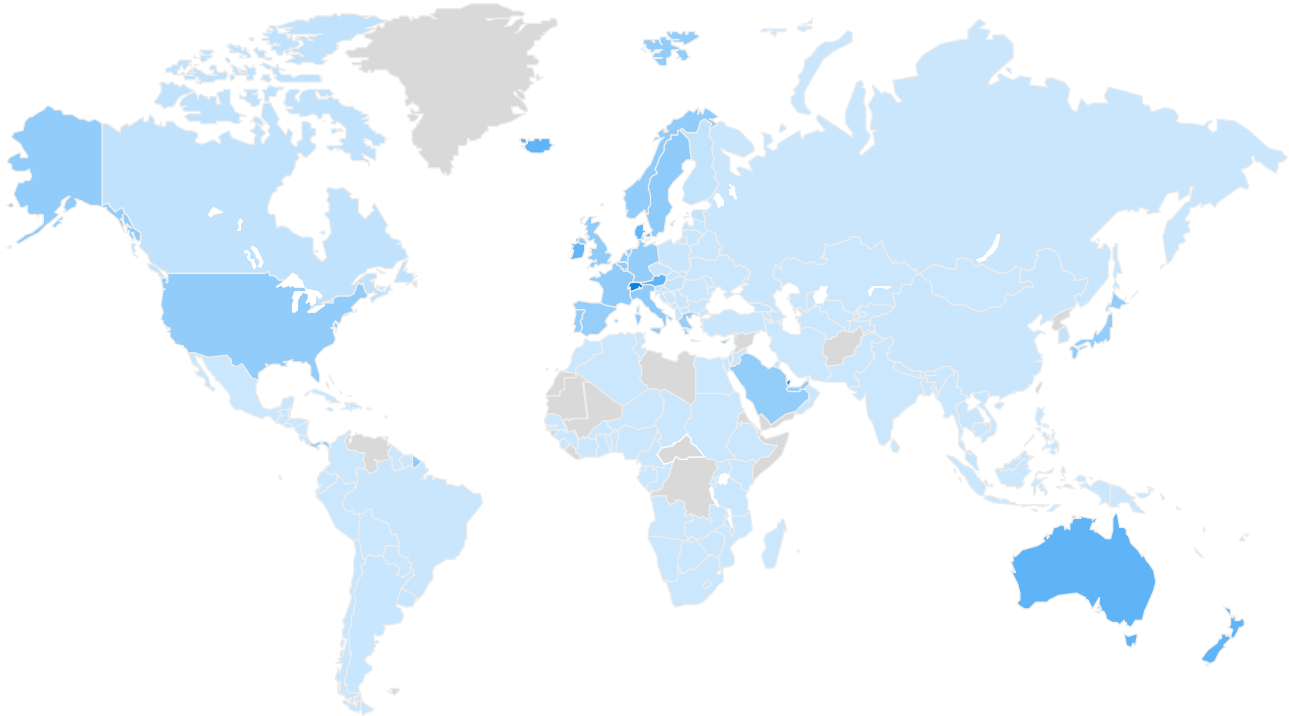


In 2019, Luxembourg and Hong Kong spent the most on Luxury Fashion

Luxury Fashion: regional comparison (1/2)

Per-capita revenue in US\$ in 2019

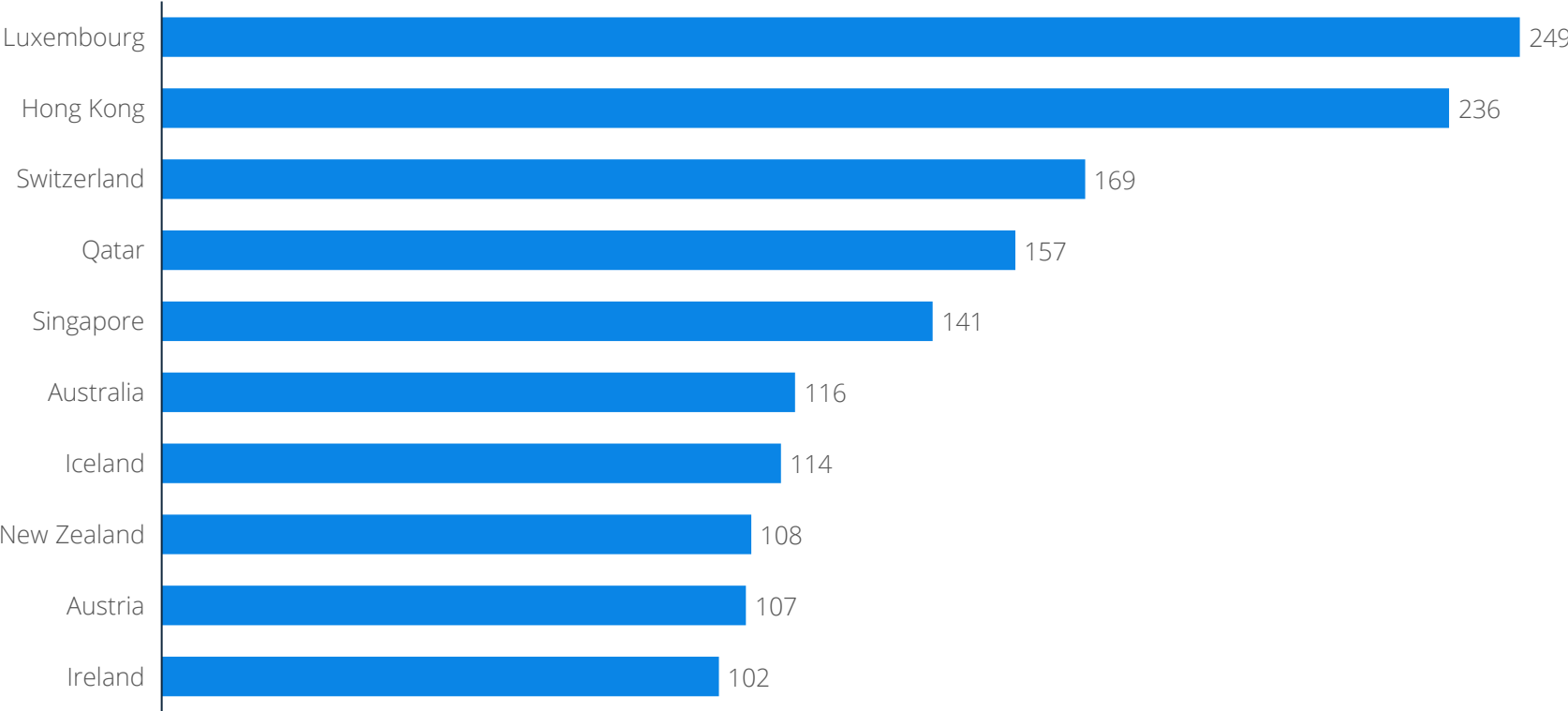
US\$1  US\$249  Out of scope



In 2019, Luxembourgers spent an average of US\$249 on Luxury Fashion

Luxury Fashion: regional comparison (2/2)

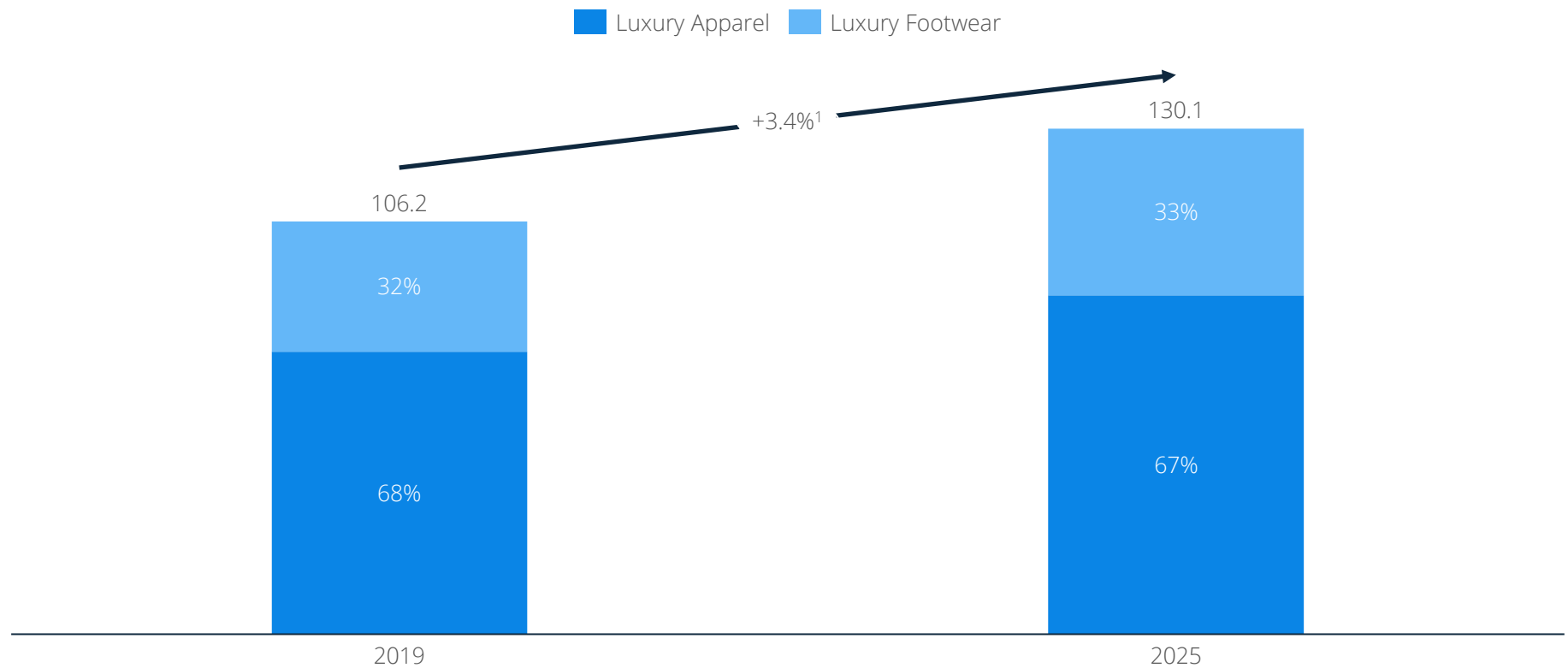
Top-10 per-capita revenue in US\$ in 2019



