

InternetRetailing

European Luxury report

2025

In association with:



Introduction



There have been widespread reports that the luxury market is experiencing a slowdown, with analysts forecasting a downturn in both sales and growth. Economic uncertainty, changing consumer preferences, and limited spending are cause for concern for European luxury retailers.

Some forecasts suggest the luxury sector will not only plateau but see declines of between 1% and 3% between now and 2027.

This is not a positive start to a report focused on the European luxury market, which was once known for its heritage and longevity. But it is often in times of uncertainty that retailers, or fashion houses, use their knowledge and expertise to overcome macroeconomic conditions outside their control.

Whether it is through the adoption of circular business models, advancing technology or mutually beneficial collaborations, the European luxury leaders in this report are finding a way to maintain both their status and shopper loyalty.

Understanding the luxury shopper will be key to the success of these retailers, and this report features brand new bespoke consumer research. Some 4,000 consumers were surveyed in early 2025 to discover what luxury items they are shopping for; the channels they use to shop online for luxury and

why they still purchase luxury products even when spending is tight.

Unsurprisingly, the premium and personalised experience that the luxury sector provides is a key pull for European shoppers. Homegrown brands remain a favourite of those looking for luxury across Europe, and in a similar fashion to other ecommerce categories a more circular approach is becoming increasingly important.

Through a more sustainable approach, combined with an equilibrium between instore and online, European luxury retailers are finding innovative ways to connect with their customers. This can be seen in the seven case studies starting on P14. These luxury leaders set a benchmark for others looking to limit the impact of economic instability.

The first half of 2025 has certainly proven challenging for this luxury sector, but over the next 24-pages we can see why European luxury has achieved such prestigious status in the global market.

Katie Searles,
Managing Editor,
InternetRetailing

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Market context

After years of luxury growth for European brands, will tariffs and lower demand lead to a downturn?

The European luxury sector experienced sustained growth after the pandemic, with economic profit nearly tripling between 2019 and 2024. However, the industry is currently undergoing a period of transition in early 2025, with a slow down and mixed performance predicted.

An initial rush back to physical retail among European consumers resulted in brands investing in their physical sites, with 72% of businesses confirming they have plans for further expansion.^[1]

Luxury has always thrived on a sense of theatre and a trip to the store is part of the luxury retail experience. This extends to the physical space, where the store's architecture, interior design, visual merchandising, and even the demeanour of the staff all play a role in creating this immersive experience.

Immersive experiences online

However, as technology advances, this personalised, inviting experience is no longer limited to brick-and-mortar sites. The switch to mobile (*see page 7*) has enabled luxury retailers to provide its customers with a hybrid shopping experience.

Such a seamless shopping experience sees brands implementing omnichannel strategies that bridge their online and brick-and-mortar stores. This

©AdobeStock



includes the use of AI technology for tailored product recommendations based on a customer's online purchase history, or even virtual fitting rooms and augmented reality tools.

Taking into consideration these technological advances, luxury ecommerce is expected to grow at an annual rate of 10% until 2030, and will represent 30% of total luxury product sales.^[2]

Tourism and tariffs

While the increased adoption of ecommerce by luxury consumers provides a channel for retailers to harness, the power of luxury stores still possesses a strong draw. Luxury tourism sees consumers travel from across the world to shop on famous streets such as London's Regent Street, Rue Saint-Honoré in Paris and Milan's Via Monte Napoleone (the world's most expensive shopping street). In fact, these three markets account for almost half of the

total share of luxury tourism spend. (17%, 17% and 14% respectively).^[3]

The global demand for luxury from Europe is impressive, with its brands accounting for at least 70% of the global luxury goods market and its exports worth €260bn annually, according to the European Union. An amount close to 10% of all EU exports.^[4]

This value is likely to be negatively affected by U.S. tariffs brought in by President Trump. The 20% on imports from the European Union and 31% on Swiss goods will hit luxury brands. Will they be willing to pass any increases onto consumers under an assumption their wealthy customers are less sensitive to price changes? Or will they need another strategy to protect demand from overseas?

