

# GCC PERSONAL LUXURY 2024: UNSTOPPABLE

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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

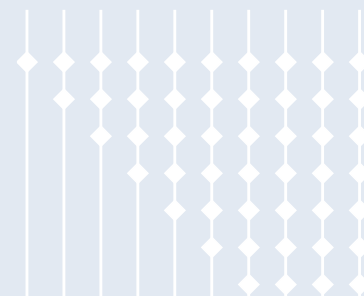
04

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

05

**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



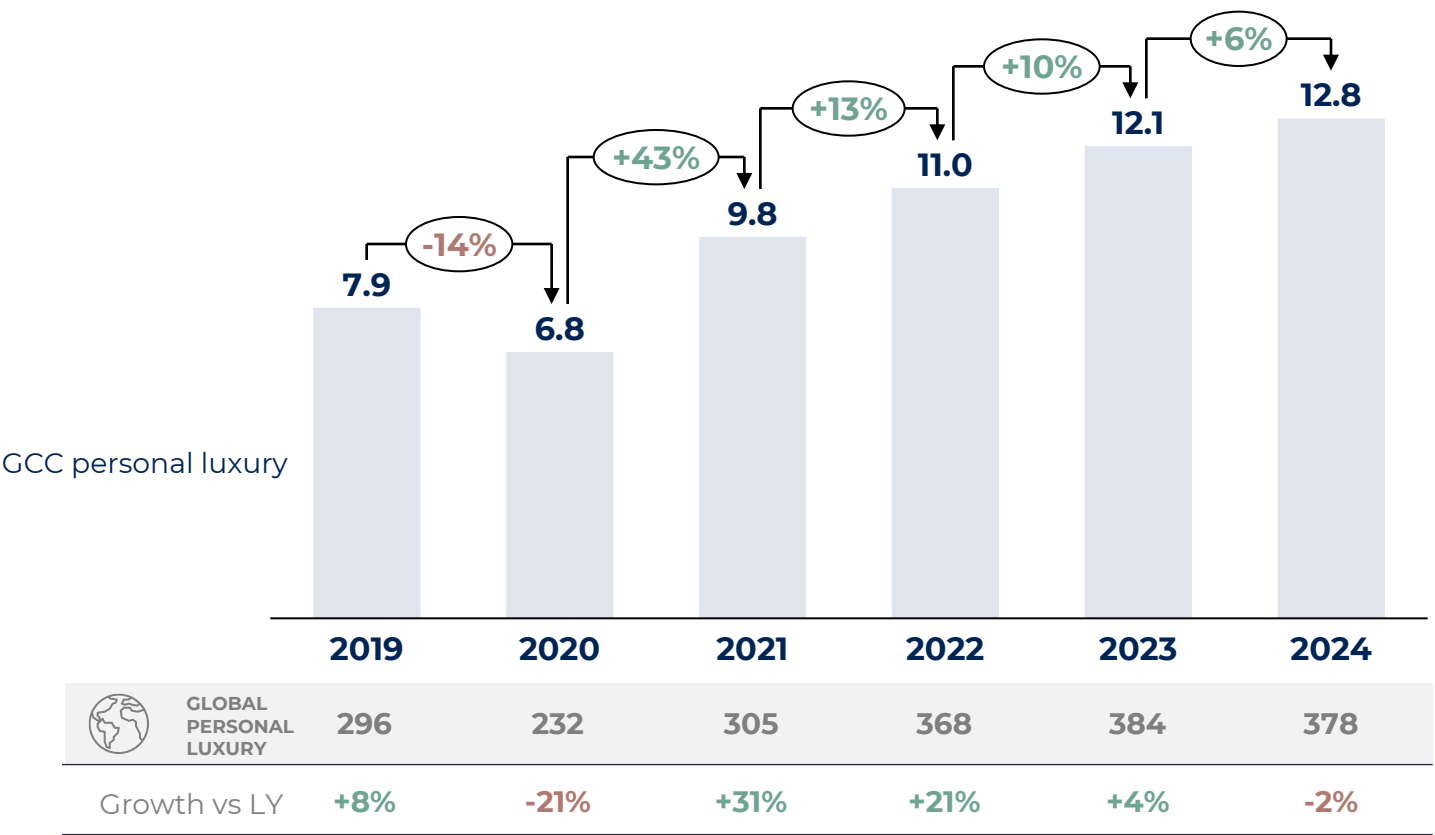
# 2024 GCC PERSONAL LUXURY MARKET

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# 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

