

# Competitor Strategies in Luxury Goods

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## INTRODUCTION

Scope

Key findings

## OVERVIEW

Luxury market continues to show relative resilience amid a new economic reality

Performance across different categories continues to exhibit mixed results

Luxury competitors grapple with persistent pressure on discretionary spending

Luxury players remain cautious with only two out of seven regions at pre-pandemic levels

Competitive landscape to be boosted by number of affluent consumers in emerging markets

Five out of the top 10 global economies will be emerging markets

Expansion into new territories continues to drive leading players' long-term strategies

Global top 10 continue to control a significant proportion of the luxury goods industry

Global powerhouse LVMH increases share of wallet across the luxury industry

Leading luxury players continue to show resilience amid unprecedented disruption

LVMH, Kering, Richemont and Chanel all outperform the industry

M&A activity brings some of the biggest names in luxury and fashion together

Acquisition of Tiffany & Co boosts LVMH Moët Hennessy Louis Vuitton SA's ranking

Further consolidation in luxury eyewear expected as leading players streamline operations

Luxury competitive landscape to remain dynamic and resilient, poised for further growth

## LUXURY LIFESTYLE BRANDS

Lifestyle extensions to provide untapped revenue and brand equity for luxury players

Exploring new horizons for luxury brands to venture into home, hospitality and lifestyle

Boom in lifestyle category helps sustain brand equity and tap into new pockets of wealth

Rise of luxury residences and digital nomadism creates a whole new competitive landscape

Luxury consumers seek escape from daily stress and anxieties through delightful distractions

Dolce & Gabbana takes brand to the next frontier by moving into real estate development

LVMH-owned Celine brand makes foray into luxury colour cosmetics

Luxury department store Liberty elevates brand experiences with its new Fragrance Lounge

## CLIMATE URGENCY

Luxury players to increase investments in greener sourcing, energy and shorter supply chains

Luxury consumers urge brands to do more than pay lip service on sustainability

More luxury companies bring the re-sell model in-house

Chloé and Pangaia adopt E.On digital product passports (DPPs) to enable instant resale

LVMH introduces Nona Source, the first online resale platform for materials

The Mulberry Exchange buy back programme goes from strength to strength

## GEN AI AND EVOLVING TECHNOLOGIES

Generative AI to help luxury companies reach the next-level shopping experience

Consumer empowerment: Luxury brand engagement and co-creation with generative AI

A pivotal time for luxury corporates to understand and integrate generative AI solutions

More luxury brands use social media and e-commerce to cultivate deeper engagement

More luxury consumers flock to TikTok and Douyin with China leading the pack

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Case study: Alibaba uses generative AI to optimise the Tmall shopping experience

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Key strategies in the luxury goods industry

## APPENDIX

Definitions

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