Immediately after the announcement of such tariffs, LVMH (Louis Vuitton) and Kering (Yves Saint Laurent,

Gucci, Balenciaga) saw shares drop 4%, while Burberry's shares slipped 7% and Richemont (Cartier) decreased by 6%.

Lessening demand from the States will also be compounded by ongoing weakness in China, and inflationary pressures closer to home.

Dip in demand

Consumer research shows that European consumers could be reconsidering their luxury purchases. Nearly 30% of respondents said they expected to spend less on luxury goods this year, although 59% did plan to spend the same.

Of those looking to spend less, 45% can no longer afford luxury, 48% are turning to cheaper alternatives with 14% looking at second-hand options of the luxury brands they love. The quality perception of luxury has not diminished, with only 4% reporting a negative experience stopping them from buying luxury items in the future.

This loyalty for luxury brands will prove increasingly important for European brands, if U.S. tariffs hit them hard, they will need European consumers to see the value in spending with them.

[1] luxonomy.net/luxonomy-report-key-factors-defining-the-luxury-sector-between-2025-and-2030/

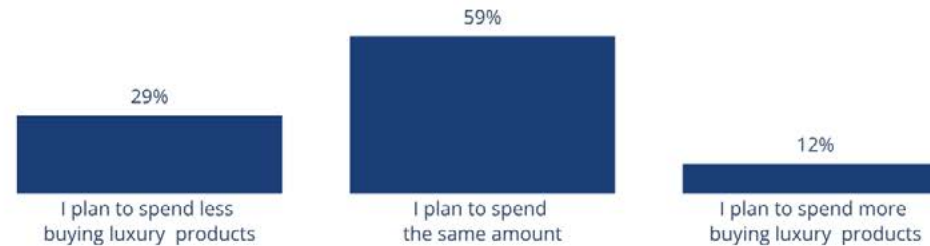
[2] www.cbre.co.uk/press-releases/bricks-and-mortar-retail-prevails-with-occupiers-eyeing-expansion-across-europe

[3] www.cbre.co.uk/press-releases/luxury-outperformance-continues-across-europe-despite-headwinds-with-new-growth-markets-emerging

[4] cpp-luxury.com/how-will-trumps-tariffs-impact-the-luxury-industry/

Expected change in luxury spend

Europe



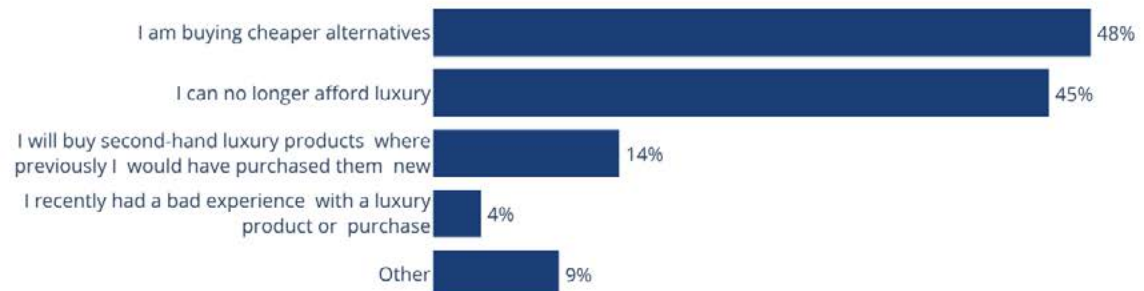
Based on 3,999 respondents in 12 countries (aged 24-88), Feb 2025. Surveys conducted in 10 languages. Question: 'Considering retailers' warnings of price increases, how do you expect this to affect your luxury purchases in the upcoming year?'. Chart ID: CX77370

Source: ConsumerX

© RetailX 2025

Drivers of change in expected luxury spend

Europe



Based on 1,176 respondents who expect to spend less on luxury products in the upcoming year in 12 countries (aged 18-86), Feb 2025. Surveys conducted in 10 languages. Question: 'Why do you expect to spend less on buying luxury products?'. Chart ID: CX77377

Source: ConsumerX

© RetailX 2025

Consumers: what luxury shoppers are purchasing

Has uncertainty in the current economic climate driven consumers towards more affordable luxury?

