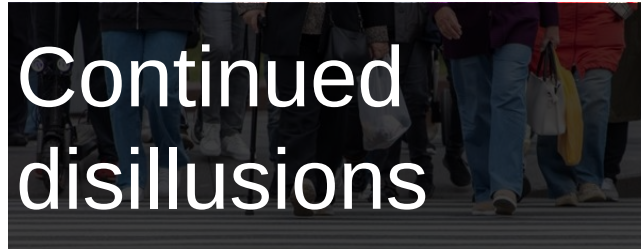


Personal Luxury Goods Market Flash Update

MAY 14, 2025

BAIN & COMPANY 

Luxury market is undergoing a situation of more complex turbulence across multiple axes



Market advocacy continues to decline, particularly among **younger generations**
Brands struggling to recalibrate the price-to-value equation



Key trade players focusing their **efforts on stabilizing debt and cash position** while restructuring operations



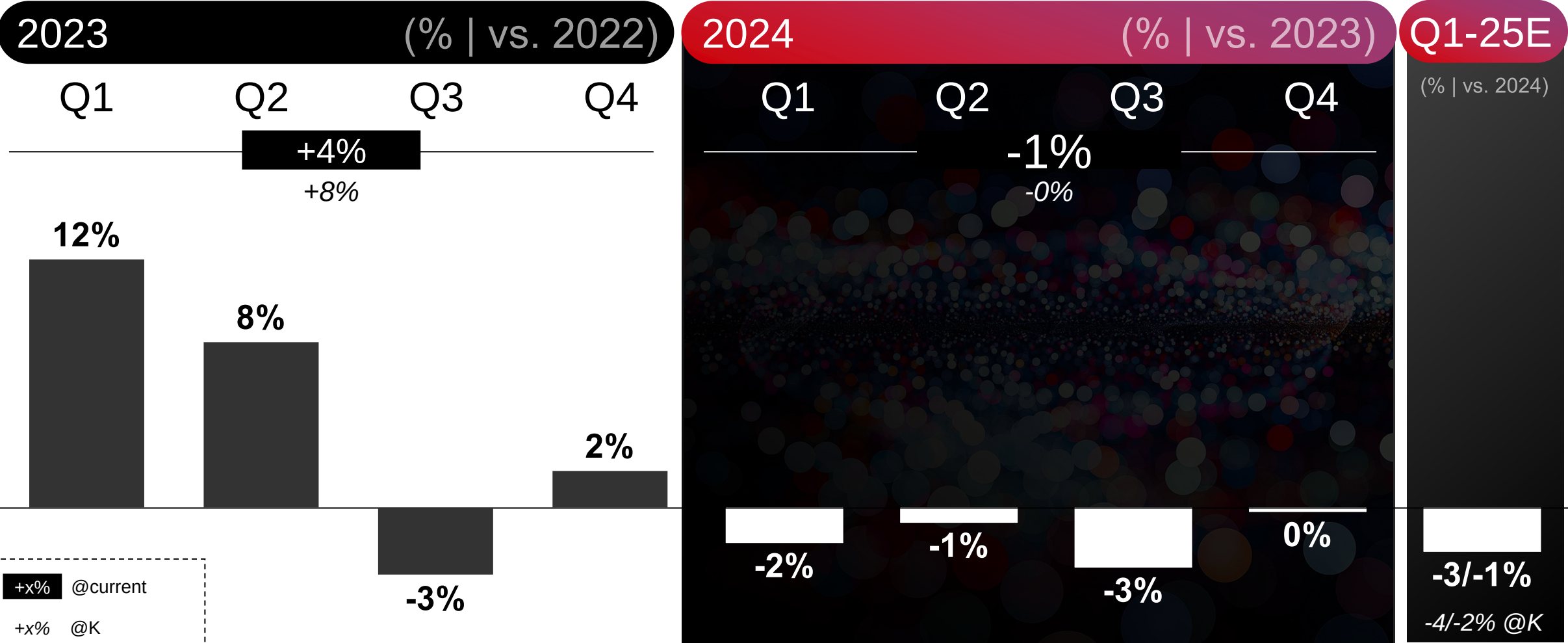
Ongoing **merry-go-round of creative teams**
Shifting identities impacting **recurring consumers**



News putting **luxury supply chains under tighter scrutiny**, trade wars amplifying headlines

Macro-economic pressures and price fatigue weighting on consumer demand in first quarter of the year

Luxury goods market evolution by Quarter



FULL-YEAR MARKET GROWTH (2024 VS. 2023)

YTD

: Source: Elaboration on Bain-Altgamma Luxury Study

Consumers are feeling alienated but waiting for brands to foster experience and creativity to increase their spending again

Consumers alienated by price increases and uncertainty

Willingness to spend mainly linked to expectations on creativity and experience

Tariffs not expected to strongly impact luxury purchases

Reasons for detachment¹

Reasons for future spending²

Expected impact of tariffs³

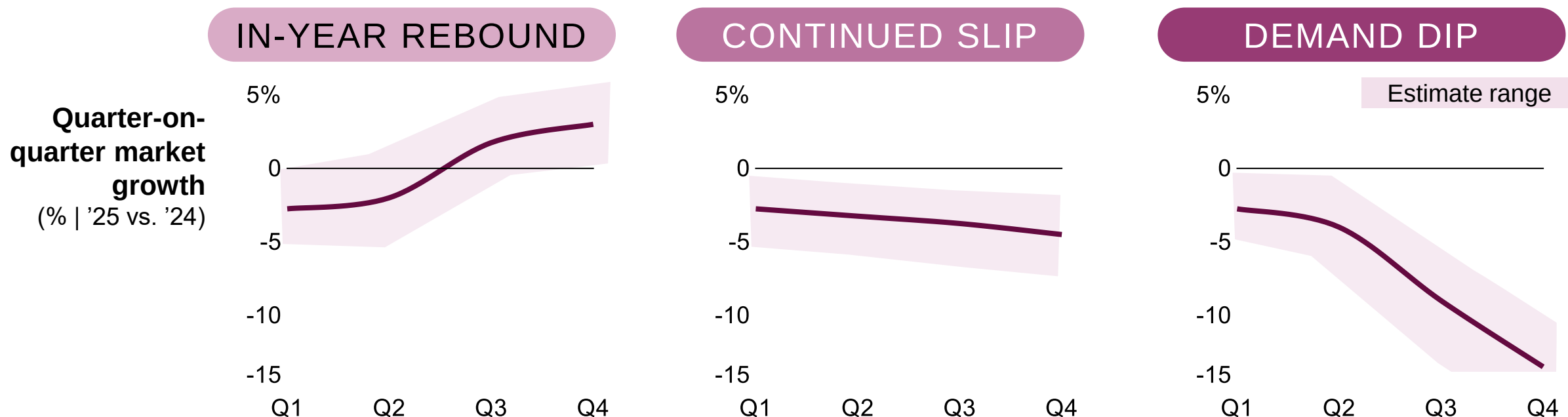


~25% *Expect they will spend less*

~75%
Consumers expected to spend the same or more in luxury goods after tariffs

For 2025FY, we foresee three potential scenarios unfolding

2025 LUXURY MARKET TREND – SCENARIOS



Full-year
market growth
(% | '25 vs. '24)

-2/2%

-5/-2%

-9/-5%

Probability of
occurrence

~10%

~60%

~30%

THANK YOU