Luxury Apparel generates the most revenue within the Luxury Fashion segment

Luxury Fashion: revenue and growth by subsegment

Worldwide revenue in billion US\$



1: CAGR: Compound Annual Growth Rate / average growth rate per year
Source: [Statista Consumer Market Outlook 2020](#)

Luxury Fashion sales in Europe will increase at a CAGR¹ of 5.0% from 2012 to 2025

Luxury Fashion: KPI comparison (1/2)

Revenue in billion US\$

Europe

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	66.2	71.6	75.1	77.0	80.1	83.7	90.0	97.6	88.8	100.2	108.4	113.9	117.4	120.8	4.7%
Luxury Fashion	26.4	28.5	29.5	30.1	31.7	33.6	36.4	39.3	35.2	40.4	44.1	46.5	48.1	49.7	5.0%
Share of total market (in %)	39.8	39.8	39.3	39.1	39.6	40.1	40.4	40.3	39.6	40.3	40.7	40.8	41.0	41.1	0.2%

United States

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	56.5	61.2	65.8	68.0	68.7	67.8	68.8	73.1	65.0	72.0	76.6	79.2	80.3	81.5	2.9%
Luxury Fashion	22.6	24.9	26.8	27.0	26.8	25.9	26.2	27.9	24.0	26.9	28.7	29.5	29.7	30.0	2.2%
Share of total market (in %)	40.1	40.7	40.7	39.8	39.0	38.2	38.1	38.2	37.0	37.4	37.4	37.2	37.0	36.9	-0.6%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025
Source: [Statista Consumer Market Outlook 2020](#)

Luxury Fashion sales in China will increase at a CAGR¹ of 6.7% from 2012 to 2025

Luxury Fashion: KPI comparison (2/2)

Revenue in billion US\$

China

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	26.4	28.6	29.4	29.6	30.9	33.1	37.0	42.3	38.1	44.6	49.4	52.8	55.1	57.3	6.1%
Luxury Fashion	4.9	5.2	5.3	5.4	5.7	6.2	7.0	8.2	7.5	8.8	9.8	10.4	10.9	11.3	6.7%
Share of total market (in %)	18.5	18.4	18.2	18.1	18.5	18.8	19.0	19.4	19.7	19.8	19.8	19.8	19.8	19.8	0.5%

South America

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	8.3	8.9	9.2	9.2	9.4	9.4	9.4	9.7	8.8	9.5	9.9	10.2	10.3	10.4	1.7%
Luxury Fashion	2.6	2.8	2.9	2.7	2.8	2.8	2.7	2.7	2.3	2.5	2.7	2.7	2.7	2.7	0.3%
Share of total market (in %)	31.9	31.5	30.9	29.8	29.7	29.3	28.4	27.8	26.6	26.9	26.9	26.8	26.6	26.4	-1.4%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025
Source: [Statista Consumer Market Outlook 2020](#)

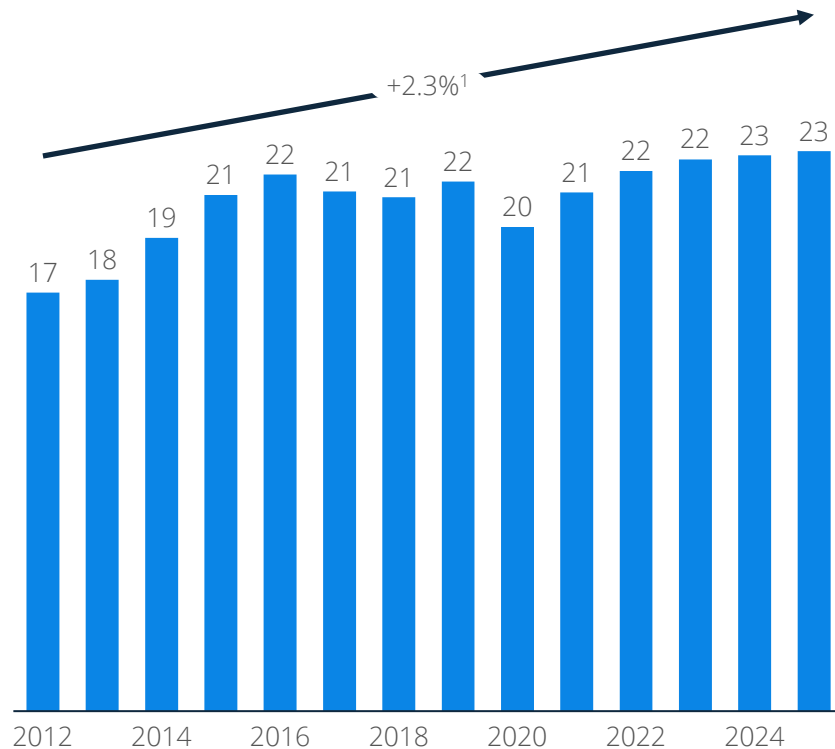
LUXURY EYEWEAR



In 2019, worldwide Luxury Eyewear sales amounted to US\$22 billion

Luxury Eyewear: overview and sales figures

Worldwide revenue in billion US\$



Segment overview

The segment Luxury Eyewear accounted for 7% of the Luxury Goods revenue in 2019.

In 2019, Luxury Eyewear sales increased by 3.1% in comparison to 2018 and reached US\$22 billion.

In the Luxury Eyewear segment, the United States (US\$28) and Canada (US\$22) had the highest annual revenue per capita in 2019.



Revenues

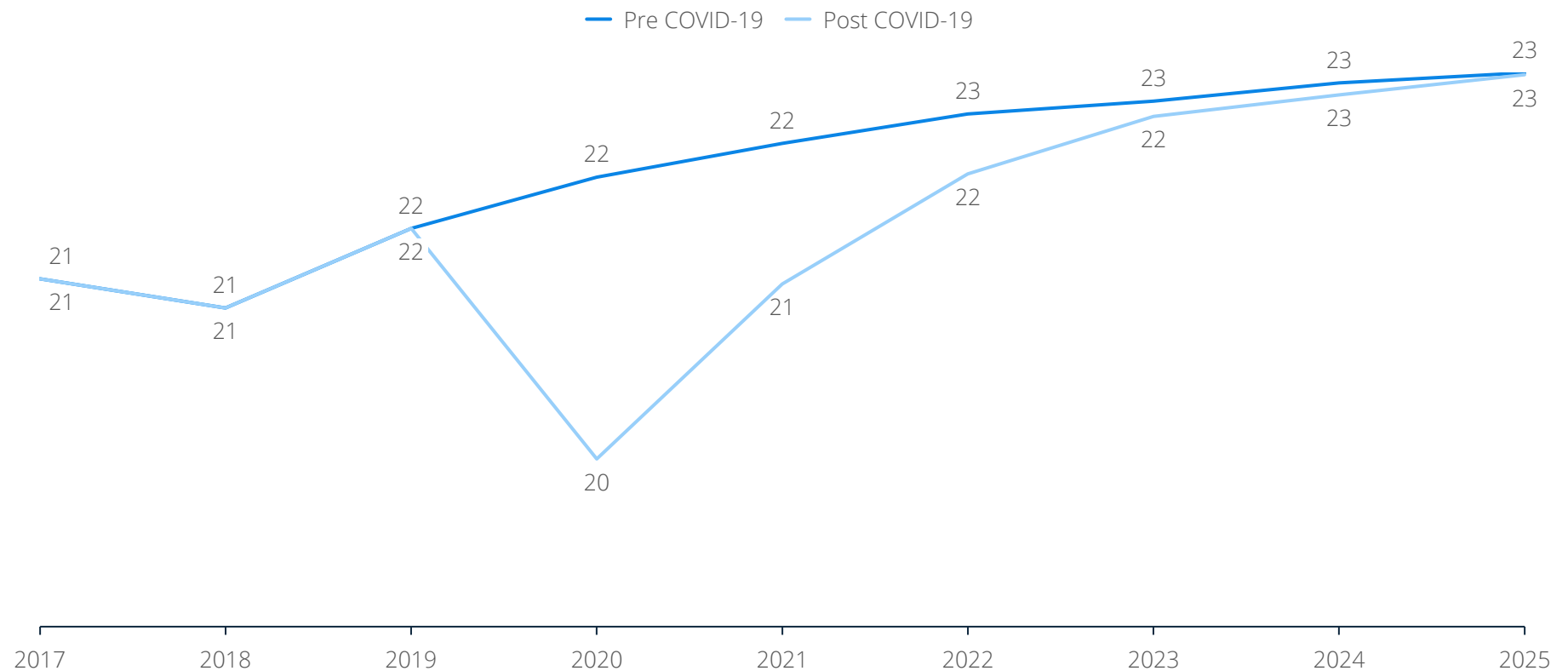
US\$22bn
in 2019

+3.4%
CAGR¹ 2012-2019

The worldwide Luxury Eyewear segment is expected to reach only US\$20 billion in 2020