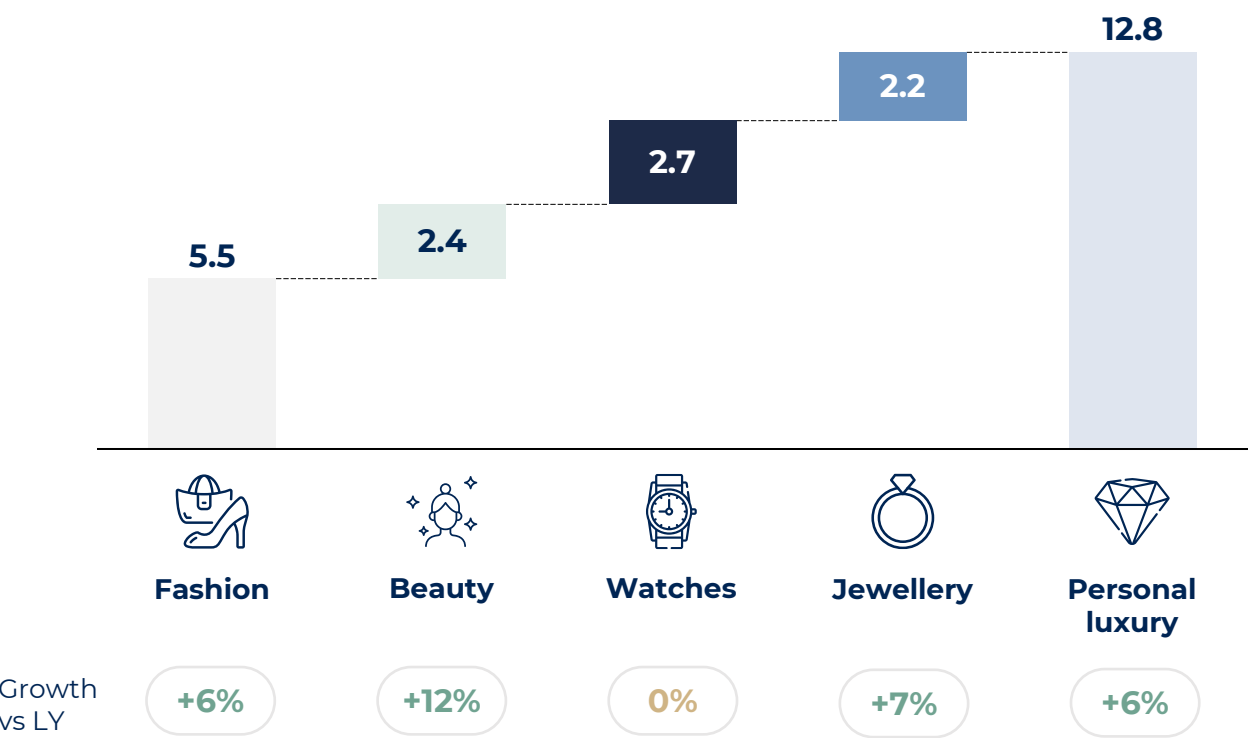


SOURCE: Chalhoub Group Intelligence, Bain-Altagamma (EURUSD =1.04 as of 31/12/24)



# 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

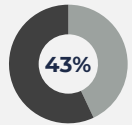


SOURCE: Chalhoub Group Intelligence, Economist Intelligence Unit, IMF, GASTAT, World Bank, Qatar tourism, Knight Frank



