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ANNUAL SECTOR OUTLOOK

Personal Luxury Goods

OUTLOOK 2026

The state of the global luxury consumer — market size, pricing power, houses & groups, channels, resale, and the themes shaping the year ahead.

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EXECUTIVE SUMMARY

01 The market returns to measured growth — an estimated **€386bn** in 2026, up **+5.4%**, led by leather goods and high jewellery.

02 Pricing power moderates: average prices sit **+52%** above 2020, but 2026 rises track closer to inflation as elasticity tightens.

03 The consumer base broadens — Gen Z and Millennials now drive **~62%** of growth, while Chinese demand re-accelerates after a soft 2025.

04 Online and travel-retail out-grow the base; the certified resale market crosses **€48bn** as authentication technology matures.

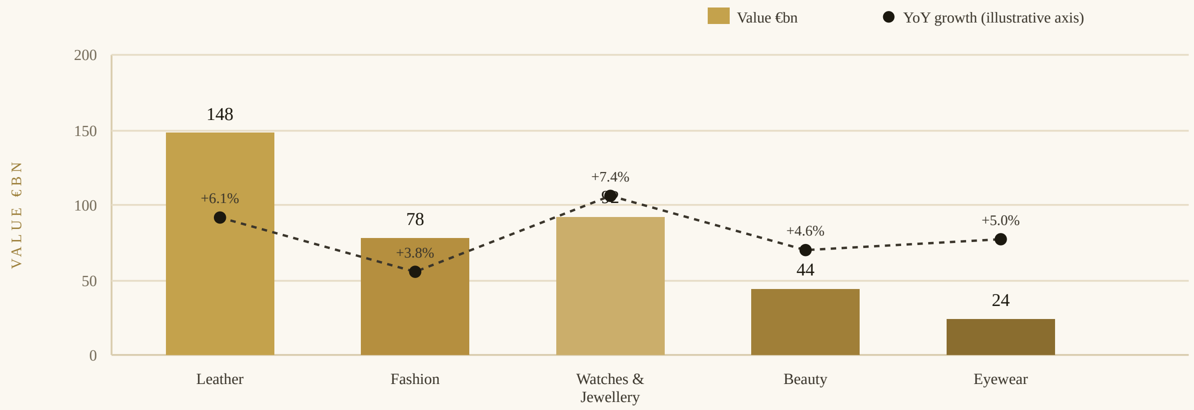
SECTION I

Market Size & Growth by Category

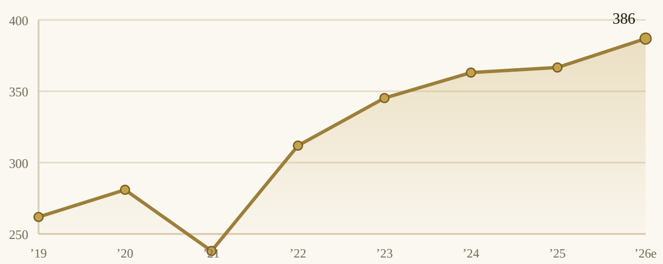
A €386bn market returning to trend, with taste migrating up the value curve.

Leather goods remain the sector's centre of gravity, contributing the largest single slice of value and among the healthiest growth. Watches & jewellery accelerate on the strength of hard-luxury demand and gold pricing, while beauty compounds quietly as the broadest entry point into the category.

VALUE & GROWTH BY CATEGORY — 2026E



TOTAL MARKET — VALUE OVER TIME (€BN)



THE READ

€386bn 2026E MARKET

+5.4% YOY GROWTH

After a post-2021 surge and a flatter 2025, the sector settles into mid-single-digit growth. Hard luxury (watches & jewellery) leads on price; beauty broadens the funnel. Value is concentrating at the top of every category as aspirational spend normalises.

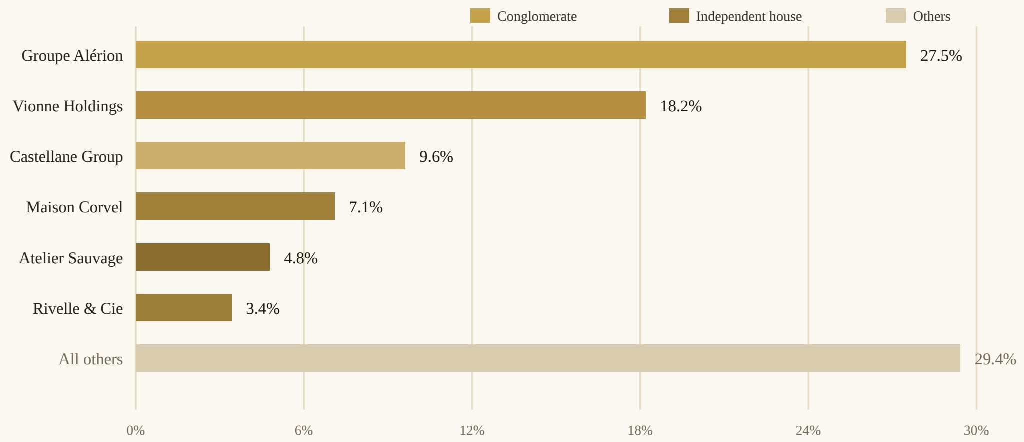
SECTION II

Houses & Groups Dynamics

Scale concentrates at the top; the independents defend desirability.