Luxury Eyewear: COVID-19 impact

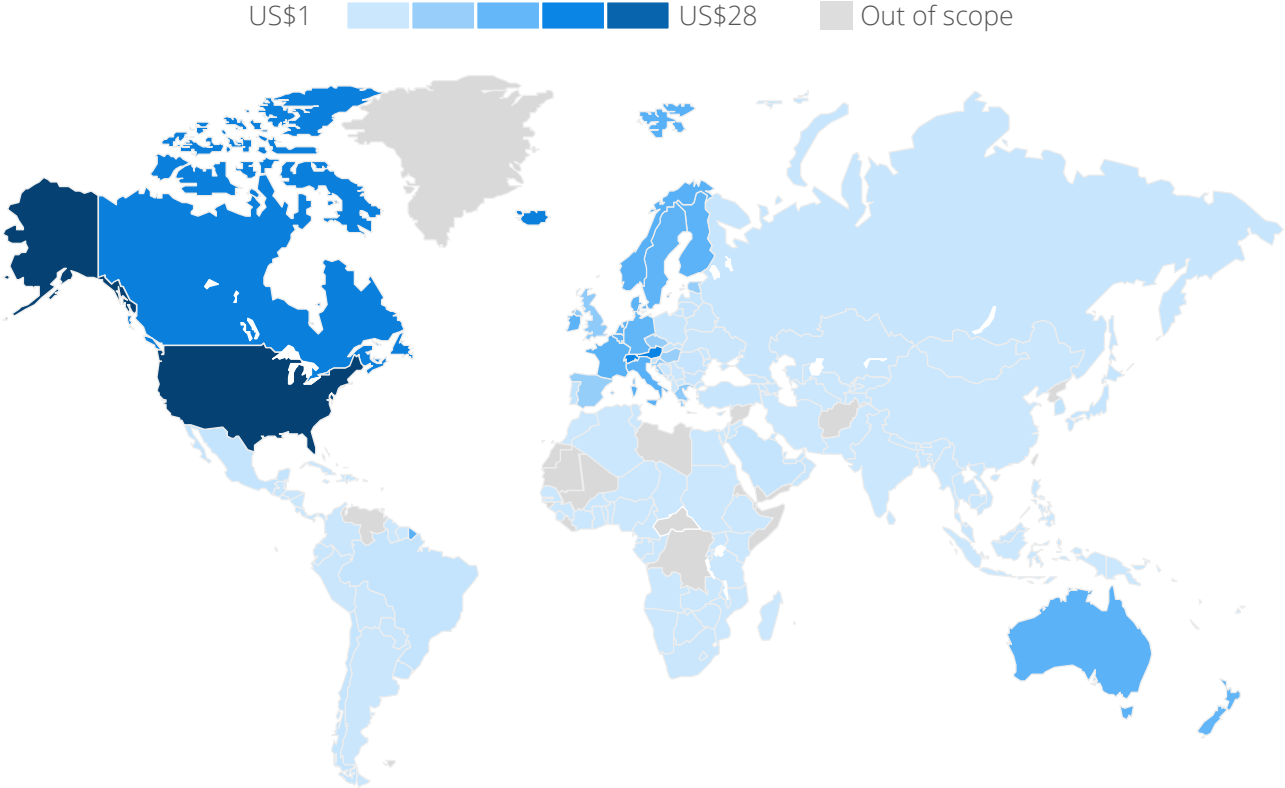
Worldwide Luxury Eyewear revenue in billion US\$



In 2019, the United States and Canada spent the most on Luxury Eyewear

Luxury Eyewear: regional comparison (1/2)

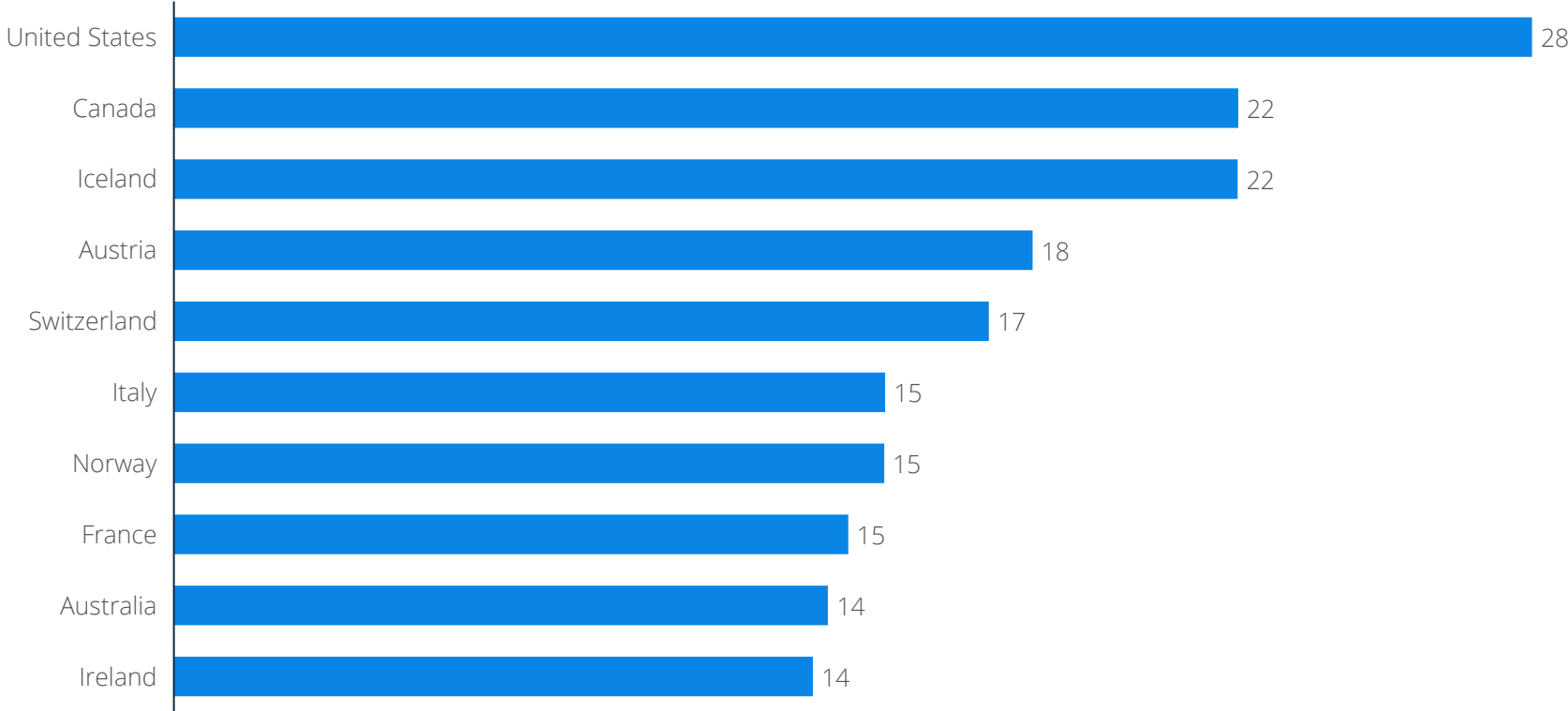
Per-capita revenue in US\$ in 2019



In 2019, Americans spent an average of US\$28 on Luxury Eyewear

Luxury Eyewear: regional comparison (2/2)

