



GCC PERSONAL LUXURY 2024: UNSTOPPABLE

Market report

May 2025



PREFACE

This report is the second in the series of *GCC Personal Luxury* reports, following *GCC Personal Luxury in 2021: A Story of Early Recovery and Growth*, published in 2022 by Chalhoub Intelligence.

The document includes data from Chalhoub Group, its partners and teams' estimates for offline and online markets. The scope is limited to the luxury segments across the four categories:

- 77 high-end fashion brands,
- 1000+ prestige beauty brands and retailers,
- 30 luxury watches brands,
- 16 fine jewellery brands.

The scope includes 6 GCC countries: United Arab Emirates (UAE), Kingdom of Saudi Arabia (KSA), Kuwait (KWT), Qatar (QAT), Bahrain (BHR) and Oman (OMN).

Consumer insights across the document are based on proprietary Chalhoub Group research studies conducted in 2023-2025 across the different GCC markets, including:

- GCC Luxury Sentiment Tracker with 1,800 consumers (UAE=643, KSA=630, KWT=527),
- Chalhoub Brand Health Tracker Makeup with 3,200 consumers (KSA=800, UAE=801),
- Fashion in KSA: Adapting to an Open Society with 500 consumers,

All other external sources are listed on the slide where mentioned.



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EXECUTIVE SUMMARY

GCC personal luxury in 2024 has reached USD 12.8bn, growing by +6% despite the global industry's overall decline. **Luxury fashion was the driving force of growth**, representing 43% of the total market and growing by +6% vs 2023. **UAE and KSA were the main growth engines**

Five drivers of the growth:

01

Favourable macro environment thanks to government initiatives

02

High willingness to spend among GCC luxury consumers

03

Robust **tourism inflow** despite the conflict in the Middle East

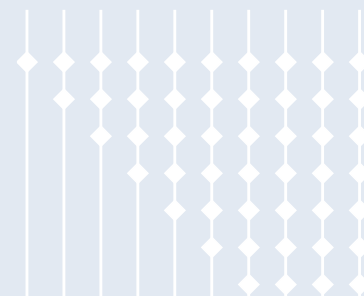
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Retail developments across the region, with new store openings, pop-ups and new malls

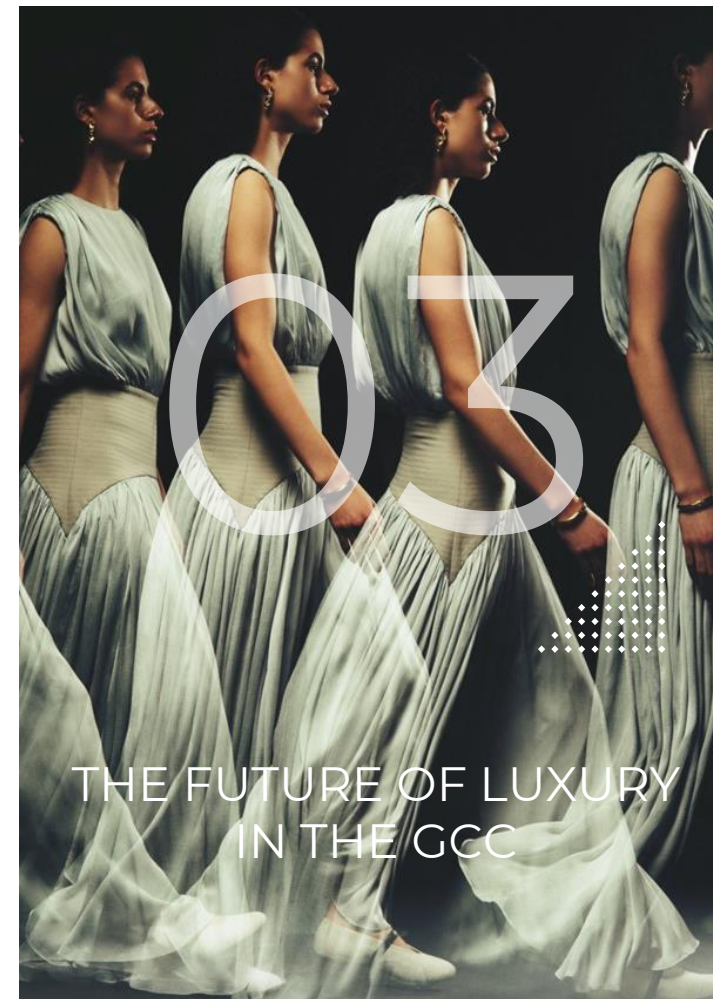
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E-commerce channel, far outperforming the global growth

By **2027, the GCC personal luxury market is expected to reach USD 15bn** (+6% CAGR 2024-2027), fuelled by robust local spending, sustained tourist arrivals, and a growing number of wealthy expats. This growth will be supported by ongoing retail expansion, with at least eight new luxury malls in KSA and UAE, the entry of new luxury brands, the rise of new categories such as skincare, and the continued rise of e-commerce, particularly through pure players.