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

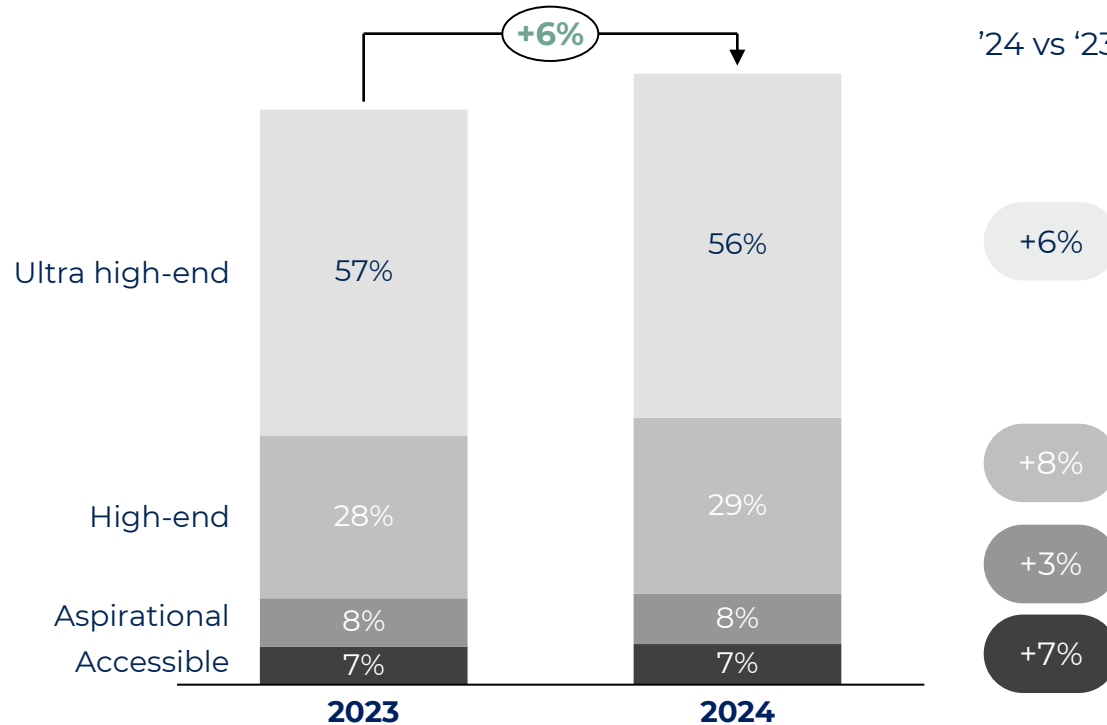
GCC luxury fashion market by segment, monobrand stores<sup>1</sup>



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.

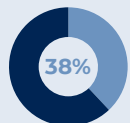
The GCC mirrored the global rising interest in accessible luxury, with key players like BOSS and POLO Ralph Lauren driving the +7% growth

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

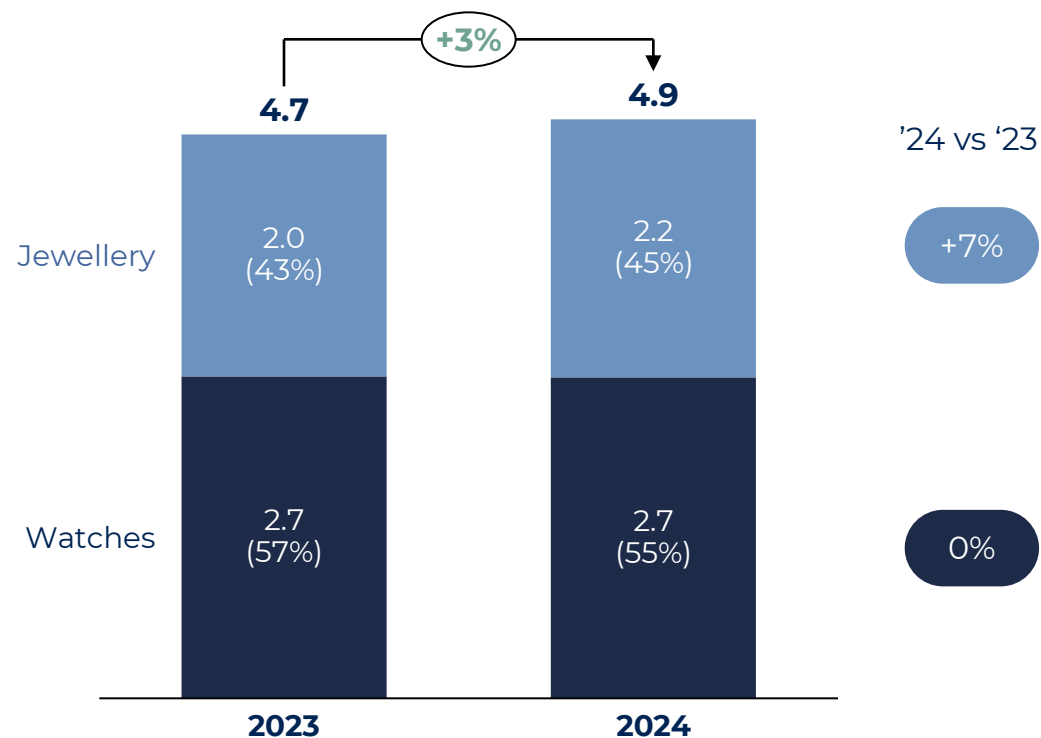
<sup>1</sup> Segmentation determined via a combination of pricing, exclusivity, brand equity etc. Monobrand stores – standalone boutiques  
SOURCE: Chalhoub Group Intelligence