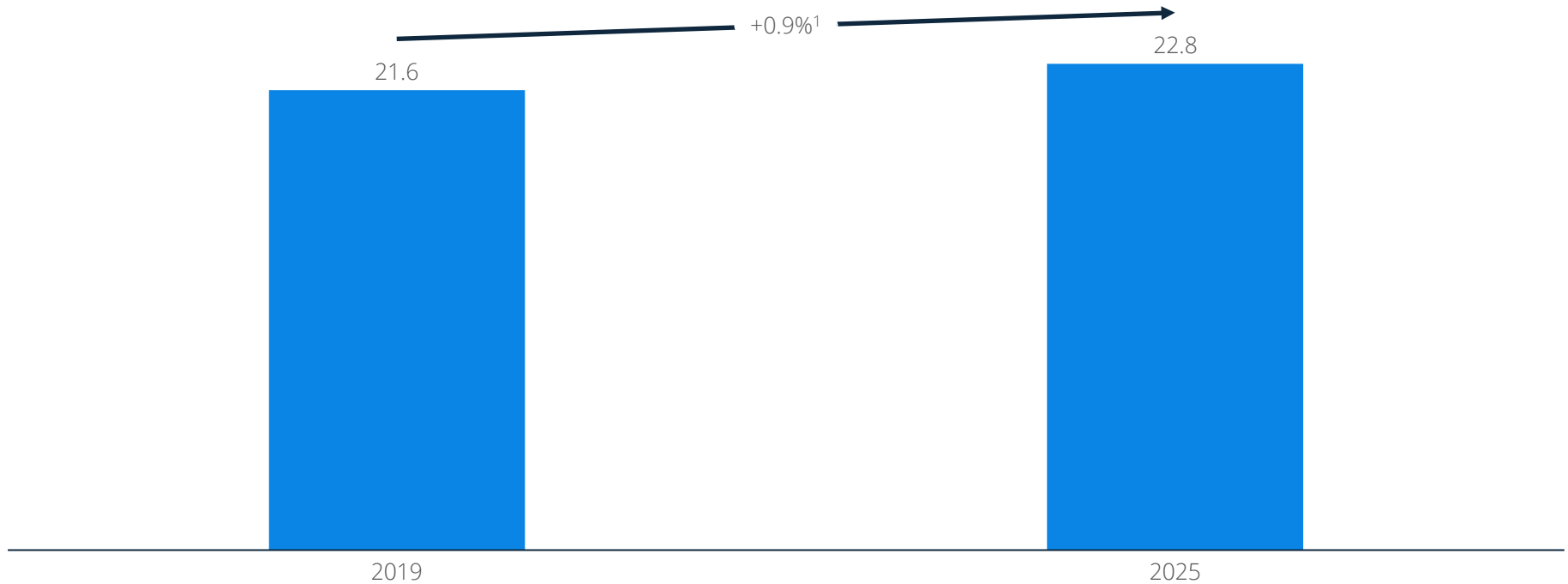
Top-10 per-capita revenue in US\$ in 2019



Luxury Eyewear sales worldwide will increase at a CAGR¹ of 0.9% from 2019 to 2025

Luxury Eyewear: revenue and growth

Worldwide revenue in billion US\$



1: CAGR: Compound Annual Growth Rate / average growth rate per year
Source: [Statista Consumer Market Outlook 2020](#)

Luxury Eyewear sales in Europe will increase at a CAGR¹ of 3.5% from 2012 to 2025

Luxury Eyewear: KPI comparison (1/2)

Revenue in billion US\$

Europe

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	66.2	71.6	75.1	77.0	80.1	83.7	90.0	97.6	88.8	100.2	108.4	113.9	117.4	120.8	4.7%
Luxury Eyewear	4.6	4.8	5.1	5.5	5.9	6.0	6.2	6.3	5.9	6.3	6.7	6.9	7.0	7.1	3.5%
Share of total market (in %)	6.9	6.7	6.9	7.2	7.3	7.1	6.8	6.4	6.6	6.3	6.1	6.0	6.0	5.9	-1.2%

United States

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	56.5	61.2	65.8	68.0	68.7	67.8	68.8	73.1	65.0	72.0	76.6	79.2	80.3	81.5	2.9%
Luxury Eyewear	7.4	7.4	8.2	9.2	9.7	9.3	9.0	9.4	8.6	9.2	9.6	9.7	9.8	9.8	2.1%
Share of total market (in %)	13.1	12.1	12.5	13.5	14.1	13.7	13.1	12.8	13.2	12.8	12.5	12.3	12.1	12.0	-0.7%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025

Source: [Statista Consumer Market Outlook 2020](#)

Luxury Eyewear sales in South America will increase at a CAGR¹ of 3.4% from 2012 to 2025

Luxury Eyewear: KPI comparison (2/2)

Revenue in billion US\$

China

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	26.4	28.6	29.4	29.6	30.9	33.1	37.0	42.3	38.1	44.6	49.4	52.8	55.1	57.3	6.1%
Luxury Eyewear	0.7	0.8	0.8	0.9	0.9	0.8	0.8	0.9	0.8	0.9	0.9	0.9	0.9	0.9	2.3%
Share of total market (in %)	2.7	2.7	2.9	3.0	2.8	2.5	2.2	2.1	2.1	1.9	1.8	1.7	1.7	1.7	-3.6%

South America

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	8.3	8.9	9.2	9.2	9.4	9.4	9.4	9.7	8.8	9.5	9.9	10.2	10.3	10.4	1.7%
Luxury Eyewear	0.8	0.8	0.9	1.1	1.1	1.1	1.1	1.1	1.0	1.1	1.2	1.2	1.2	1.2	3.4%
Share of total market (in %)	9.5	9.4	10.1	11.5	12.0	11.9	11.8	11.7	11.9	11.9	11.8	11.8	11.8	11.8	1.6%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025

Source: [Statista Consumer Market Outlook 2020](#)

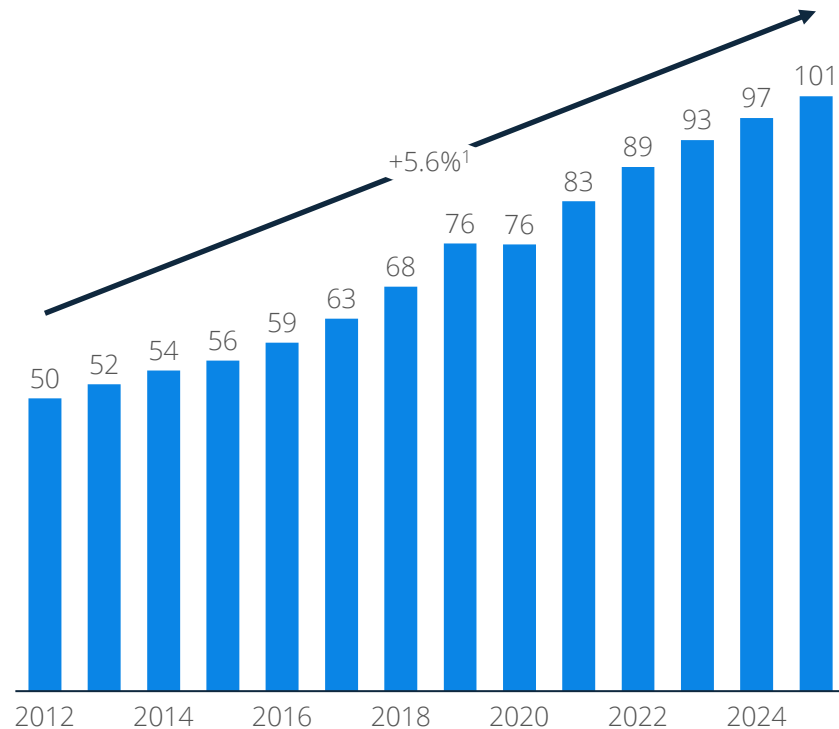
PRESTIGE COSMETICS & FRAGRANCES



In 2019, worldwide Prestige Cosmetics & Fragrances sales amounted to US\$76 billion

Prestige Cosmetics & Fragrances: overview and sales figures

Worldwide revenue in billion US\$



Segment overview

The segment Prestige Cosmetics & Fragrances accounted for 24% of the Luxury Goods revenue in 2019.

In 2019, Prestige Cosmetics & Fragrances sales increased by 10.7% in comparison to 2018 and reached US\$76 billion.

In the Prestige Cosmetics & Fragrances segment, Japan (US\$103) and Hong Kong (US\$55) had the highest annual revenue per capita in 2019.