Even in times of mixed fortune, within the European luxury sector, fashion leads the way, with the sector predicted to generate approximately €45.34bn in revenue this year.^[1]

The second biggest contributor to the luxury sector is cosmetics, which generated approximately €14.26bn in 2024. A figure which represented around 32% of global luxury cosmetics revenue.^[2]

This is reflected in *ConsumerX* consumer survey data, which shows luxury fashion and apparel is the most popular luxury category with 42% of consumers making a purchase in the past 12 months. Nearly 30% of survey respondents have purchased luxury cosmetics in the past year, followed closely by 28% who selected luxury jewellery.

Fashion accounts for 34 of the *RetailX* Top50 European Luxury retailers (see pages 12-13) that these consumers are purchasing from. Interestingly, it is not high-end luxury brands that are topping this list, but marketplaces such as Vestiaire Collective,

Lyst and Mytheresa. All of which are in the top five, ahead of the likes of Chanel, Dior and Louis Vuitton. Is this a reflection of consumers selecting 'affordable luxury' in the current economic climate? Or is there a wider range of luxury available on these mixed marketplaces? Could it also highlight a shift away from the appeal of brand new fashion, towards more sustainable pre-loved offerings?

This list also categorises fashion apparel and accessories together, so luxury fashion is boosted by the inclusion of such accessories giants as Ray-Ban and Hermes, footwear brands like Jimmy Choo, and the latest it-bag supplier Loewe.

Loewe's signature items, such as the basket bag and puzzle bag, have been key to the Spanish-leather brand's growth in popularity. Loewe has also gained traction through its online presence, particularly on social platforms such as TikTok. Social commerce via social media channels has helped the luxury sector to attract a younger audience. An exercise which is essential for the survival of some of Europe's oldest and best-known brands.

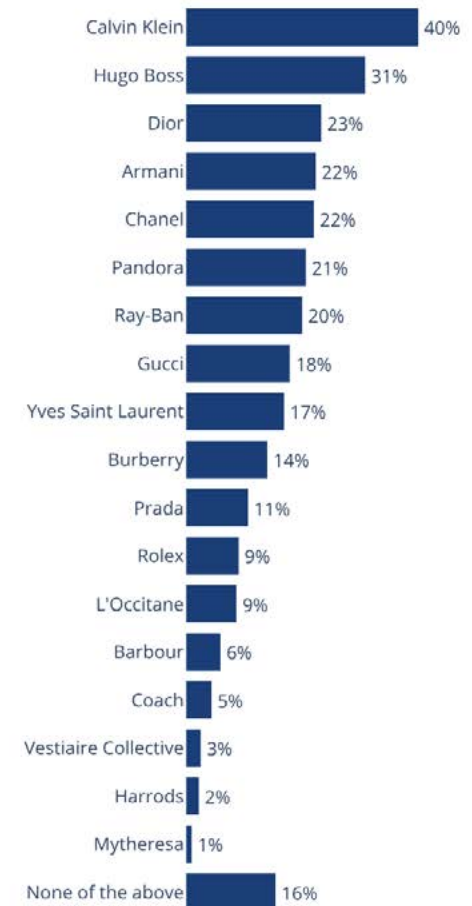
Are Millennials and GenZ driving luxury demand?

'Young' shoppers are quickly becoming the largest generation buying luxury fashion. Millennials are projected to account for 50% of the global luxury goods market by 2025, up from 32% in 2018.^[3]

But *ConsumerX* research shows it is GenZ who have the spending power to make multiple purchases, with 56% of GenZ indicating they have made multiple luxury fashion purchases. A further 25.5% have made one, leaving just 18.5% having not

Luxury goods purchases by brand

Europe



Based on 3,305 respondents in 12 countries (aged 18-88), Feb 2025. Surveys conducted in 10 languages. Question: 'Which of the following brands have you purchased from in the last three years?'. Chart ID: CX77341

Source: *ConsumerX*

© RetailX 2025

bought a luxury fashion item. This compares with a quarter of Millennials and more than a third of GenX-ers who have bought no luxury fashion items this year.