# 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%)

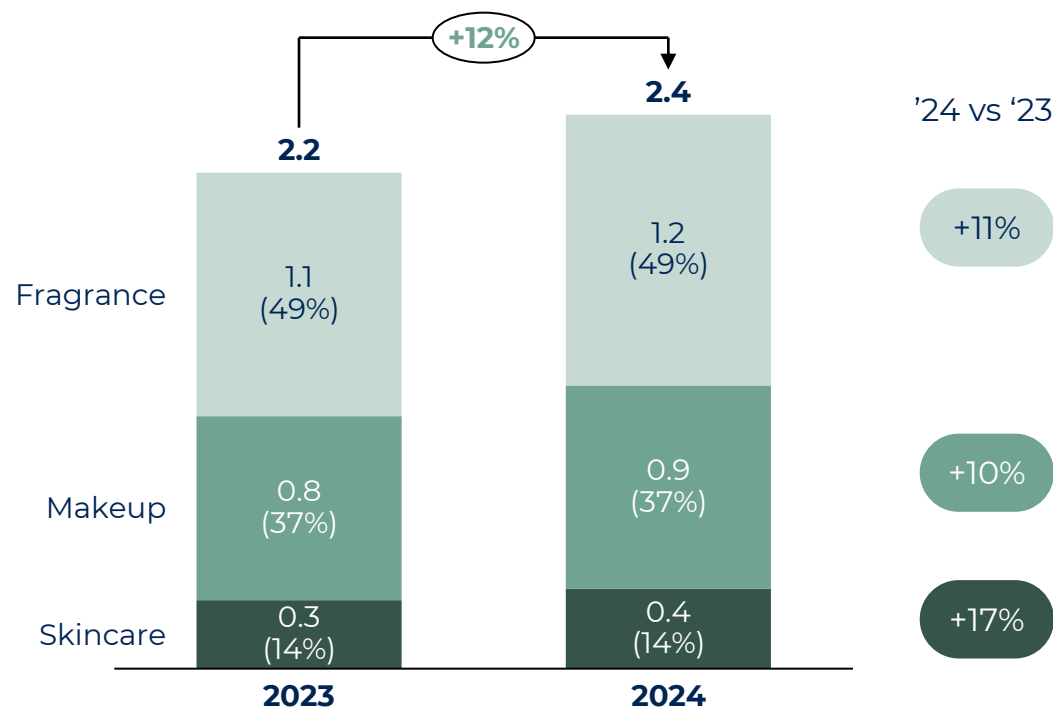
SOURCE: Chalhoub Group Intelligence, Bain-Altagamma

# 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

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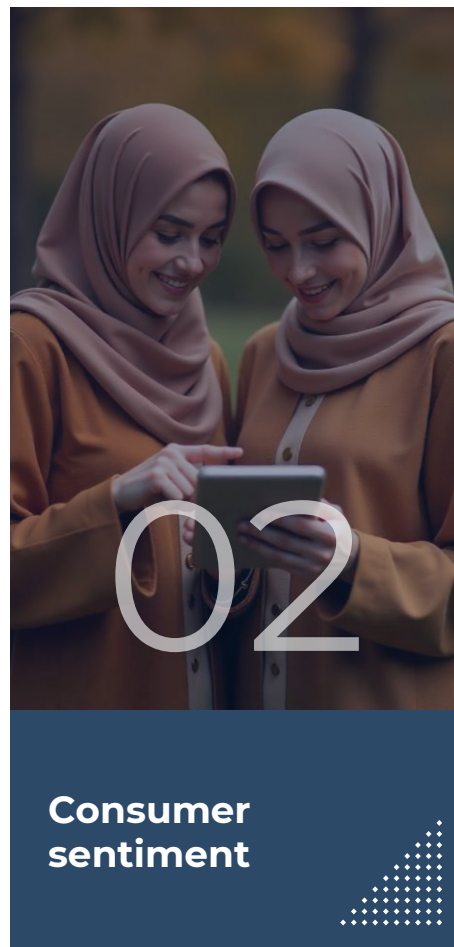
Key factors