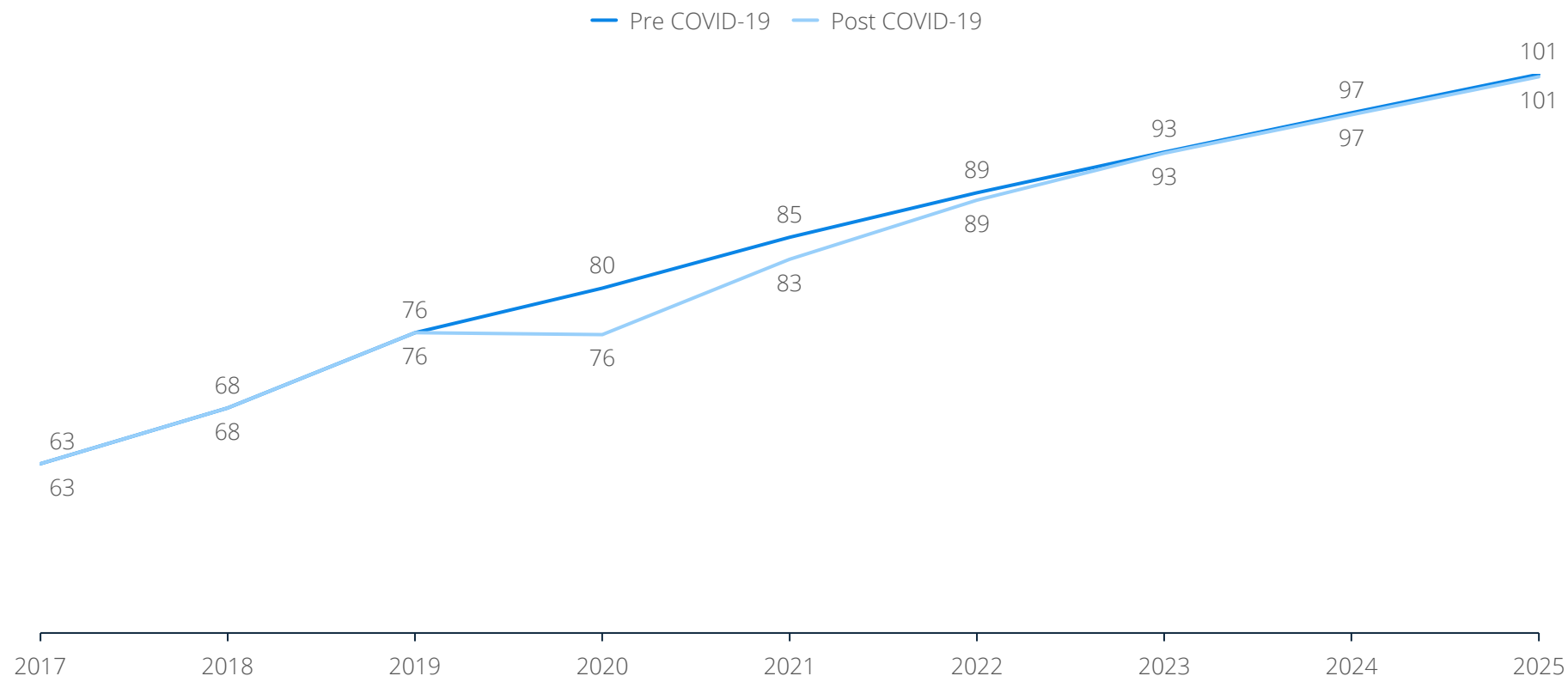
US\$76bn
in 2019

+6.3%
CAGR¹ 2012-2019

The Prestige Cosmetics & Fragrances segment is expected to reach only US\$76 billion in 2020

Prestige Cosmetics & Fragrances: COVID-19 impact

Worldwide Prestige Cosmetics & Fragrances revenue in billion US\$

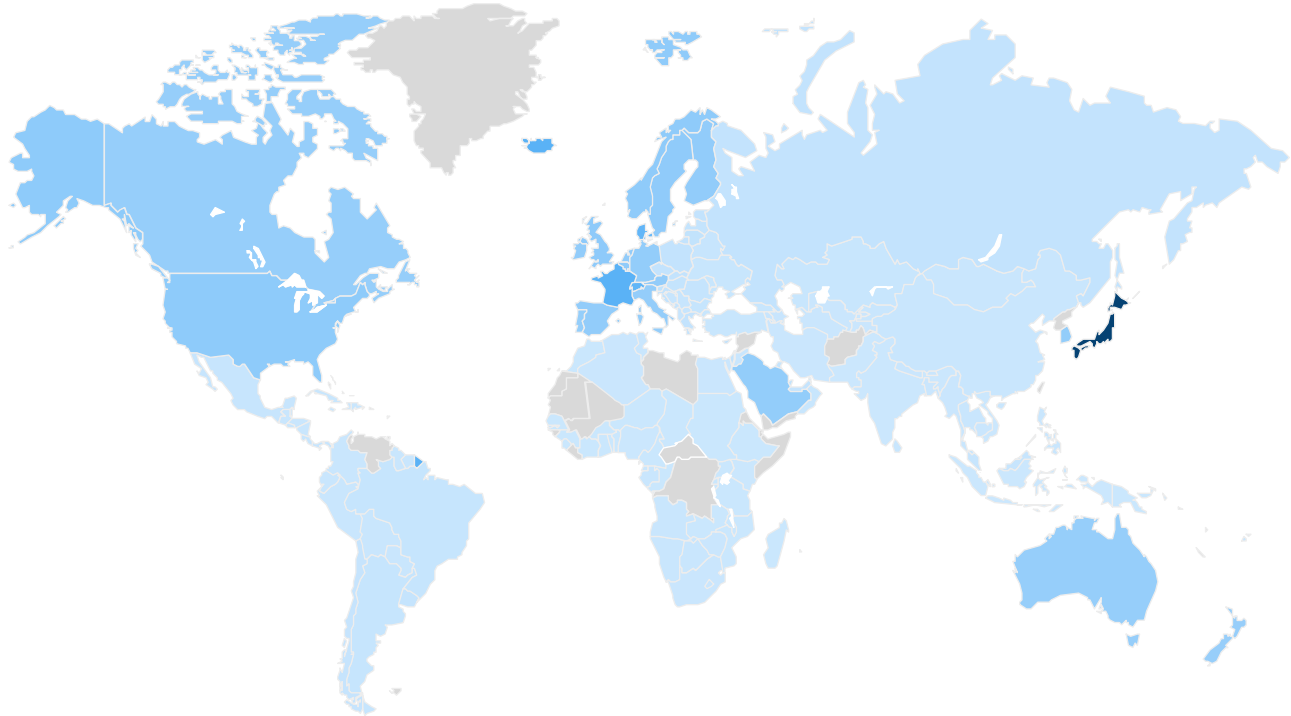


In 2019, Japan and Hong Kong spent the most on Prestige Cosmetics & Fragrances

Prestige Cosmetics & Fragrances: regional comparison (1/2)

Per-capita revenue in US\$ in 2019

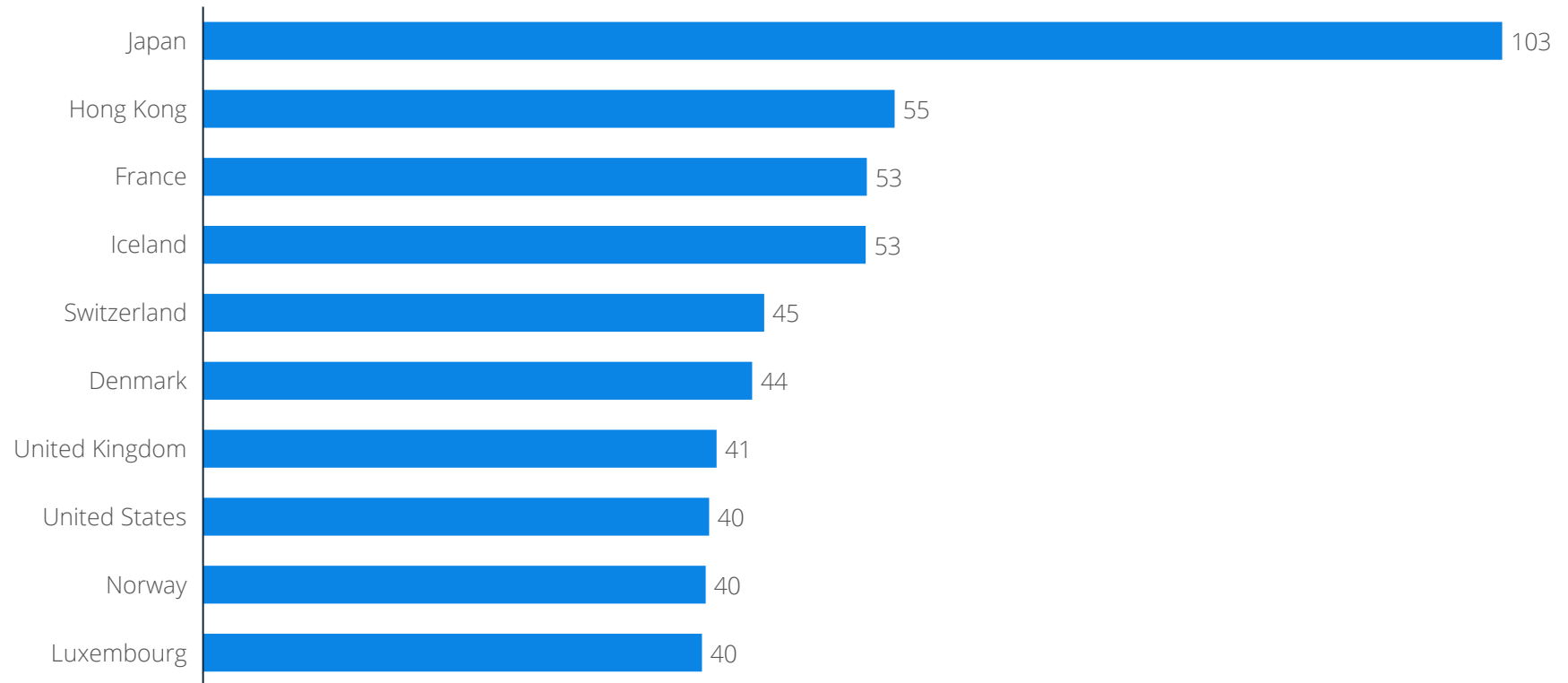
US\$1  US\$103  Out of scope



In 2019, Japanese spent an average of US\$103 on Prestige Cosmetics & Fragrances

Prestige Cosmetics & Fragrances: regional comparison (2/2)