AGENDA

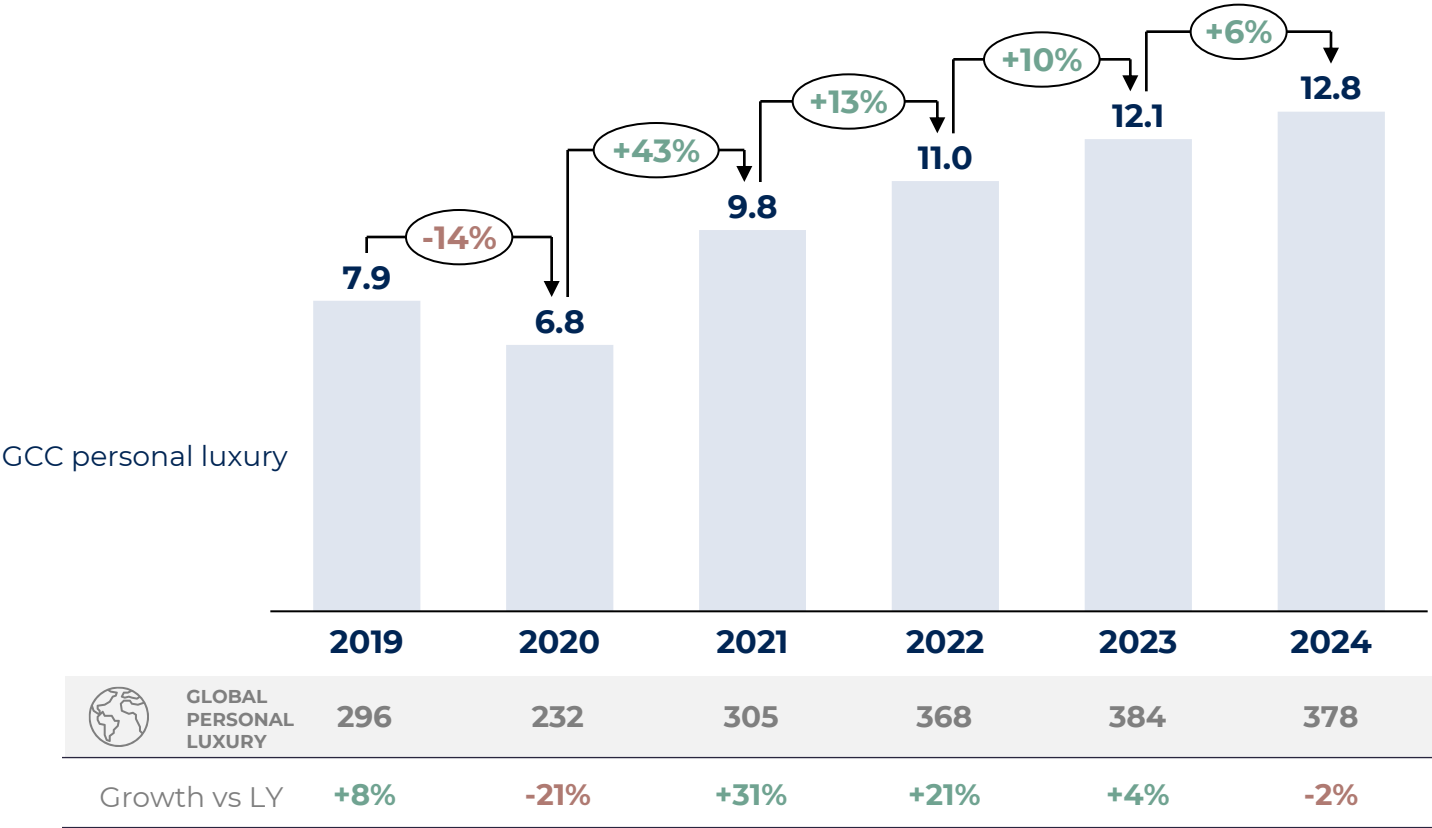


2024 GCC PERSONAL LUXURY MARKET



The GCC personal luxury market continued its unstoppable growth, reaching USD 12.8bn, growing +6% despite global decline of -2%

GCC personal luxury market size, USD bn

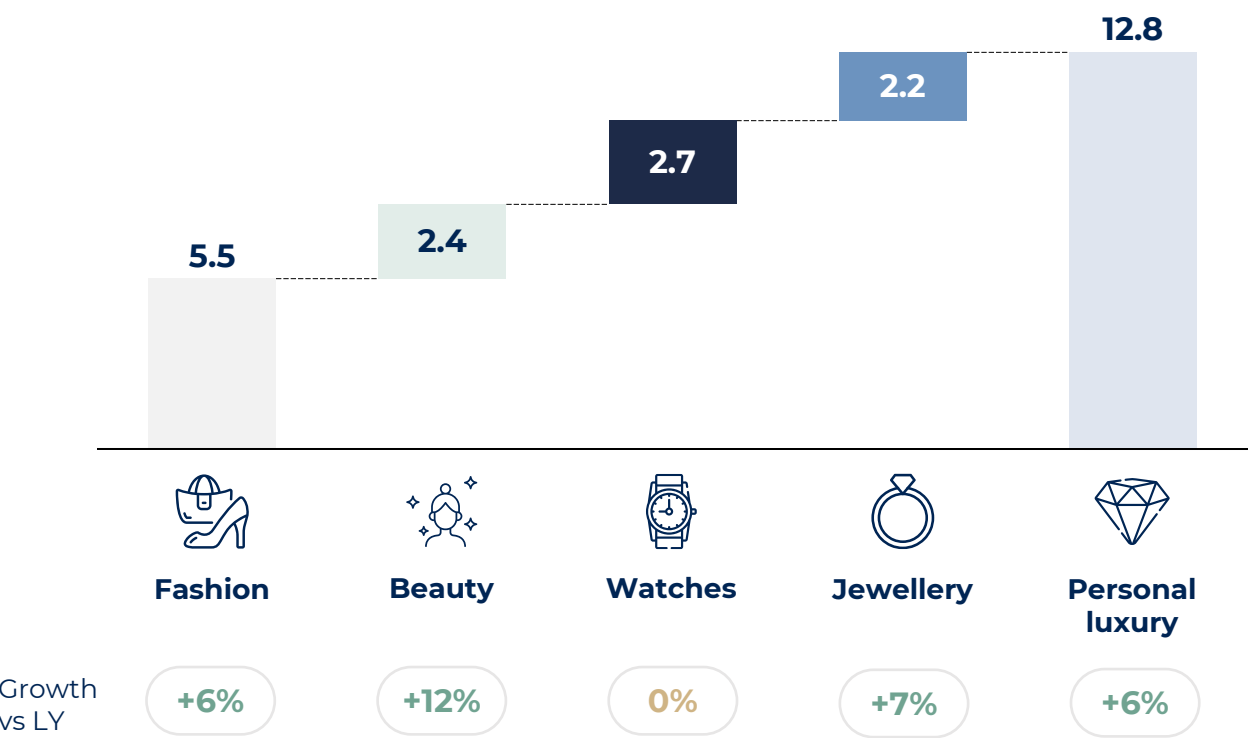


SOURCE: Chalhoub Group Intelligence, Bain-Altagamma (EURUSD =1.04 as of 31/12/24)



Fashion was the largest category in the luxury market, while beauty was the fastest growing one

GCC personal luxury market size by category, 2024, USD bn



SOURCE: Chalhoub Group Intelligence



In scope:

- Fashion:**
First-hand market of high-end fashion brands, monobrand stores, multibrand stores, e-commerce
- Watches:**
Local market and travel retail, first-hand market
- Beauty:**
Selective distribution, standalone stores, department stores, beauty specialists, e-commerce, etc.
- Jewellery:**
Local market and travel retail, first-hand market