02





# Five factors fuelling GCC personal luxury momentum

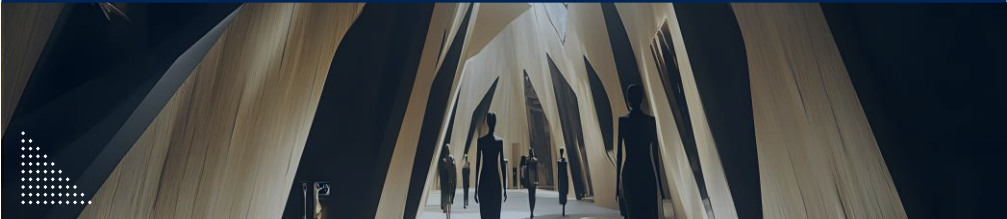


SOURCE: Chalhoub Group Intelligence

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



## Ambitious government visions



**Social development**



**Economic diversification**

## Healthy macroeconomics



GCC

3.4%

**Real GDP**  
2025 vs 2024

World

2.6%

2.0%

**Inflation**  
2025 vs 2024

4.8%

### 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

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



**USD 1.3tn+**

**Government investments**

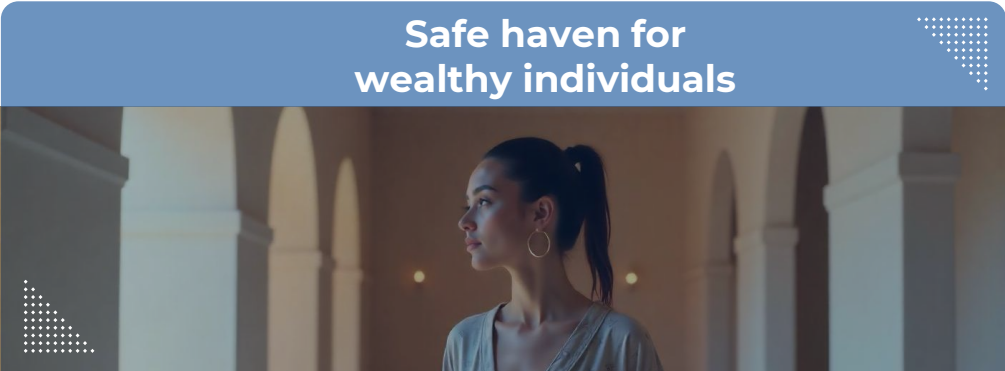



UAE no. 1 globally for greenfield FDI

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





**HNWIs inflow**



**UAE and KSA**  
Millionaires’ magnets

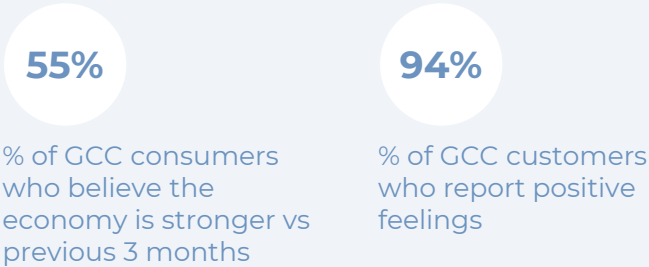
Economic growth, safety, and tax benefits have made the GCC a hub for the wealthy, with over 6,700 HNWIs moved to the UAE in 2024, while KSA demonstrates strong potential for future growth.



# 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

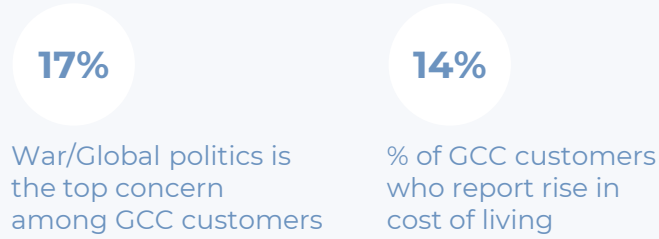


Consumer confidence surged in Q4 2024, with 97% of GCC consumers planning to maintain or increase spending in the next three months.