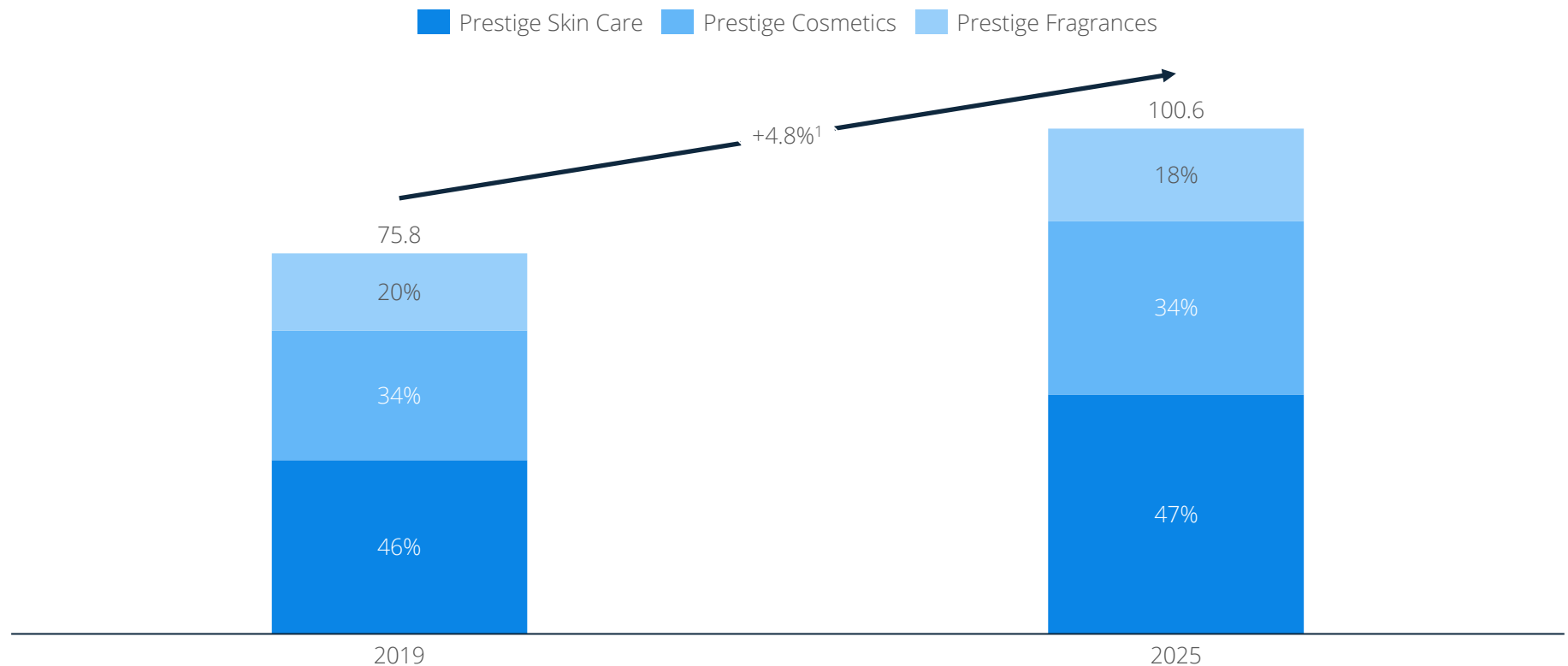
Top-10 per-capita revenue in US\$ in 2019



Prestige Skin Care generates the most revenue within the Prestige Cosmetics & Fragrances segment

Prestige Cosmetics & Fragrances: revenue and growth by subsegment

Worldwide revenue in billion US\$



Prestige Cosmetics & Fragrances sales in Europe will increase at a CAGR¹ of 4.7% from 2012 to 2025

Prestige Cosmetics & Fragrances: KPI comparison (1/2)

Revenue in billion US\$

Europe

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	66.2	71.6	75.1	77.0	80.1	83.7	90.0	97.6	88.8	100.2	108.4	113.9	117.4	120.8	4.7%
Prestige Cosmetics & Fragrances	14.9	15.6	16.1	16.3	16.7	17.7	19.3	21.2	21.0	22.8	24.2	25.4	26.3	27.2	4.7%
Share of total market (in %)	22.6	21.8	21.4	21.1	20.8	21.1	21.4	21.7	23.6	22.8	22.4	22.3	22.4	22.5	0.0%

United States

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	56.5	61.2	65.8	68.0	68.7	67.8	68.8	73.1	65.0	72.0	76.6	79.2	80.3	81.5	2.9%
Prestige Cosmetics & Fragrances	10.2	10.7	11.0	11.6	12.2	12.6	12.8	13.3	13.0	14.0	14.8	15.4	15.8	16.2	3.6%
Share of total market (in %)	18.1	17.5	16.8	17.0	17.8	18.7	18.5	18.2	20.0	19.5	19.3	19.4	19.7	19.9	0.7%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025

Source: [Statista Consumer Market Outlook 2020](#)

Prestige Cosmetics & Fragrances sales in China will increase at a CAGR¹ of 10.7% from 2012 to 2025

Prestige Cosmetics & Fragrances: KPI comparison (2/2)

Revenue in billion US\$

China

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	26.4	28.6	29.4	29.6	30.9	33.1	37.0	42.3	38.1	44.6	49.4	52.8	55.1	57.3	6.1%
Prestige Cosmetics & Fragrances	3.2	3.4	3.8	4.0	4.3	5.0	6.1	7.6	7.8	9.0	9.9	10.7	11.3	12.0	10.7%
Share of total market (in %)	12.1	12.0	12.9	13.6	14.0	15.0	16.4	18.0	20.6	20.2	20.1	20.2	20.6	20.9	4.3%

South America

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	CAGR ¹
Luxury Goods total	8.3	8.9	9.2	9.2	9.4	9.4	9.4	9.7	8.8	9.5	9.9	10.2	10.3	10.4	1.7%
Prestige Cosmetics & Fragrances	2.8	3.1	3.2	3.2	3.4	3.5	3.6	3.7	3.6	3.8	4.0	4.1	4.2	4.2	3.1%
Share of total market (in %)	34.3	34.3	34.6	35.3	35.6	36.6	37.9	38.3	41.0	40.2	40.0	40.1	40.5	40.8	1.4%

1: CAGR: Compound Annual Growth Rate / average growth rate per year from 2012 to 2025

Source: [Statista Consumer Market Outlook 2020](#)

Agenda

01 Market Outlook

- Overview
- Market drivers
- Consumer insights
- Sales channels
- Key players
- Trends

02 Segments

- Overview and sales figures
- COVID-19 impact
- KPI comparison
- Regional ranking

03 Appendix

- Companies and brands
- Product overview
- Author

Overview of companies and brands included (1/4)

Appendix: Brand overview (1/4)

Company	Brands
1 Acne Studios	Acne Studios
2 Aeffe	Moschino, Pollini, Alberta Ferretti, Philosophy, Cédric Charlier ¹ , Jeremy Scott ¹ , Blugirl Folies ¹
3 Audemars Piguet	Audemars Piguet
4 Bally	Bally
5 Breitling	Breitling
6 Brunello Cucinelli	Brunello Cucinelli
7 Burberry	Burberry
8 Canali	Canali
9 CFEB Sisley	Sisley
10 Chanel	Chanel
11 Charles Tyrwhitt	Charles Tyrwhitt
12 Chopard	Chopard
13 Chow Sang Sang	Chow Sang Sang
14 Chow Tai Fook	Chow Tai Fook, CHOW TAI FOOK T MARK, Hearts on Fire, Monologue, Soinlove, Artrium, Jewelria, CTF Watch
15 Chow Tai Seng	Chow Tai Seng
16 Clarins	Clarins, My Blend, Mugler, Azzaro
17 Coach	Coach, Stuart Weitzman, Kate Spade
18 Cole Haan	Cole Haan
19 Coty	Philosophy, O.P.I., Wella, Burberry ¹ , Calvin Klein ¹ , Gucci ¹ , Boss ¹ , Chloé ¹ , Tiffany & Co ¹ , Bottega Veneta ¹ , Lancaster ¹ , Marc Jacobs ¹ , Monange ¹ , miu miu ¹ , Alexander McQueen ¹ , Balenciaga ¹ , Philosophy ¹ , Lacoste ¹ , Jil Sander ¹ , Joop! ¹ , Davidoff ¹ , Stella McCartney ¹ , Roberto Cavalli ¹ , Escada ¹
20 DAMA	Paul & Shark
21 Damiani	Damiani, Salvini, Alfieri & St. John, bliss, Calderoni