The sector's centre of gravity remains a handful of conglomerates whose portfolios span every category, set alongside a cohort of single-house independents that trade breadth for control and scarcity. Illustrative revenue shares below sketch the balance of power — the multi-brand groups compound through cross-category reach, while the independents defend pricing and desirability through disciplined distribution.

ILLUSTRATIVE SHARE OF SECTOR REVENUE — LEADING GROUPS & INDEPENDENTS



CONSOLIDATION

The three leading groups now represent an estimated **55%** of sector revenue, up from ~48% five years ago. Bolt-on acquisitions in jewellery, eyewear and beauty continue, but at richer multiples — discipline, not deal velocity, now separates the acquirers.

55%
TOP-3 SHARE

+7pt
5-YR CONCENTRATION

BRAND MOMENTUM

Momentum has narrowed to a shorter list of "mega-brands." Independents defend desirability through scarcity, price integrity and creative continuity — a contrast to the groups' scale-and-reach model. Creative-director change remains the single largest swing factor on a house's near-term trajectory.

~12
MEGA-BRANDS >€5BN

6
CREATIVE CHANGES ’25

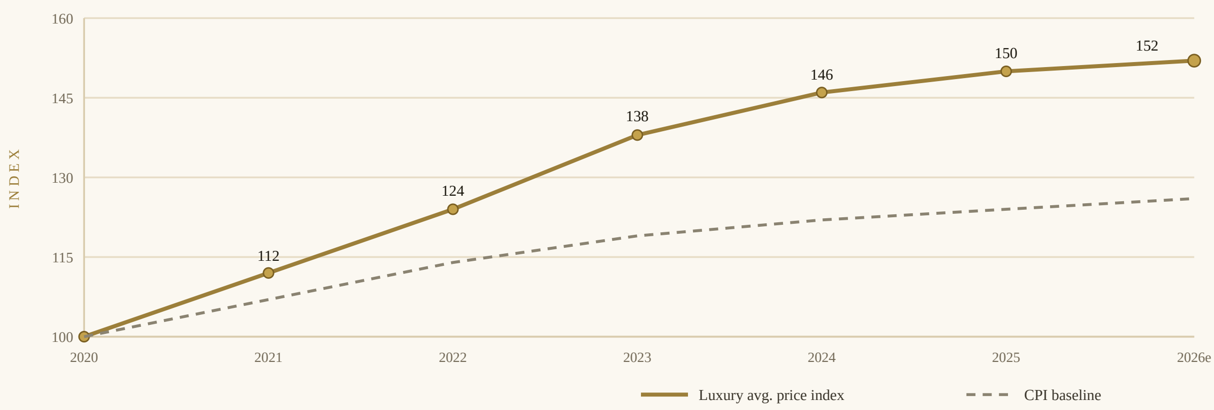
SECTION III

Pricing Power Trend

A decade of price-led growth meets the limits of elasticity.

Price has done much of the sector's heavy lifting since 2020. An index of average selling prices sits well above both its 2020 base and the consumer-price line — but the gap that once widened freely is now being tested. The 2026 read: continued but slower increases, concentrated in the houses with the clearest scarcity and provenance stories.

AVERAGE PRICE INDEX VS CPI BASELINE — 2020 = 100



CUMULATIVE

+52%

PRICE VS 2020

Roughly double the cumulative CPI move over the same window — the widest luxury-to-inflation gap on record.

2026 INCREASE

+1.3%

AVG. LIST-PRICE RISE

The smallest annual step since 2020 — houses trade headline increases for volume protection and mix.

ELASTICITY NOTE

Entry price points show rising elasticity — aspirational buyers step back first. Icon and high-jewellery tiers stay inelastic; scarcity, not the list, sets the ceiling there.

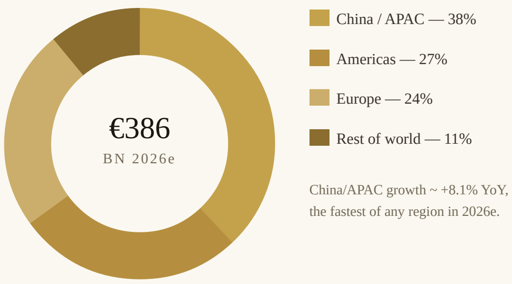
SECTION IV

The Luxury Consumer

Younger, more global, more digital — and harder to hold.

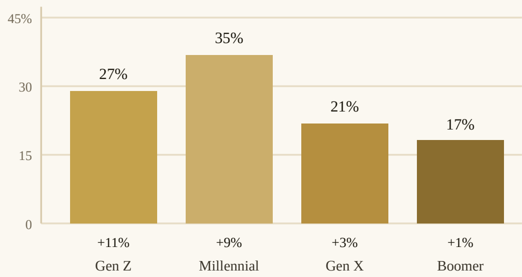
Demand is broadening on two axes at once — geographically, as Chinese and wider-Asian appetite re-accelerates alongside a resilient Americas; and generationally, as Gen Z and Millennials move from the margin to the engine of growth. The houses that win 2026 will translate scarcity and craft into terms both cohorts recognise.