There are several reasons why younger shoppers are increasingly interested in luxury. Affordable luxury has made these items more accessible, while many want the unique appeal, heritage or craftsmanship of luxury items.

The social and environmental impact of fashion is also a factor, as investing in a single, reusable luxury item is regarded as more sustainable than disposable fast fashion. Many luxury brands also prioritise ethical sourcing and manufacturing, aligning with the values of these young shoppers.

This younger demographic of luxury shoppers are also digitally-savvy, with the online shopping experience improving to match the draw of physical stores. With increasing mobile optimisation and personalisation tools, as well as immersive experiences such as augmented reality (AR) and 3D modelling, consumers no longer feel they have to travel to a boutique to purchase luxury.

A passion for fashion

Yet again luxury fashion tops the ecommerce choices for consumers, with 57% of luxury shoppers heading online to buy fashion and accessories. It is worth noting that the ecommerce landscape recognises the popularity of sports and athleisure wear within this luxury sector. 44% of shoppers have purchased sports and leisure items online in the past year, topping beauty at 40%.

The demand for high-quality luxury activewear may be driven by consumers who prioritise active lifestyles and seek apparel that is both functional and stylish. There is also the blurring of athletic wear with casual fashion.

Furthermore, this trend has been embraced by luxury brands such as Gucci and Fendi, who have launched their own athleisure lines or collaborated with sportswear brands to combine high-end aesthetics with functionality.

Needless to say social media will have played its role in growing demand for luxury athleisure wear, the next section focuses on how consumers are harnessing various channels for their luxury needs across subcategories.

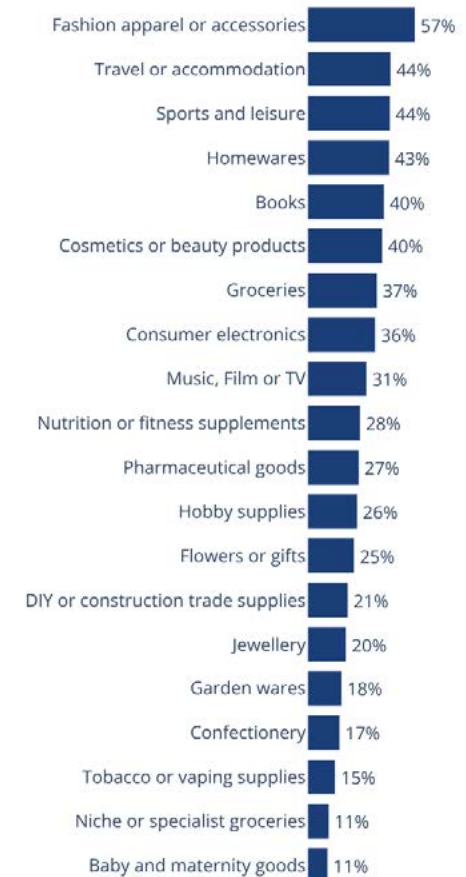
[1] www.statista.com/outlook/cmo/luxury-goods/luxury-fashion/europe

[2] www.cognitivemarketresearch.com/regional-analysis/europe-luxury-cosmetics-market-report

[3] www.statista.com/statistics/1063199/millennials-share-of-the-global-luxury-goods-market/

Annual luxury shopping purchases

Europe



Based on 3,828 online shoppers in 12 countries (aged 23-88), Feb 2025. Surveys conducted in 10 languages. Question: 'What have you shopped for online in the past 12 months?'. Chart ID: CX77391

Consumers: the channels they use

The experience of instore still has a draw for luxury shoppers, but many are turning to the ease of mobile commerce

The appeal of luxury shopping has always been the level of the craftsmanship of the product and the near limited edition quality, together with a sense of experience and elevated customer service.

For many years, shopping for luxury in beautiful boutiques has involved a sense of theatre. As with all sectors of retail, the growth of ecommerce and the technology that supports it has seen consumers harness the convenience of online shopping. Whether for research purposes, click & collect services or the whole shopping journey, consumers are increasingly using ecommerce tools, even for luxury purchases.