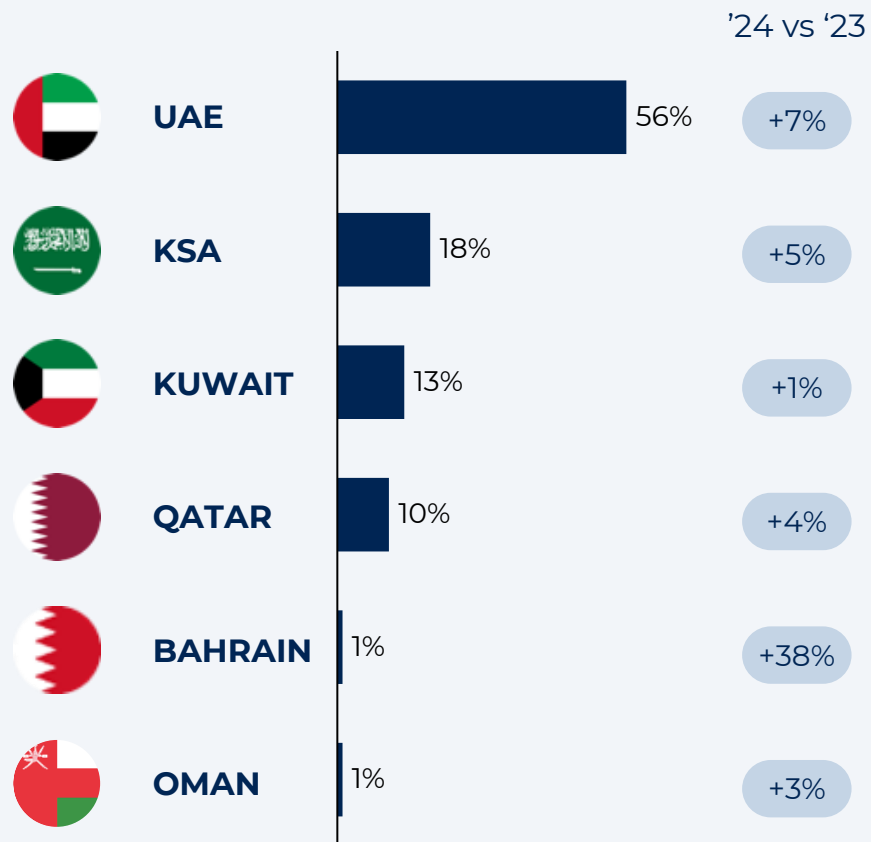


Out of scope:

- Fashion:**
Second-hand market, travel retail, lifestyle and premium brands
- Watches:**
Second-hand market
- Beauty:**
Mass and masstige, travel retail, pharma, dermo, haircare (mass/treatment), Arabic fragrances, traditional trade, unstructured market
- Jewellery:**
Non-branded and unstructured market, local informal brands, second-hand market

The UAE took the lead in driving GCC growth, supported by KSA's rapid acceleration

GCC personal luxury market split by country, FY 2024



Dubai remains the luxury capital of the region, fuelled by robust tourism, while Abu Dhabi is thriving as a rising cultural hub. Since 2023, Dubai Mall has held the title of the most visited place on Earth (1111m visitors in 2024).

UAE is ranked #1 across all luxury categories and witnessed growth across the board.



Kuwait experienced the slowest growth due to recession in the economy (-2.7% GDP vs 2023), ongoing political instability and rising consumer uncertainty.

Kuwait is #3 market, with drop in fashion offset by growth in other categories, particularly watches.



KSA benefits from dynamic retail environment (+24% GLA growth vs 2023) and growing private consumption (+3% vs 2023). However, the country's potential in luxury remains untapped.

KSA ranks as the second-largest market, holding a substantial share in the beauty category.



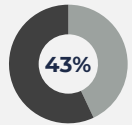
Qatar is witnessing consistent growth, driven by government efforts in tourism (a record 5m visitors in 2024), structural reforms, and economic diversification (+2.3% non-oil GDP vs 2023).

Qatar is #4 market, with particularly strong growth in beauty.

SOURCE: Chalhoub Group Intelligence, Economist Intelligence Unit, IMF, GASTAT, World Bank, Qatar tourism, Knight Frank

Luxury fashion grew +6% vs LY, driven by ultra high-end brands in the category

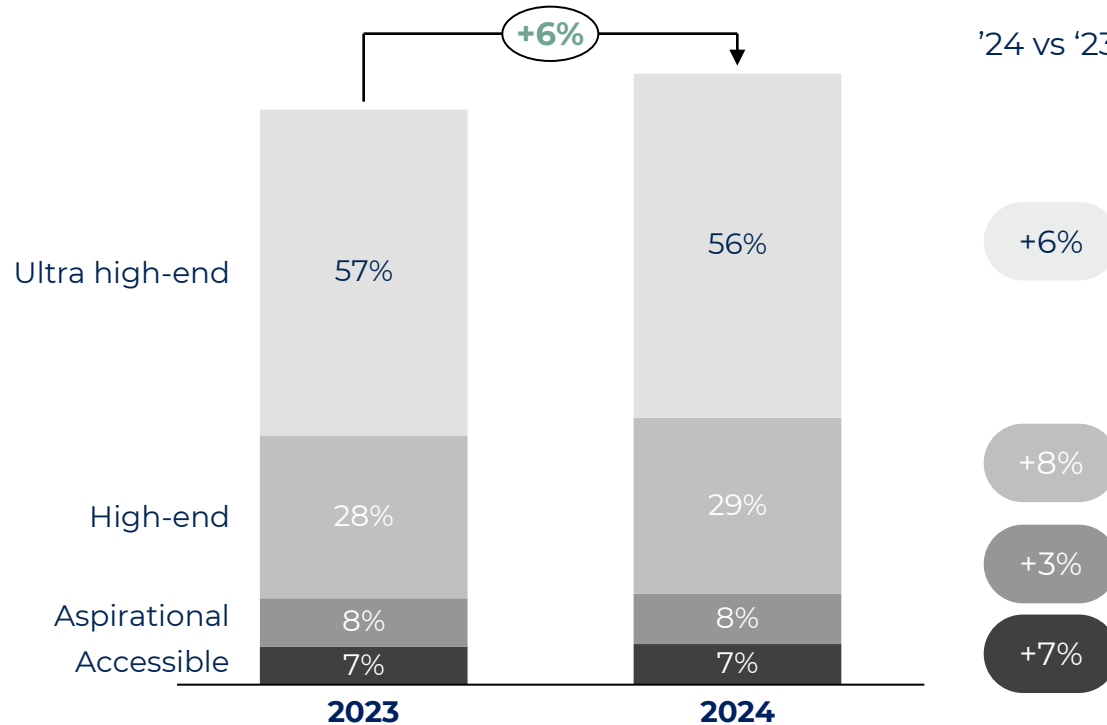
GCC luxury fashion market by segment, monobrand stores¹



Luxury fashion accounts for **43%** of total personal luxury market in the GCC



'24 vs '23



◆ Ultra high-end luxury (+6% vs LY)

Featuring: Louis Vuitton, Dior, Hermès, Chanel, Loro Piana

The segment consists of five brands, which collectively represent more than half of the GCC high-end fashion market

◆ High-end luxury (+8% vs LY)

Featuring: Gucci, Dolce & Gabbana, Versace, Tom Ford, etc.

The exceptional growth was fuelled by several trending brands, such as Miu Miu, Loewe and Bottega Veneta

◆ Aspirational luxury (+3% vs LY)

Featuring: CH Carolina Herrera, Ferragamo, Burberry, etc.

The segment performance was supported by newcomers to the region, such as Jacquemus and Zimmermann

◆ Accessible luxury (+7% vs LY)

Featuring: Michael Kors, Tory Burch, BOSS, etc.