DEMAND BY REGION — SHARE OF VALUE



China/APAC growth ~ +8.1% YoY, the fastest of any region in 2026e.

BY GENERATION — SHARE & GROWTH



Bar = share of spend · label below = YoY growth

PERSONA — THE 2026 BUYER

The defining consumer is a **28–40 urban professional**, digitally native, brand-fluent and values-driven. They research provenance before purchase, move fluidly between resale and first-hand, and reward houses that pair craft with a credible sustainability and authenticity story. Loyalty is earned per collection, not per lifetime — desirability must be re-won each season.

62% OF GROWTH FROM <40S

3.1× DIGITAL VS STORE RESEARCH

SAMPLE IMAGERY — LUXURY STILL-LIFE, BOUTIQUE LIGHT

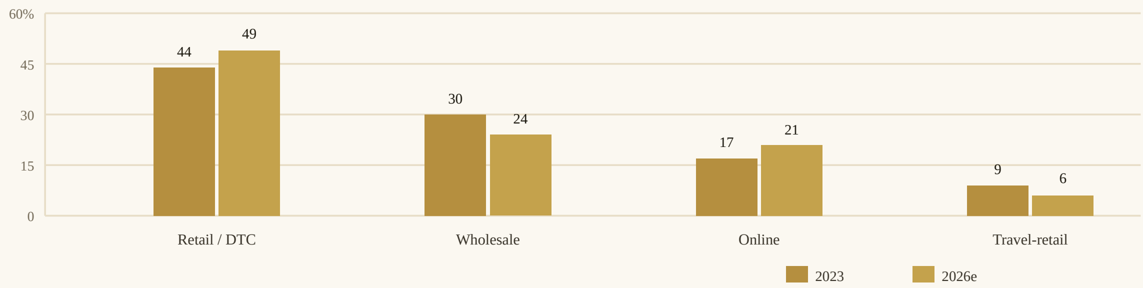
SECTION V

Channels, Resale & Authentication

Direct-to-consumer deepens; a certified second market comes of age.

Control of distribution is now a core part of the luxury proposition. Houses continue to internalise the customer relationship through retail and DTC, while online and travel-retail out-grow the base. In parallel, a certified resale market — long informal — is professionalising fast on the back of trusted authentication.

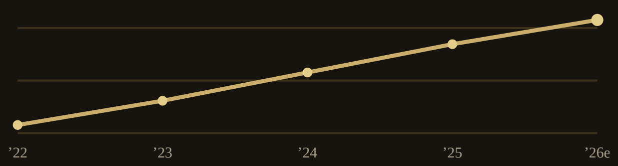
CHANNEL MIX — SHARE OF SALES, 2023 VS 2026E



CERTIFIED RESALE MARKET

€48bn
2026E RESALE VALUE

+14%
YOY GROWTH



AUTHENTICATION TECHNOLOGY

Trust is the market's raw material. Adoption of embedded **digital product passports**, NFC/RFID tags and blockchain-anchored provenance is moving from pilot to standard — resolving the counterfeiting friction that once capped resale.

- **DPP mandates** — EU digital passport phasing in across categories
- **NFC authentication** — tap-to-verify at point of resale
- **AI image forensics** — micro-texture matching for pre-owned intake

71%
BUYERS VERIFY BEFORE PURCHASE

SECTION VI

Emerging Themes, Risks & Outlook

Where advantage is being built — and where the year could turn.

EMERGING THEMES

01 Quiet luxury & craft

Logo-restraint and material integrity move from trend to baseline expectation; provenance becomes the story.

02 Experiential retail

Flagships turn into cultural venues — hospitality, art and service as the moat physical retail keeps over online.

03 Circular & certified

Houses enter resale directly, capturing the second life and the data that comes with a verified passport.

04 AI clienteling

Data-driven personalisation deepens one-to-one relationships — the digital extension of the sales associate.

RISKS TO THE BASE CASE

- **Macro & FX** — a China wobble or dollar swing re-rates demand quickly.
- **Aspirational fatigue** — entry buyers priced out after years of increases.
- **Creative risk** — director changes at scale unsettle mega-brands.
- **Trade & tariffs** — cross-border friction on production and travel-retail.

OUTLOOK SCENARIOS — 2026 SECTOR GROWTH

Scenario	Growth	Market €bn	Prob.
Upside	+8.2%	396	25%
Base	**+5.4%**	**386**	**55%**
Downside	+1.1%	370	20%

The base case assumes steady Chinese re-acceleration, moderate pricing and resilient hard luxury. The swing factor is the aspirational consumer's willingness to re-engage after a disciplined spending year.

SOURCES & NOTES

McLeuker Intelligence — Global Luxury Desk model, January 2026. Landscape context references publicly named houses and groups for orientation only. Regional, generational and channel splits are illustrative estimates constructed for this sample. Price index rebased to 2020 = 100.

Illustrative sample data — demonstrates layout & capability, not audited figures.