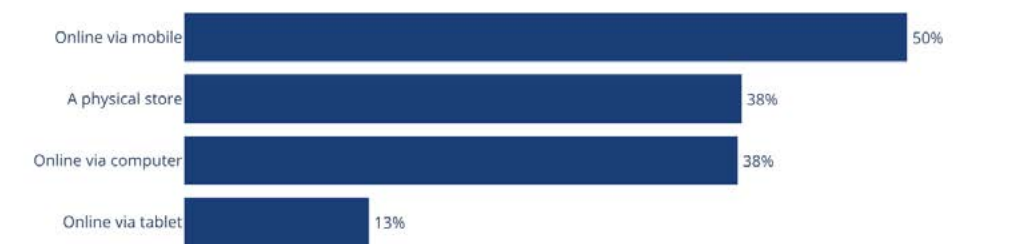
ConsumerX research reveals that half are now using their smartphones for buying luxury items, with 38% visiting stores or using a desktop computer.

Social media's impact

With advancements in smartphone technology enabling shoppers to connect with luxury brands on a new level, this move to mobile is unsurprising. However, despite the emergence of cutting-edge technologies, such as virtual or augmented reality, widespread consumer adoption remains limited.

Luxury goods purchases by channel

Europe



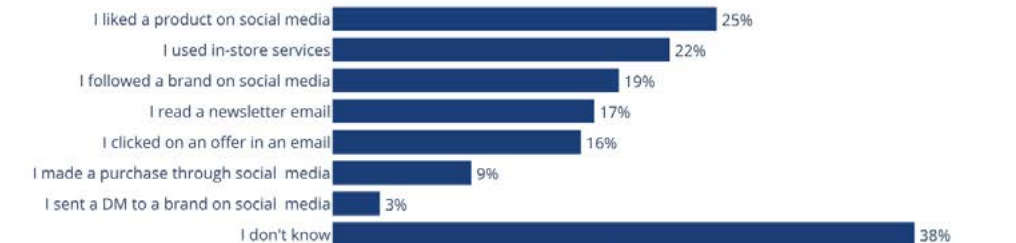
Based on 3,305 respondents in 12 countries (aged 24-88), Feb 2025. Surveys conducted in 10 languages. Question: 'In the past 12 months, through which channels have you purchased luxury brands?'. Chart ID: CX77420

Source: ConsumerX

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Annual contact with luxury brands

Europe



Based on 3,998 respondents in 12 countries (aged 18-88), Feb 2025. Surveys conducted in 10 languages. Question: 'In the past 12 months, have you had contact with a luxury brand through the following activity?'. Chart ID: CX77352

Source: ConsumerX

© RetailX 2025

In contrast, social media platforms have become indispensable tool for customer engagement. A quarter of luxury consumers have liked a product on social media in the past year, with 19% following a luxury brand. However, with only 9% of consumers

purchasing a luxury item through social commerce, this suggests it is currently being used simply as a discovery tool, and that brick-and-mortar retailers remain safe in the knowledge that for luxury, consumers prefer the physicality of stores.

Consumers: why shoppers purchase luxury

The demand for European luxury is being driven by heritage, prestige, quality and, increasingly, sustainability

As previously mentioned, experiential shopping, whether instore or online, is critical to the success of the European luxury retail sector. Shoppers are attracted by immersive brand environments and the prestige of shopping in renowned luxury stores.

This sense of prestige continues to the products themselves, and being seen with them. There is often a feeling of exclusivity with many limited-edition products. It may be an urban myth that there is a Hermès bag waiting list, but Birkin bags are undeniably difficult to purchase.