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

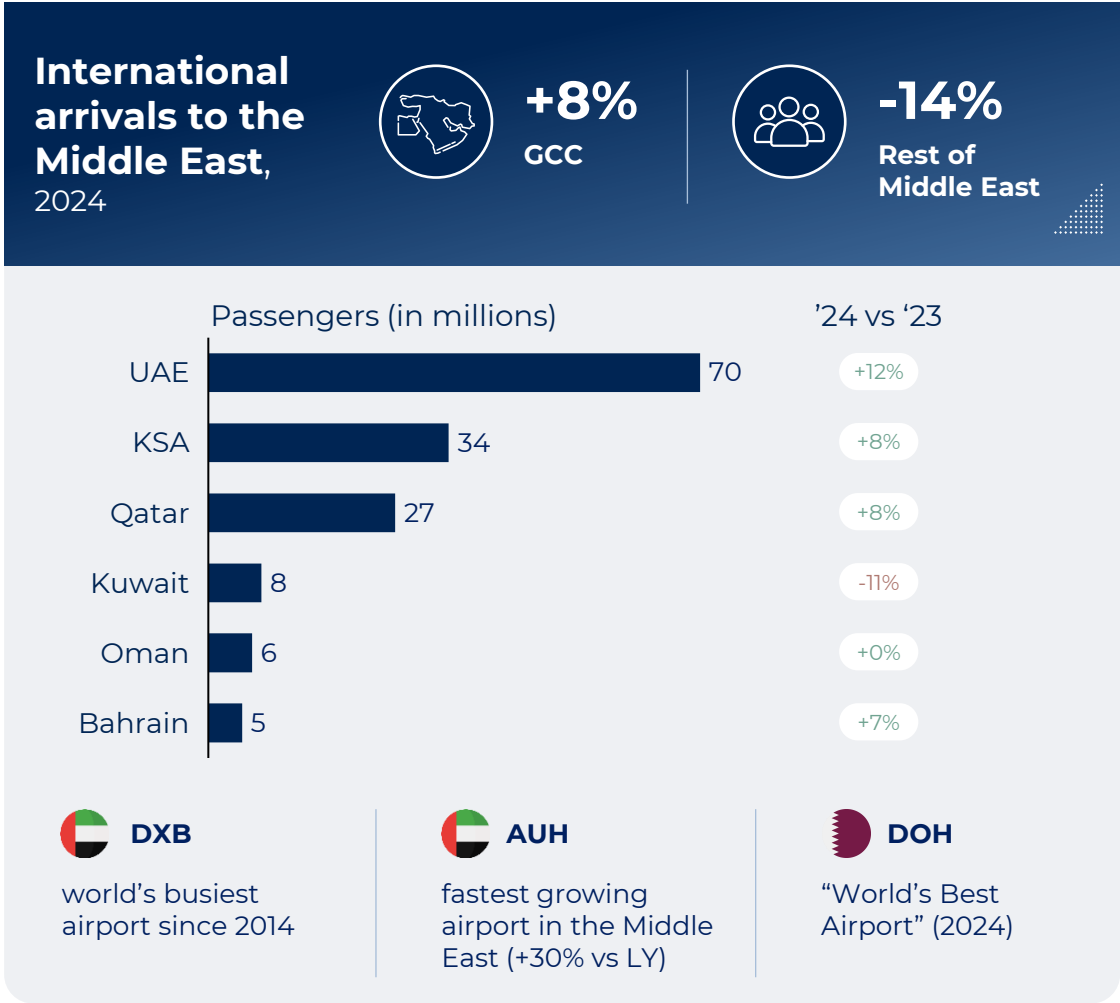


## Intentional indulgers

- 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

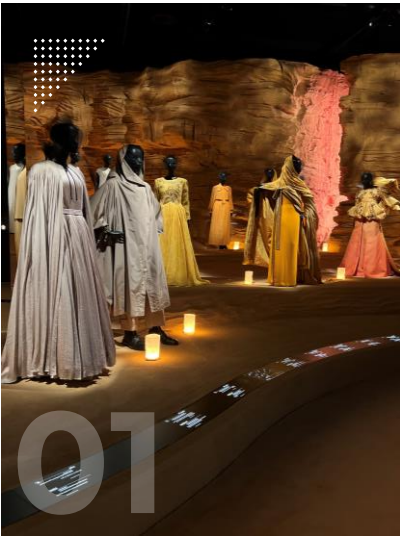
**YSL**  
Dubai Hills Mall  
UAE  
Mar-24