The GCC mirrored the global rising interest in accessible luxury, with key players like BOSS and POLO Ralph Lauren driving the +7% growth

In **Q1'25**, the luxury fashion market continued its positive trend, growing by **+11%** vs LY, driven by strong consumer demand, new malls and stores and favourable calendar effect of Ramadan

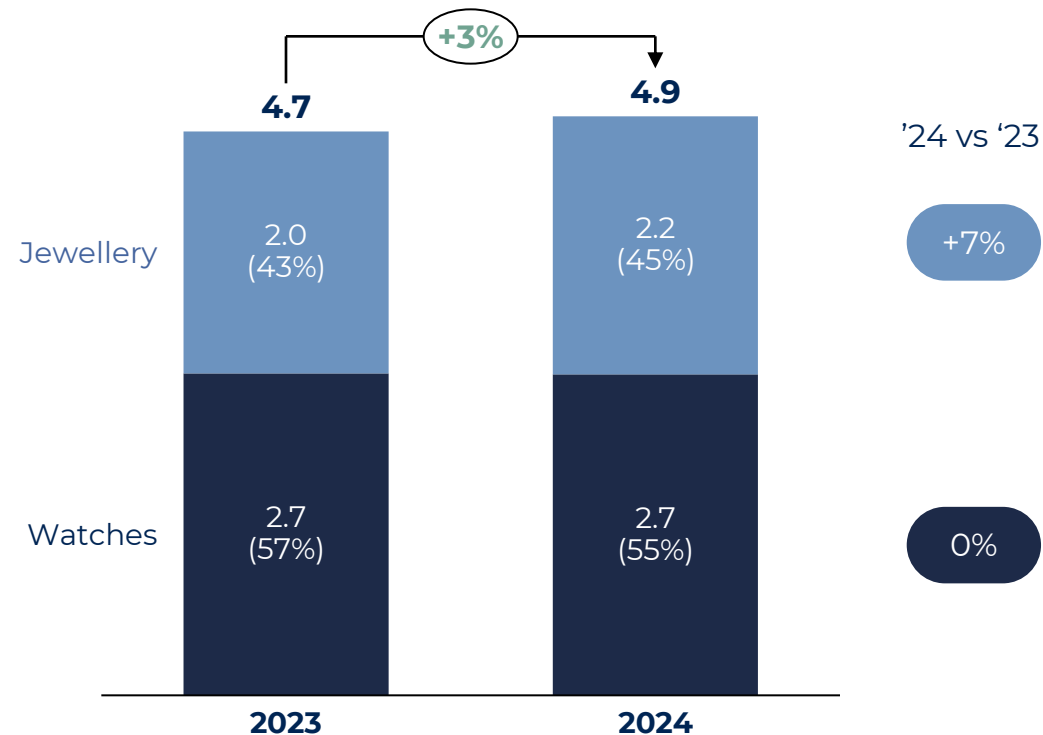
¹ Segmentation determined via a combination of pricing, exclusivity, brand equity etc. Monobrand stores – standalone boutiques
SOURCE: Chalhoub Group Intelligence

Watches & Jewellery (W&J) grew +3% vs LY, impacted by flat watches sales, while jewellery saw a notable +7% surge

GCC luxury watches & jewellery market size by category, USD bn



W&J accounts for **38%** of total personal luxury market in the GCC



- ◆ **Jewellery represented 45% of the W&J category** and saw a steady +7% increase, aligning with the global trend where it was among the few growing segments (0% to +2% YoY)
- ◆ **Watches remained flat in the GCC (0% YoY)**, mirroring the global trend, where they experienced the sharpest decline among personal luxury categories (-7% to -5% YoY)
- ◆ **UAE was the largest market** for W&J, accounting for 52% of sales, followed by KSA with 21% market penetration, Kuwait with 15%, and Qatar with 10%
- ◆ According to consumers, purchases of W&J were primarily driven by **quality**, a key factor for 65% of respondents, followed by current **trends** (57%) and **alignment with personal style** (57%)

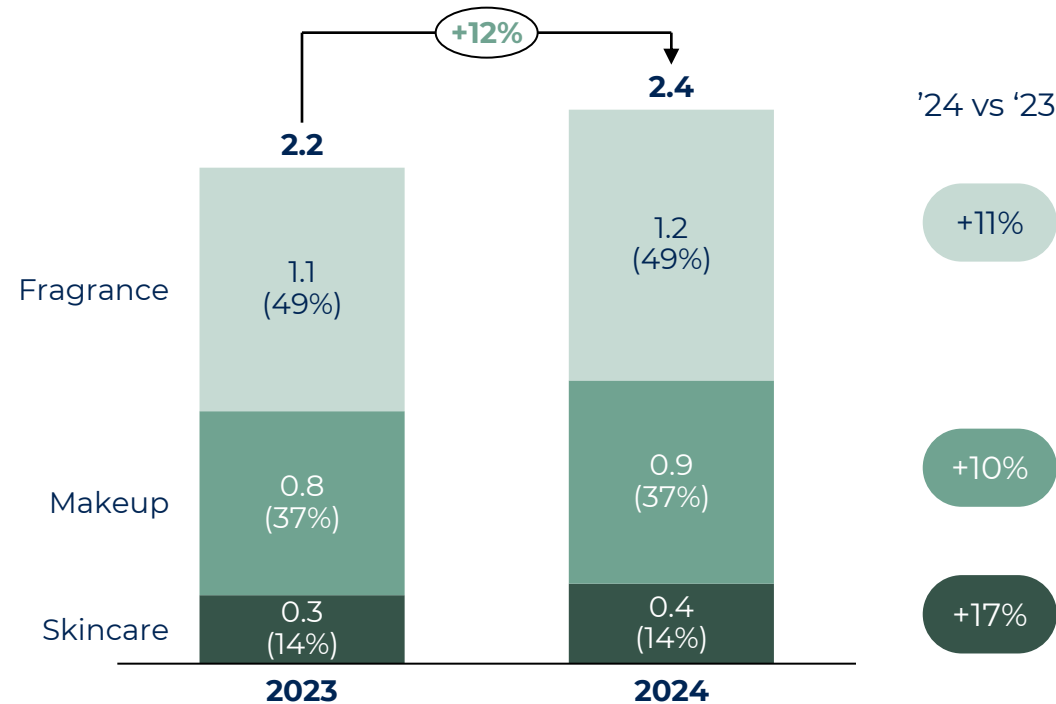
SOURCE: Chalhoub Group Intelligence, Bain-Altagamma

Beauty was the fastest growing category at +12%, with skincare driving the highest growth at +17%

GCC prestige beauty by category, USD bn



Prestige beauty accounts for **19%** of total personal luxury market in the GCC



SOURCE: Chalhoub Group Intelligence

- ◆ **Fragrance held the largest weight in the category (49%)**
Guerlain, Parfums de Marly, Louis Vuitton, Jean Paul Gaultier and Prada emerged as the top-performing brands. Private collections and niche brands drove overall growth, reaching 40% of the total fragrance weight
- ◆ **Makeup accounted for 37% of the beauty category**
Makeup market grew double digits with growth driven by selective distribution brands such as Fenty, Urban Decay, Too Faced, IT Cosmetics, as well as new entrants like Saie, Kosas, and Glossier
- ◆ **Skincare had the highest growth**
L'Occitane, Charlotte Tilbury, The Ordinary, Drunk Elephant and Fenty emerged as the top performing brands
- ◆ Among retailers, Sephora continued to be largest beauty player in the region followed by Faces

In **Q1'25**, the prestige beauty market continued its positive trend, up **+23%** vs LY, driven by calendar effect of Ramadan along with festive demand