Company	Brands
22 De Rigo	Police ¹ , Loyya ¹ , Sting ¹ , Lozza ¹ , Blumarine ¹ , Carolina Herrera ¹ , Chopard ¹ , Converse ¹ , Dunhill ¹ , Escada ¹ , Fila ¹ , Furla ¹ , John Varvatos ¹ , Jones ¹ , Lanvin ¹ , Lucky Brand ¹ , Nina Ricci ¹ , Tous ¹ , Trussardi ¹ , Zadig & Voltaire ¹
23 Dolce & Gabbana	Dolce & Gabbana
24 Eastern Gold Jade	Eastern Gold Jade
25 Elizabeth Arden	Elizabeth Arden, Halston ¹ , Elizabeth Taylor ¹ , Britney Spears ¹ , Gant ¹ , Hilary Duff ¹ , White Shoulders ¹ , Daytona 500 ¹ , Danielle Steel ¹ , Mariah Carey ¹ , Geoffrey Beene Grey Flannel ¹ , Badgley Mischka ¹ , Alfred Sung ¹ , Hummer ¹ , Nanette Lepore ¹ , Cynthia Rowley ¹ , Lulu Guinness ¹ , Bob Mackie ¹ , Liz Claiborne ¹ , Juicy Couture ¹ , Usher ¹ , Lucky Brand ¹ , Liz ¹ , Bora Bora ¹ , Mambo ¹ , Rocawear ¹ , Alberta Ferretti ¹ , Kate Spade ¹ , John Varvatos ¹ , Ed Hardy ¹ , True Religion ¹ , BCBG Max Azria ¹ , Justin Bieber ¹ , Nicki Minaj ¹
26 Ermenegildo Zegna	Ermenegildo Zegna, Z Zegna, Zegna Sport
27 Escada	Escada
28 Estee Lauder	Estée Lauder, M.A.C., Aramis, Clinique, Aveda, Jo Malone, Bobbi Brown
29 Euroitalia	Reporter, Naj-Oleari, Versace ¹ , Moschino ¹ , Missoni ¹
30 Falke	Falke, Burlington
31 Finos	Trussardi
32 Forall Confezioni	Pal Zileri
33 Franck Muller	Franck Muller
34 Frédérique Constant	Frédérique Constant
35 Furla	Furla
36 Gefin	Etro

Overview of companies and brands included (2/4)

Appendix: Brand overview (2/4)

Company	Brands
37 Gerhard D. Wempe	Wempe, Wempe Glashütte, By Kim, Niessing
38 Gianni Versace	Versace, Versace Collection, Versus Versace
39 Giorgio Armani	Giorgio Armani, Emporio Armani, Armani, A X Armani Exchange
40 Graff Diamonds	Graff
41 Hermes	Hermès, John Lobb
42 HSJ Comercial	H. Stern
43 Hugo Boss	BOSS, HUGO
44 Inter Parfums	Abercrombie & Fitch ¹ , Agent Provocateur ¹ , Anna Sui ¹ , Bebe ¹ , Boucheron ¹ , Coach ¹ , Dunhill ¹ , Guess ¹ , Hollister ¹ , Jimmy Choo ¹ , Karl Lagerfeld ¹ , Lanvin ¹ , Montblanc ¹ , Oscar de la Renta ¹ , Paul Smith ¹ , Repetto ¹ , Rochas ¹ , St Dupont ¹ , Van Cleef & Arpels ¹
45 J Barbour & Sons	Barbour
46 Jeanne Lanvin	Lanvin
47 Joyalukkas	Zenina, Veda, Pride, Eleganza
48 K.Mikimoto	Mikimoto
49 Kalyan	Mudhra, Tejasvi, Glo, Sankalp, Candere
50 Kering	Alexander McQueen, Gucci, Bottega Veneta, Boucheron, DoDo, Saint Laurent, Balenciaga, Brioni, Sergio Rossi, Stella McCartney, Pomellato, Girard-Perregaux, Christopher Kane, Ulysse Nardin, Qeelin, Volcom
51 Kosé Corporation	DECORTÉ, SEKKISEI, ADDICTION, JILL STUART, ALBION, Tarte
52 Kurt Geiger	Kurt Geiger London, KG Kurt Geiger, Carvela Kurt Geiger, Miss KG
53 Laboratoire NUXE	Nuxe, BIO-BEAUTÉ by Nuxe
54 Lao Feng Xiang	Lao Feng Xiang
55 Liu.Jo	Liu.Jo
56 L'Occitane	L'Occitane en Provence, Melvita, Erborian, L'Occitane au Brésil

Company	Brands
57 Longchamp	Longchamp, Le Pliage
58 L'Oreal	Lancôme, Biotherm, Helena Rubinstein, Urban Decay, Kiehl's, Shu Uemura, Giorgio Armani ¹ , Yves Saint Laurent ¹ , Ralph Lauren ¹ , Cacharel ¹ , Clarisonic ¹ , Diesel ¹ , Viktor & Rolf ¹ , Yue Sai ¹ , Maison Margiela ¹ , Guy Laroche ¹ , Paloma Picasso ¹ , Atelier Cologne ¹ , It Cosmetics ¹ , Proenza Schouler ¹
59 Luk Fook	Luk Fook
60 Luxottica	Ray-Ban, Oakley, Vogue Eyewear, Persol, Oliver Peoples, Alain Mikli ¹ , Burberry ¹ , Armani Exchange ¹ , Arnette ¹ , Brooks Brothers ¹ , Bulgari ¹ , Chanel ¹ , Coach ¹ , DKNY ¹ , Dolce & Gabbana ¹ , Emporio Armani ¹ , Giorgio Armani ¹ , Michael Kors ¹ , Miu Miu ¹ , Oliver Peoples ¹ , Paul Smith ¹ , Polo Ralph Lauren ¹ , Prada ¹ , Starck ¹ , Tiffany & co ¹ , Tory Burch ¹ , Valentino ¹ , Versace ¹
61 LVMH	Louis Vuitton, Céline, Chaumet, Christian Dior, Fendi, Fenty Beauty by Rihanna, Fred, Fresh, Berluti, Bulgari, Marc Jacobs, Kenzo, Nicholas Kirkwood, Loro Piana, Emilio Pucci, Acqua di Parma, Givenchy, Guerlain, Hublot, Kat von D Beauty, Loewe, Loro Piana, Maison Francis Kurkdjian, Marc Jacobs, Moynat, Thomas Pink, TAG Heuer, Benefit Cosmetics, Zenith
62 Marc Cain	Marc Cain
63 Marc O'Polo	MARC O'POLO
64 Marcolin	Marcolin, Atelier Swarovski ¹ , Balenciaga ¹ , Catherine Deneuve ¹ , Diesel ¹ , Dsquared2 ¹ , Emilio Pucci ¹ , Ermenegildo Zegna ¹ , Gant ¹ , Guess ¹ , Harley-Davidson ¹ , Just Cavalli ¹ , Marciano ¹ , Moncler ¹ , Montblanc ¹ , Roberto Cavalli ¹ , Skechers ¹ , Swarovski ¹ , Timberland ¹ , Tod's ¹ , Tom Ford ¹ , Web ¹
65 Max Mara	MaxMara, SportMax, Marina Rinaldi, Max & Co, PennyBlack
66 Michael Kors	Michael Kors, MICHAEL Michael Kors, Jimmy Choo, Versace

Overview of companies and brands included (3/4)

Appendix: Brand overview (3/4)

Company	Brands
67 Moncler	Moncler
68 Movado	Concord, EBEL, Movado, MVMT, Olivia Burton ¹ , Coach ¹ , Hugo Boss ¹ , Lacoste ¹ , Tommy Hilfiger ¹ , Scuderia Ferrari ¹ , Rebeccaminkoff ¹ , Urminkoff ¹
69 Mulberry	Mulberry
70 Onward	Nijyusanku, Joseph, Jil Sander, gotairiku
71 OTB	Diesel, Marni, Maison Margiela, Viktor & Rolf, Paula Cademartori, Amiri
72 Patek Philippe	Patek Philippe, The Henri Stern Watch Agency
73 Paul Smith	Paul Smith
74 PC Jeweller	PC Jeweller, AZVA
75 Pola Orbis	Pola, Orbis, Orlane Paris, Jurlique, Three
76 Prada	Prada, Miu Miu, Church's, Car Shoe, Marchesi
77 Puig	Carolina Herrera, Nina Ricci, Paco Rabanne, Jean Paul Gaultier, Penhaligon's, Dries van Noten, Prada ¹ , Valentino ¹ , Comme des Garçons ¹ , L'artisan Parfumeur ¹ , Antonio Banderas ¹ , Shakira ¹ , United Colors of Benetton ¹ , Agua Brava ¹ , Quorum ¹ , Adolfo Dominguez ¹ , Agatha Ruiz de la Prada ¹ , Pacha ¹ , Brummel ¹ , Victorio & Lucchino ¹ , Sportman ¹ , Anouk ¹ , Azur ¹ , Zinnia ¹ , Fleur de jour ¹ , David Bustamante ¹ , Malú ¹ , Massimo Dutti ¹ , Don Algodon ¹ , Springfield ¹ , Paula Echevarría ¹ , Lavanda Añeja ¹ , Royal Regiment ¹ , Aquarius ¹ , Juliana Paes ¹ , Rafa Marquez ¹
78 PVH	Calvin Klein, Tommy Hilfiger, Heritage Brands
79 QuattroR	Trussardi
80 Ralph Lauren	Ralph Lauren, Polo Ralph Lauren, Purple Label, Double RL, Club Monaco
81 Raymond Weil	Raymond Weil
82 Renown	D'Urban, Intermezzo