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

21<sup>st</sup> Feb 2024



**Surface**

120,000 sqm / 4 levels



4

Prestige beauty  
standalones



23<sup>1</sup>

Luxury fashion  
stores



1

Multi brand beauty  
store

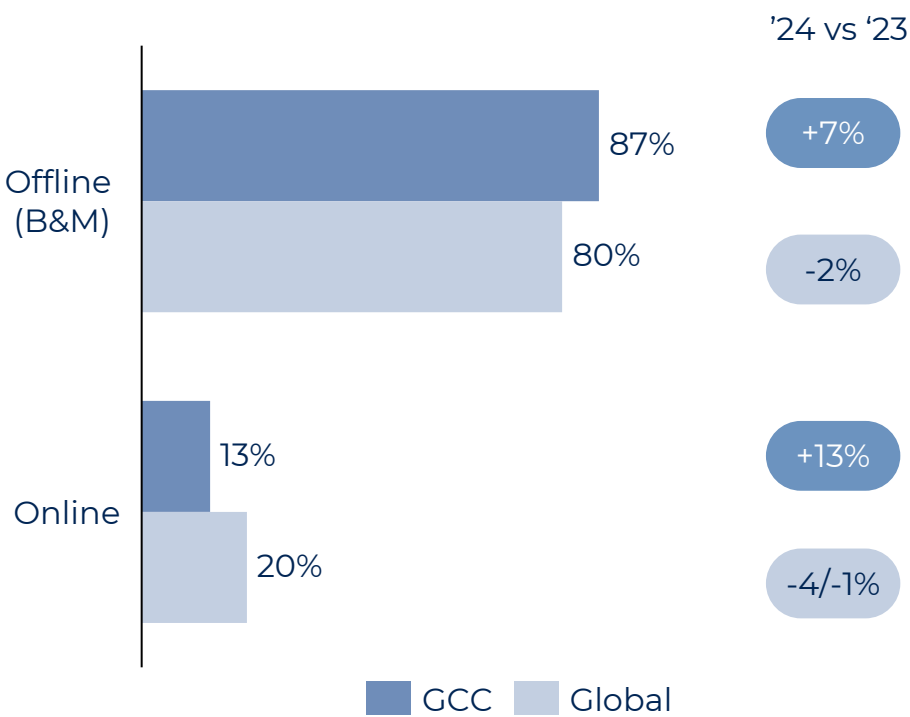


1. Excluding luxury accessories stores  
SOURCE: Chalhoub Group Intelligence

# 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

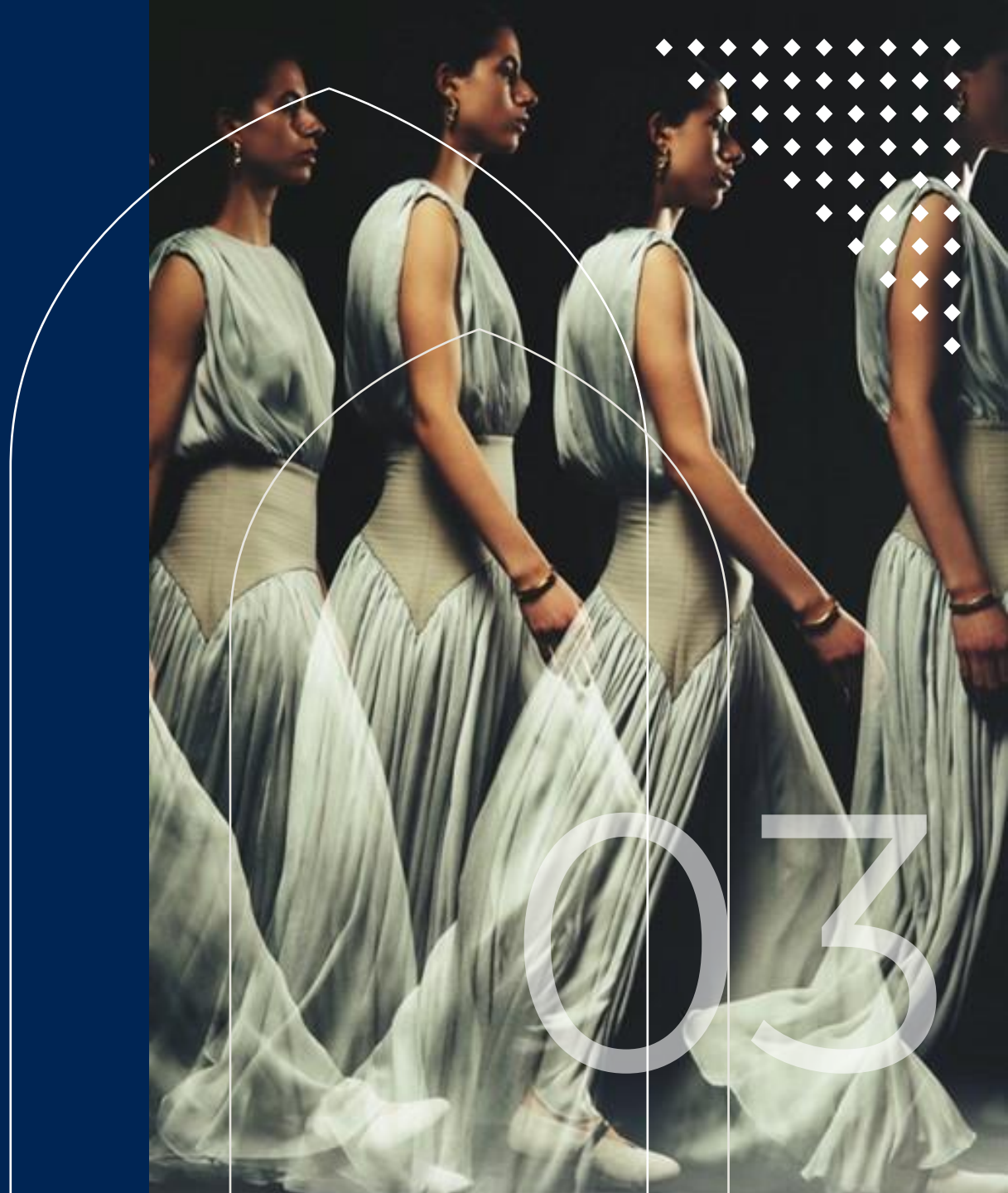


- ◆ The GCC online channel grew significantly **faster than the global average** (+13% vs a global decline of -4% to -1%)