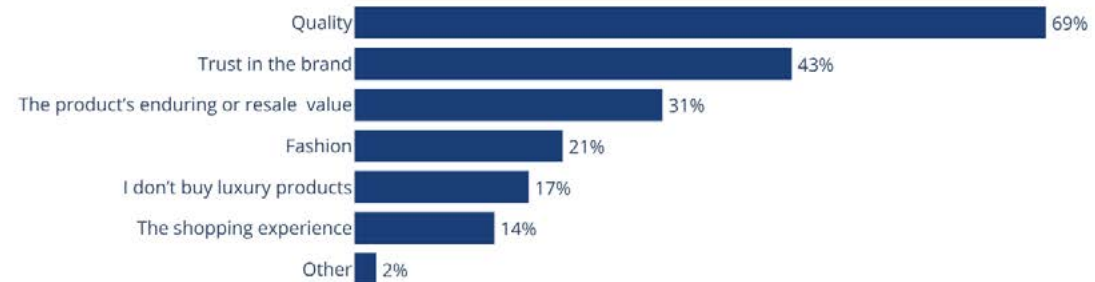
Longevity, quality and sustainability

If shoppers manage to get their hands on these luxury items, it is often because they are regarded as an investment. ConsumerX research shows 55% of luxury shoppers are drawn to the inherent value of luxury products.

This perception of value is mirrored in the desire for quality, with 44% of luxury shoppers attracted to the unwavering focus on craftsmanship that luxury brands consistently deliver.

What drives luxury purchases over standard products

Europe



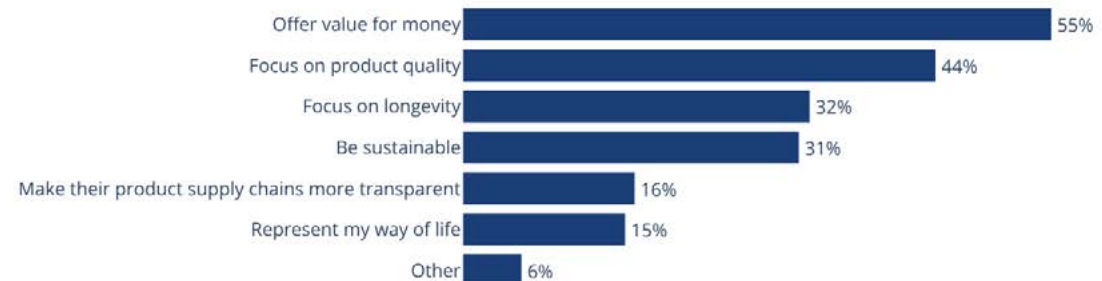
Based on 3,999 respondents in 12 countries (aged 19-88), Feb 2025. Surveys conducted in 10 languages. Question: 'For what reasons would you buy luxury products rather than cheaper alternatives?'. Chart ID: CX77405

Source: ConsumerX

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How luxury brands attract customers

Europe



Based on 3,999 respondents in 12 countries (aged 20-88), Feb 2025. Surveys conducted in 10 languages. Question: 'In order to retain their attractiveness to you, what do luxury brands need to do in the year ahead?'. Chart ID: CX77364

Source: ConsumerX

© RetailX 2025

When compared to 'standard' products, the allure of luxury becomes even more apparent. A considerable 69% of consumers opt for luxury goods due to their superior quality, with 43% of consumers expressing greater trust in luxury brands.

Additionally, 32% of consumers appreciate the longevity of luxury products, recognising that these items are built to last and retain their value over time. This lasting value makes many luxury products prime for resale, and 31% of consumers shopping for luxury products are currently interested in making sustainable choices.

Homemade luxury

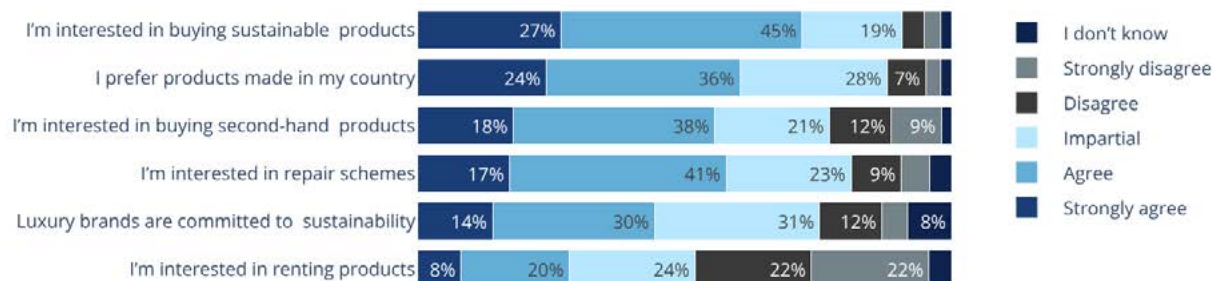
The ConsumerX survey also asked what drives consumers to purchase from luxury brands, again sustainability ranked highly. Some 72% were interested in purchasing sustainable products, while 60% of consumers preferred products made in their own country.