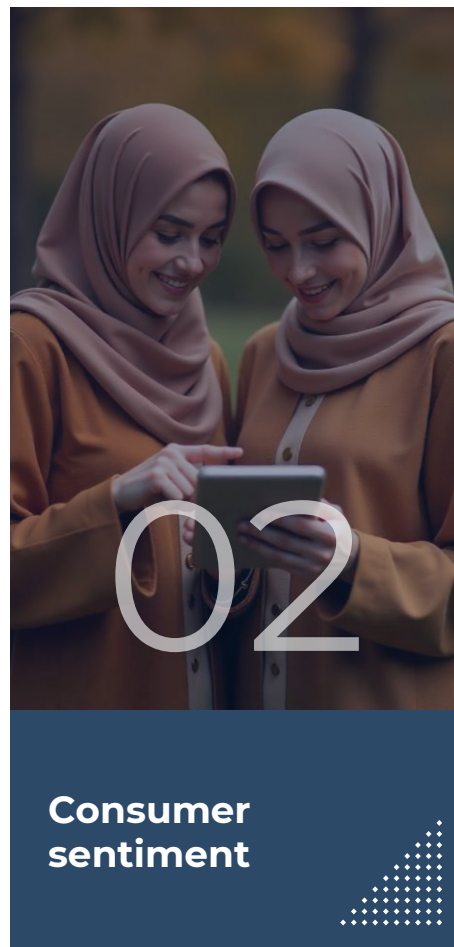
BEHIND THE SURGE: WHAT'S FUELLING THE GROWTH

Key factors

02



Five factors fuelling GCC personal luxury momentum

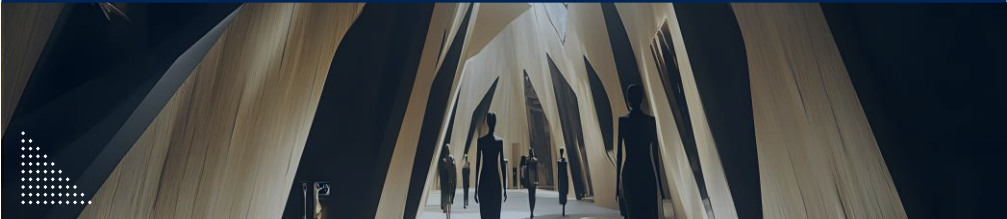


SOURCE: Chalhoub Group Intelligence

Healthy macroeconomic conditions and ambitious government strategies are setting the stage for regional growth



Ambitious government visions



Social development



Economic diversification

Common pillars for:

-  KSA Vision 2030
-  UAE Economic agenda D33
-  Qatar Vision 2030

KSA is driving social development by increasing women's workforce participation and expanding cultural and entertainment sectors. The UAE is focusing on renewable energy, financial services, and AI to reduce oil dependency, with a goal to double GDP by 2033.

SOURCE: Bloomberg, Economist Intelligence Unit, Hanley & Partners, Financial Times

Healthy macroeconomics



GCC 3.4%

World 2.6%

Real GDP
2025 vs 2024

2.0%

4.8%

Inflation
2025 vs 2024

GCC GDP is projected to grow 3.4% in 2025, outpacing the global average, driven by non-oil sector expansion despite OPEC+ cuts, with inflation remaining contained. This builds on a healthy 2024, marked by strong GDP growth and low inflation across the region.

Strong foreign investments and high inflow of wealthy individuals continue to fuel the GCC luxury market



Consistent investments



USD 1.3tn+

Government investments



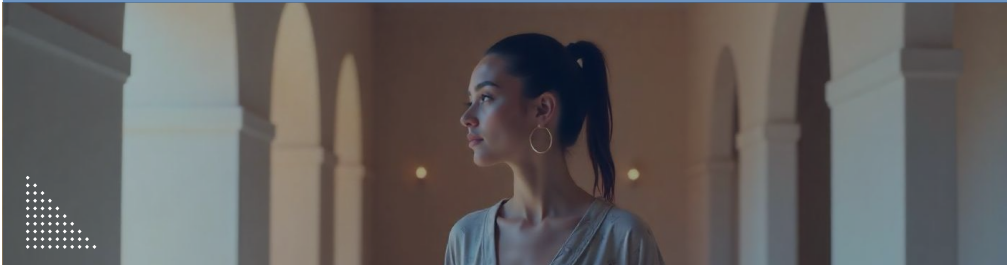
UAE no. 1 globally
for greenfield FDI


GCC governments are transforming the economy through large-scale projects. KSA leads with Neom, Diriyah, Red Sea, and Qiddiya, while the UAE aims to boost tourism with Wynn Resort in Ras Al-Khaimah and The Grove in Abu Dhabi.

FDI inflows surged to USD 30bn in 2023–2024, reinforcing the region’s investment appeal, with UAE leading in greenfield FDI.

SOURCE: Bloomberg, Economist Intelligence Unit, Hanley & Partners, Financial Times

Safe haven for wealthy individuals





HNWIs inflow



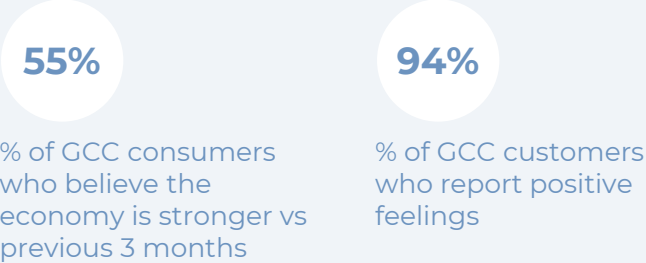
UAE and KSA
Millionaires’ magnets

Economic growth, safety, and tax benefits have made the GCC a hub for the wealthy, with over 6,700 HNWIs moved to the UAE in 2024, while KSA demonstrates strong potential for future growth.

Despite some concerns, GCC consumers remain optimistic, with a stronger willingness to spend compared to global benchmarks



Consumers are widely optimistic and positive



KSA consumers are the most optimistic, with 65% perceiving the economy as stronger than it was 3 months ago. Kuwait stands at 44%, while the UAE aligns with the GCC average at 55%.

Happiness, hope, and confidence dominate emotions across markets, with Gen Z the most positive in Q4, with 98% reported feeling this way.



Spending intentions: UAE optimism grows

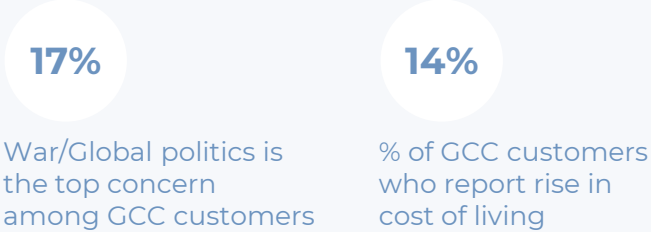


Consumer confidence surged in Q4 2024, with 97% of GCC consumers planning to maintain or increase spending in the next three months.

In the UAE, 63% expect higher spending (up from 58%), while Kuwait saw a sharper rise at 62%, up from 49% in Q3, although this has not yet translated into sales.