- ◆ **Pure players** like Ounass and Farfetch, along with **multibrand retailer** Level Shoes, dominated the online fashion market, while **Sephora** led in the online beauty market
- ◆ 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

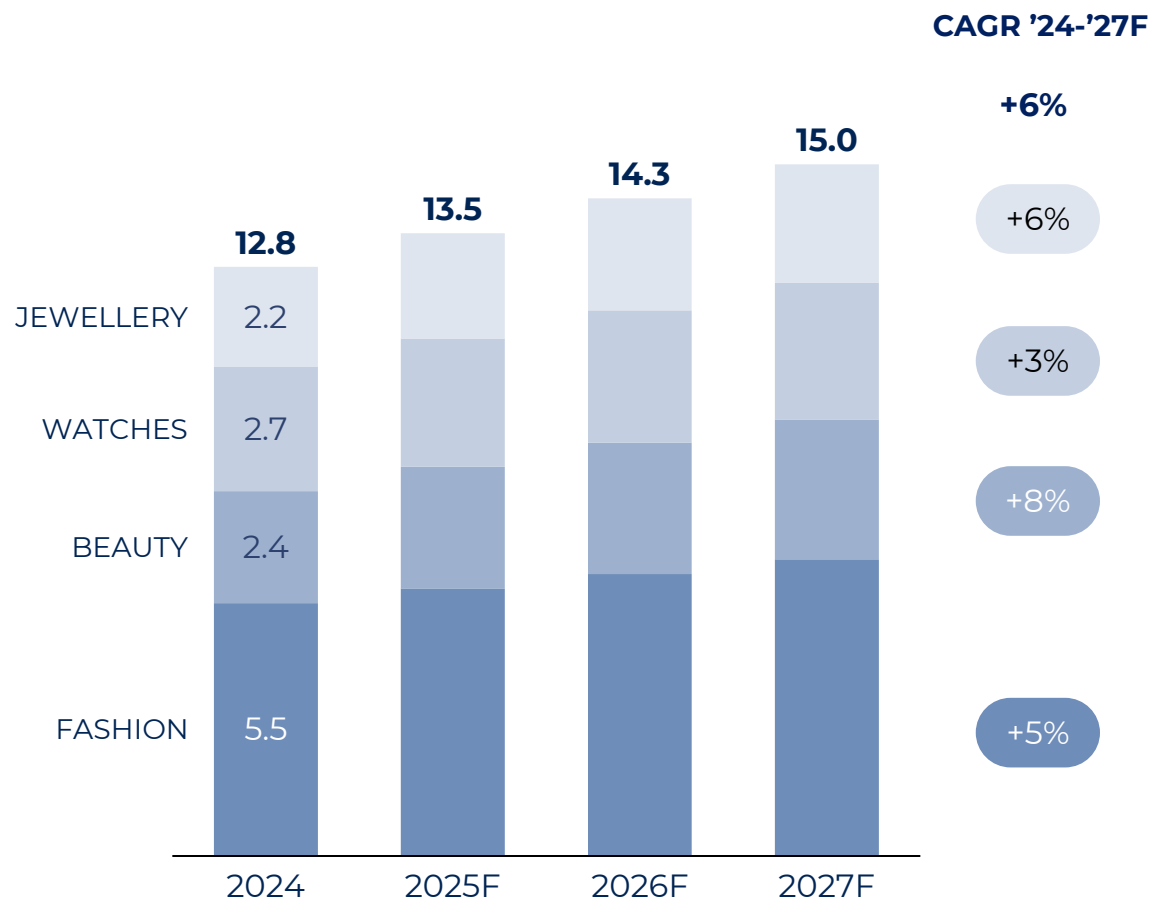
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# Looking ahead, the GCC personal luxury market is set to grow at +6% annually and expected to reach USD 15bn by 2027

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*