Company	Brands
83 Restoque	Le Lis Blanc, Dudalina, Bo.Bò., JOHN JOHN, Rosa Cha
84 Richard Mille	Richard Mille
85 Richemont	A. Lange & Söhne, Alfred Dunhill, Azzedine Alaïa, Baume & Mercier, Cartier, Chloé, Van Cleef & Arpels, Montblanc, Giampero Bodino, Jaeger-LeCoultre, Montblanc, Vacheron Constantin, IWC Schaffhausen, Peter Millar, Piaget, Roger Dubuis, Chloé, Officine Panerai, Purdey, Yoox Net-A-Porter, Watchfinder
86 Roberto Cavalli	Roberto Cavalli, Just Cavalli, Cavalli Class
87 Rolex	Rolex, Tudor
88 Russell & Bromley	Russell & Bromley
89 S Tous	Tous
90 Safilo	Safilo, Carrera, Oxydo, Smith, Polaroid, Banana Republic ¹ , Fendi ¹ , Juicy Couture ¹ , Max Mara ¹ , Bobbi Brown ¹ , Fossil ¹ , Kate Spade ¹ , Moschino ¹ , Boss ¹ , Givenchy ¹ , Liz Claiborne ¹ , Pierre Cardin ¹ , Chesterfield ¹ , Havaianas ¹ , Love Moschino ¹ , Rag & Bone ¹ , Dior ¹ , Jack Spade ¹ , Marc Jacobs ¹ , Elie Saab ¹ , Jimmy Choo ¹ , Max & Co ¹ , Tommy Hilfiger ¹ , Saks Fifth Avenue ¹
91 Salvatore FerrAGamo	Salvatore Ferragamo
92 San Patrick	Pronovias, St Patrick, La Sposa
93 Sanyo Shokai	Mackintosh, Paul Stuart, EPOCA
94 Shiseido	SHISEIDO, clé de peau BEAUTÉ, bareMinerals, NARS, IPSA, Laura Mercier
95 SMCP	Sandro, Maje, Claudie Pierlot
96 Sociedad Textil Lonia	Purificación García, CH Carolina Herrera ¹
97 Stefano Ricci	Stefano Ricci

Overview of companies and brands included (4/4)

Appendix: Brand overview (4/4)

	Company	Brands
98	Sungjoo D&D	MCM
99	Swatch	Omega, Longines, Breguet, Harry Winston, Rado, Blancpain, Glashütte Original, Jaquet Droz, Léon Hatot, Union Glashütte, Tissot, Balmain, Certina, Mido, Hamilton, Calvin Klein ¹
100	Tasaki	Tasaki
101	Ted Baker	Ted Baker
102	Tiffany	Tiffany & Co., Tiffany
103	Titan	Tanishq, Zoya, Nebula, Xyllys, Titan
104	TOD'S	Tod's, Hogan, Fay, Roger Vivier
105	Tory Burch	Tory Burch, Tory Sport
106	Tribhovandas Bhimji Zaveri	Tbz
107	Trinity	Cerruti 1881, Kent & Curwen, Gieves & Hawkes, D'URBAN
108	True Religion Apparel	True Religion
109	Tse Sui Luen	TSL
110	Tumi Holdings	Tumi
111	TWIN SET—Simona Barbieri	Twin Set, SCEE
112	Valentino	Valentino, REDValentino
113	Van de Velde	Marie Jo, PrimaDonna, Andres Sarda, Rigby & Peller
114	Vicini	Giuseppe Zanotti Design, Vicini
115	Willy Bogner	Bogner, Sonia Bogner, Bogner Fire + Ice
116	Wolford	Wolford
117	Zadig & Voltaire	Zadig & Voltaire
118	Zhejiang Ming	MINGR, VI

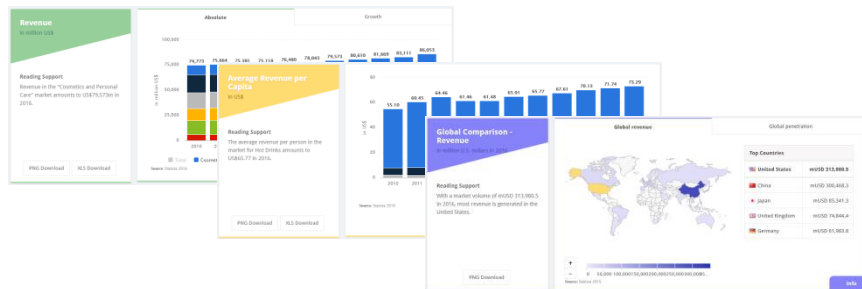
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200+ markets
150 countries
13 years (2012 - 2025)
50,000+ interactive statistics

The **Consumer Market Outlook** presents the key performance indicators sales, revenues and prices of the most important consumer markets worldwide. Our specialized analysts' market calculations are based on data from validated sources.

- Revenues, volume sales, prices and forecasts
- More than 200 product categories in up to 150 countries
- Covering the period 2012 to 2025



- Accessories
- Alcoholic Drinks
- Apparel
- Consumer Electronics
- Beauty & Personal Care
- Eyewear
- Food
- Footwear
- Furniture
- Home & Laundry Care
- Hot Drinks
- Household Appliances
- Non-Alcoholic Drinks
- OTC Pharmaceuticals
- Luxury Goods
- Tissue & Hygiene Paper
- Tobacco Products
- Toys & Hobby

Find out more on www.statista.com/outlook/consumer-markets

About the Statista Digital Market Outlook

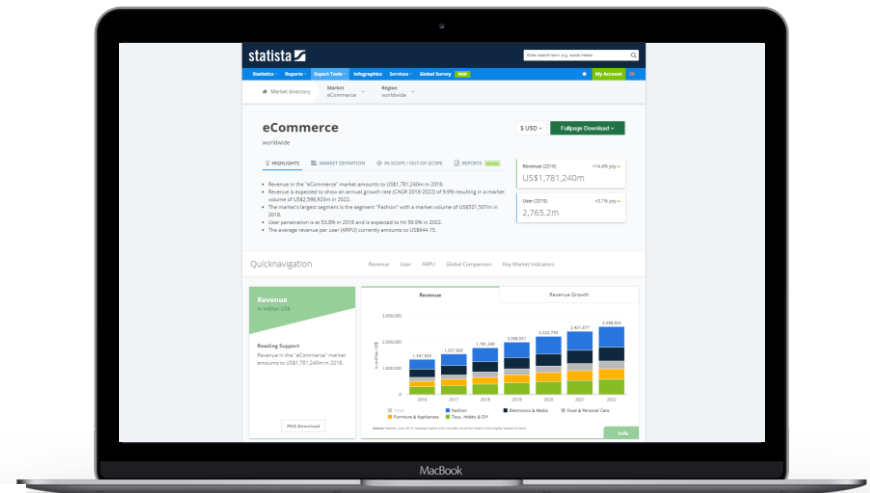


80+ markets
150+ locations
8 years (2017–2024)
30,000+ interactive statistics

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 Direct access & downloads, fully integrated into the Statista database

 Market insights, forecasts, and key performance indicators

 Outlook reports with segment-specific topics (top companies, trends, deep dives)

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About the Statista Global Consumer Survey 2020



50+

topics & industries

55

countries

6,500+

int. brands

700,000+

interviews

The **Statista Global Consumer Survey** offers a global perspective on consumption and media usage, covering the offline and online world of the consumer. It is designed to help marketers, planners, and product managers understand consumer behavior and consumer interactions with brands.

- Cross-tabulation
- Customized target groups
- Trend and country comparisons
- Export in Excel (CSV) or PowerPoint format



Marketing & social media



Finance & insurance



eCommerce & retail



Health



Food & nutrition



Housing & household equipment



Internet & devices



Travel



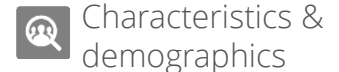
Media & digital media



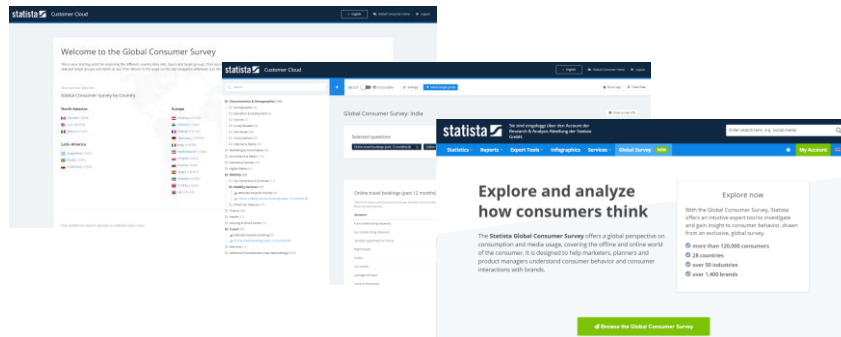
Services & eServices



Mobility



Characteristics & demographics



Find out more on www.statista.com/customercloud/global-consumer-survey

Author



Simon Lüdemann

Analyst Consumer Goods

s.luedemann@statista.com

Simon Lüdemann studied Economics and International Economics with a focus on the European Union at the University of Göttingen including a stay abroad in Florence. He gained a comprehensive understanding of market structures working as a market researcher and analyst. In the Consumer Market Outlook he is mainly responsible for fashion and luxury.