Divergent concerns



War and global politics topped concerns in the UAE (19%) and KSA (20%), while inflation ranked among the top three across all markets.

In Kuwait, job security rose sharply as the main concern in Q4 (19%, up from 9%), highlighting growing economic unease unique to the market.

SOURCE: Chalhoub Group Intelligence, SAKS Global Luxury Pulse survey

GCC consumers are drawing inspiration from social media, prioritizing quality, actively travelling and shopping abroad



Quality connoisseurs

- Over 40% of consumers mention quality as a top driver in fashion and beauty
- Quality (65%) is also the top priority when purchasing watches and jewellery



Social media inspired shoppers

- Over 87% of consumers turned to social media for fashion and beauty inspiration
- In 2024, 95% of consumers engaged with a beauty trend on social media



Trendy and knowledgeable

- Over 50% consider themselves fully up to date with collections, prominent fashion houses and the latest beauty ingredients and innovations
- 40% of KSA customers have changed their clothing style in the last 5 years



Globetrotters

- In the past three months, 79% of GCC consumers travelled, and 63% of them shopped abroad
- GCC locals spent 2.5 times more on luxury fashion in Europe compared to 2019, driven by UAE and KSA locals

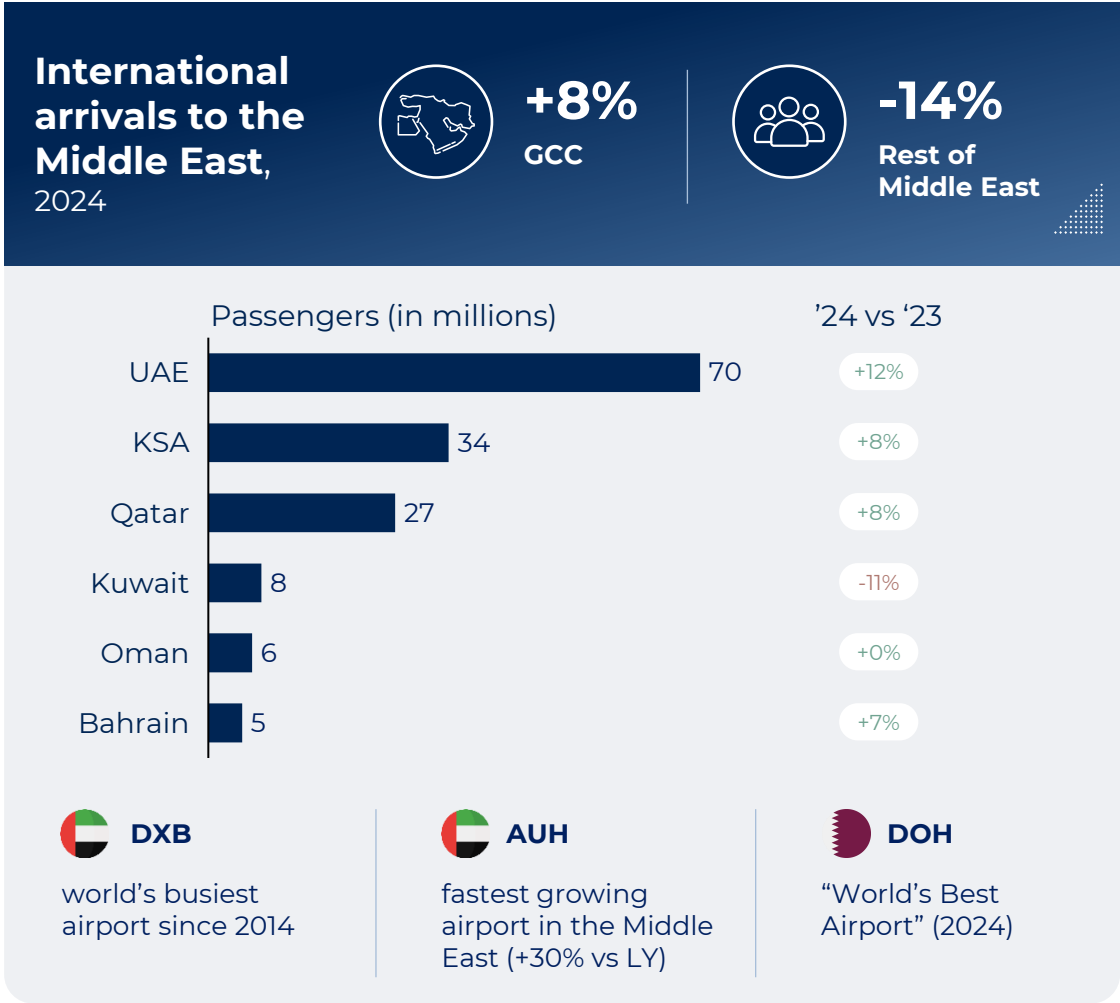


Intentional indulgers

- On average, over 60% of consumers know exactly what they want to buy in fashion, watches, and jewellery over the next three months

SOURCE: Chalhoub Group Intelligence, Global Blue

GCC remained a magnet for thriving tourism with +8% more air arrivals and luxury spending among tourists up +5% vs LY



With over 90 new store openings in 2024, the GCC market signals a robust demand for luxury

Examples of new retail developments in 2024 (non-exhaustive)

New stores

90+

New fashion & beauty stores opened in the GCC in 2024



Dolce & Gabbana Boutique & café
Riyadh, Diriyah, Dec-24



Dior beauty
Riyadh, Panorama Mall, Aug-24



Loro Piana Boutique Abu Dhabi, Galleria, Sep-24



Hermes
Doha, Doha Festival City, May-24



Saint Laurent
Riyadh, Kingdom Center, Feb-24



Penhaligon's
Dubai, Mirdif City Centre, Apr-24



NEW STORE OPENINGS

Zimmermann
MOE
UAE
Mar-24

Jacquemus
Dubai Mall
UAE
Apr-24

POLO Ralph Lauren
Doha Festival City
QTR
Jul-24

Loro Piana
Salhia Mall
KWT
Jan-24

Aquazzura
Salhia Mall
KWT
Jun-24

Saint Laurent
Kingdom Center
KSA
Feb-24

Tom Ford
VIA Riyadh
KSA
Feb-24

Dolce & Gabbana
Diriyah
KSA
Dec-24

Prada
Kingdom Center
KSA
Oct-24

Hermes beauty
Doha Festival City
QAT
May-24

Chanel
Marassi Galleria
BHR
Mar-24

Dior beauty
Panorama Mall
KSA
Aug-24

Bvlgari
Riyadh Park
KSA
Apr-24

Shiseido
Dubai Mall
UAE
May-24

Penhaligon's
Mirdif City Centre
UAE
Apr-24

Sephora
Mall of Oman
OMN
Sep-24

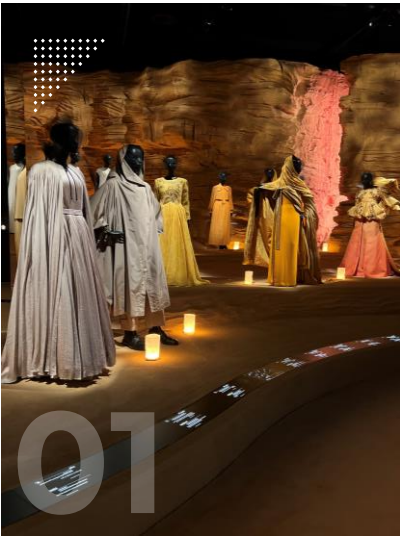
YSL
Dubai Hills Mall
UAE
Mar-24

Guerlain
Panorama Mall
KSA
Aug-24

SOURCE: Chalhoub Group Intelligence

Brand activations reached new heights in the region, featuring iconic exhibitions and global celebrity appearances

