

THE GLOBAL LUXURY MARKET IS GROWING STRONGLY



The luxury market is experiencing significant growth, especially in Asia, where the demand for exclusive experiences and high-end products is rising. According to Bain & Company, a management consultancy firm, the global luxury market is projected to reach a record 1.5 trillion euros this year, with an estimated 8-10% growth rate.

Luxury experiences, such as exclusive cruises and hotels, have seen a significant increase in sales, as have luxury cars. In the personal luxury goods segment, including expensive clothing, shoes, perfume, and jewelry, sales are expected to grow by 4%, reaching 362 billion euros by the end of the year. However, there are indications of a slowdown in growth in this segment, with a third of brands likely to experience stagnation or decline next year.

The luxury industry is experiencing a tailwind, particularly in Asia. According to a recent study, the demand for luxury goods in China, Southeast Asia, and Japan grew by 9%, 8%, and 17%, respectively. Japan is experiencing a luxury business boom, driven by loyal local clientele and tourist inflows due to the weak yen.

In Europe, revenue from luxury tourism has almost returned to pre-pandemic levels. The market for personal luxury goods in Europe is expected to grow by 7% to 102 billion euros. However, business will likely decline by 8% to 101 billion euros in the Americas. This is because the luxury clientele in the Americas still has purchasing power, but mainly consumes abroad due to the strong US dollar favoring overseas purchases due to price differences.

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