Events around the GCC (non-exhaustive)



The Christian Dior: Designer of Dreams Exhibition
Riyadh, Nov-24



Sephora
Dubai, Nov-24



Beauty Unbound
Dubai, Oct-24



Events

1	Elie Saab Fashion show	Riyadh	KSA	Nov-24
2	Dolce & Gabbana Fashion Show	Riyadh	KSA	Dec-24
3	Versace x Savoir Flair	Dubai	UAE	May-24
4	Brunello Cucinelli Fashion show	Dubai	UAE	Nov-24
5	Polo Ralph Lauren Pop up	Dubai	UAE	Nov-24
6	Sephora Sephoria	Dubai	UAE	Nov-24
7	Charlotte Tilbury Suhoor at Bait Sharbatly	Jeddah	KSA	Mar-24
8	Beauty Unbound	Dubai	UAE	Oct-24
9	Faces X Maison Douze Suhoor	Riyadh	KSA	Mar-24
10	Ounass X 3oud.com Suhoor	Kuwait	KWT	Mar-24
11	Dolce & Gabanna makeup line launch	Dubai	UAE	Oct-24
12	Guerlain Parfumerie d'Art collection dinner	Dubai	UAE	Apr-24
13	Dior X Nada Debs La Collection Privee dinner	Dubai	UAE	Jun-24
14	Hermes Barenia launch dinner	Dubai	UAE	Sep-24
15	Huda Beauty Easy Blur Foundation and Primer launch	Dubai	UAE	Sep-24
16	Prada Beauty and Prada Skincare launch	Dubai	UAE	May-24
17	Fenty X Miss Lily's: Soft'Lit foundation launch	Dubai	UAE	May-24

SOURCE: Chalhoub Group Intelligence

Marassi Mall's debut has revitalized Bahrain's luxury scene, introducing over 20 luxury fashion and beauty stores

Marassi Galleria Mall

Location
Marassi, Bahrain

Opening Date
21st Feb 2024

Surface
120,000 sqm / 4 levels



4
Prestige beauty
standalones



23¹
Luxury fashion
stores



1
Multi brand beauty
store

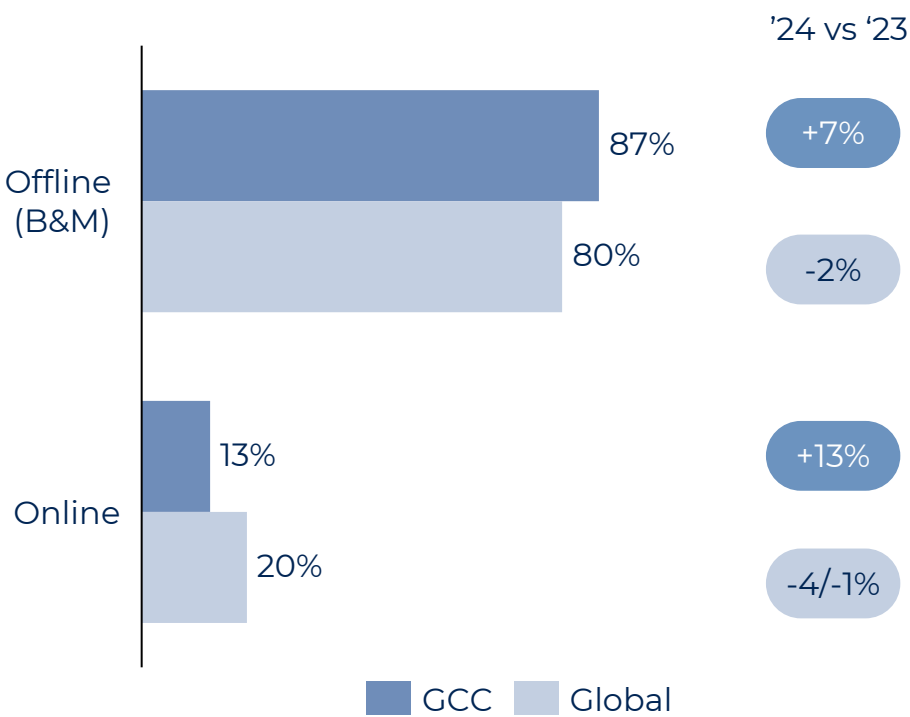


1. Excluding luxury accessories stores
SOURCE: Chalhoub Group Intelligence

GCC e-commerce is growing rapidly but remains underpenetrated, representing 13% of sales compared to the global average of 20%

E-commerce penetration and growth rate, high-end fashion and prestige beauty, FY 2024

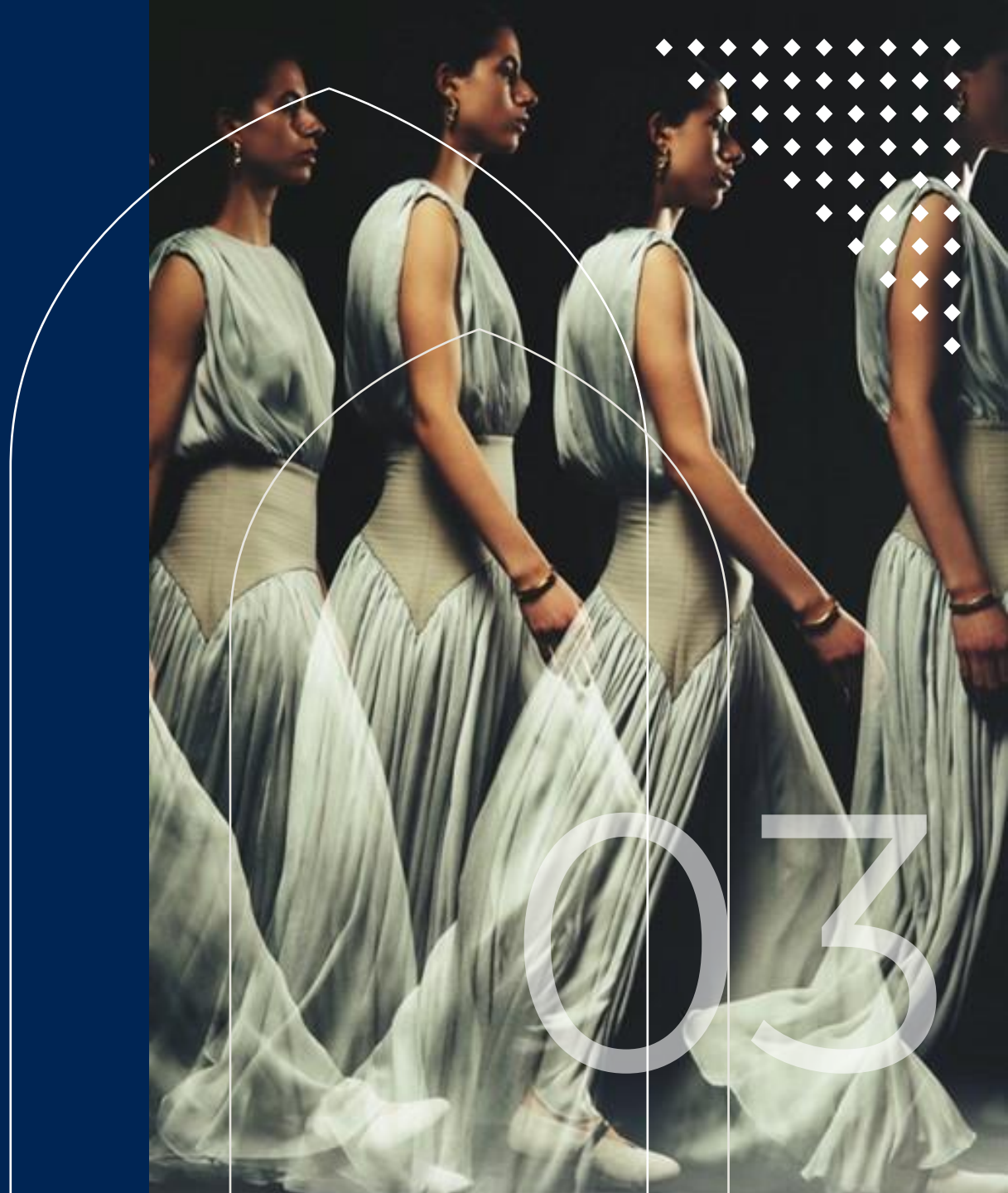
Online vs Offline



- ◆ The GCC online channel grew significantly **faster than the global average** (+13% vs a global decline of -4% to -1%)
- ◆ **Pure players** like Ounass and Farfetch, along with **multibrand retailer** Level Shoes, dominated the online fashion market, while **Sephora** led in the online beauty market
- ◆ However, in both beauty and fashion, shoppers still prefer in-store purchases (66% of consumers) while **browsing online for inspiration and information**
- ◆ Nonetheless, the GCC holds **strong e-commerce potential**, driven by its **young population** (45% under 30 years old) and **high digital media consumption**
- ◆ For instance, internet users in the Middle East spend, on average, +53% **more time on desktop** and +31% more on **social messaging** daily compared to the global average

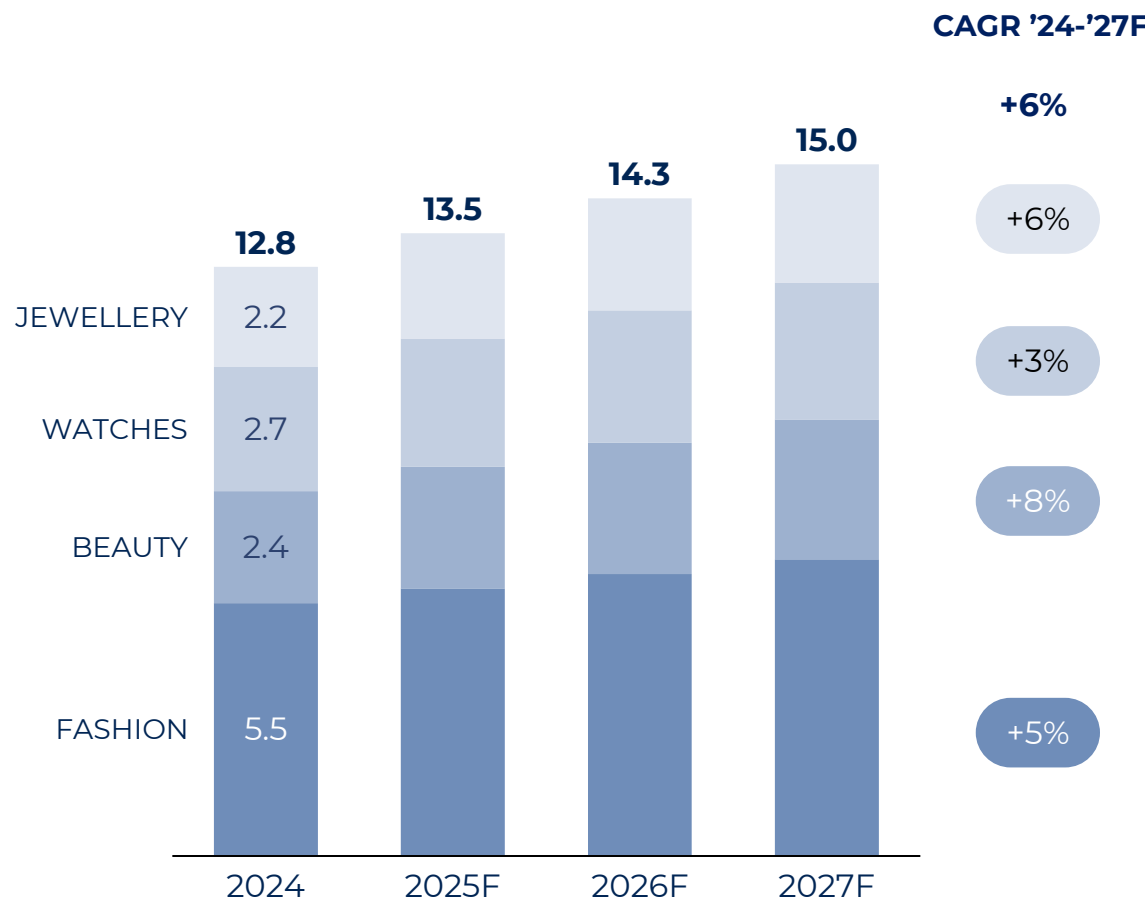
SOURCE: Chalhoub Group Intelligence, Bain-Altagamma, Emarketer

THE FUTURE OF LUXURY IN THE GCC



Looking ahead, the GCC personal luxury market is set to grow at +6% annually and expected to reach USD 15bn by 2027

GCC personal luxury market forecast for 2025-2027 by category, USD bn



Future growth will be driven by:

- 01** Robust **local spending** along with continued inflow of **tourists** and **wealthy expats**
- 02** New **retail developments**, particularly in KSA and UAE (8 malls with luxury brands)
- 03** New generation of luxury **brands** entering and expanding in the region (e.g. Jil Sander, Zimmermann)
- 04** Development of new **categories** (e.g. skincare, wellness, athleisure, Asian beauty)
- 05** **E-commerce** acceleration, particularly pure players

...however, **certain risks remain**, including potential negative impacts from US tariffs, fluctuating energy prices, and uncertainty stemming from the geopolitical situation

SOURCE: Chalhoub Group Intelligence



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The images are courtesy of the Level Shoes 2025 Ramadan campaign