Many European luxury brands have rich histories and deep roots in national and regional traditions, holding a particular allure for local consumers who value authenticity and heritage. Once again, the element of trust is key here, with consumers much more likely to trust brands from their own country, perceiving them as more reliable in terms of quality and post-purchase experience.

This experience proves a critical part of the consumer's love of luxury. ConsumerX data shows 55% of consumers believe luxury brands will offer them a better customer experience compared to mass-market retailers and brands.

What drives luxury shopping habits

Europe



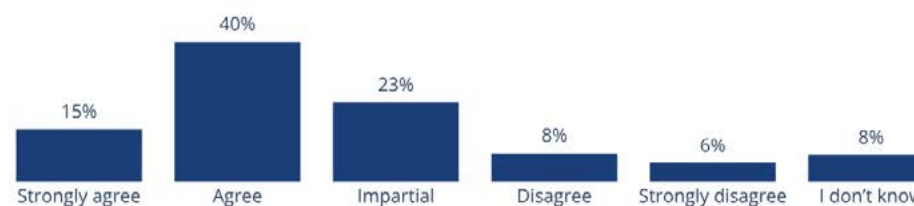
Based on 3,305 respondents in 12 countries (aged 18-88), Feb 2025. Surveys conducted in 10 languages. Question: 'Regarding your luxury purchases, to what extent do you agree with the following statements?'. Chart ID: CX77332

Source: ConsumerX

© RetailX 2025

Customer experience with luxury brands

Europe



Based on 3,999 respondents in 12 countries (aged 18-88), Feb 2025. Surveys conducted in 10 languages. Question: 'I believe luxury brands offer a better customer experience compared to mass-market retailers and brands'. Chart ID: CX77357

Source: ConsumerX

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Sustainability and second-hand luxury

Shoppers' love for the longevity of luxury is inspiring change in the industry

The European luxury industry is experiencing a transformation, shifting towards ethical manufacturing. This is in part due to regulatory pressures, but also a reaction to consumer demands.

As previously noted, when exploring why shoppers are drawn to luxury, consumers are increasingly looking to make sustainable choices. This is reflected by ConsumerX research with 72% of respondents interested in buying sustainable luxury products.

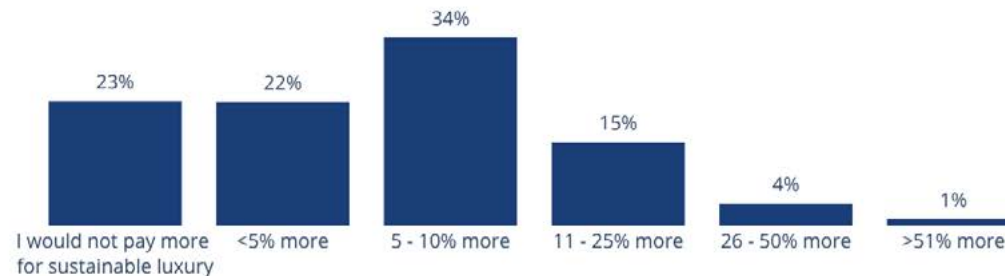
They are also willing to pay more for environmentally friendly luxury, with research figures revealing 34% of European consumers are willing to spend 5-10% more on sustainability luxury products. As European consumers see the value in luxury products, and view it as an investment, it is unsurprising they will pay for products produced in a conscious manner.

Love for pre-loved

This consumer interest in sustainable consumption can also be seen in the move towards a circular economy. The European second-hand luxury market is flourishing, boosted by the perceived longevity of luxury goods.

Percentage additional spend on luxury goods

Europe



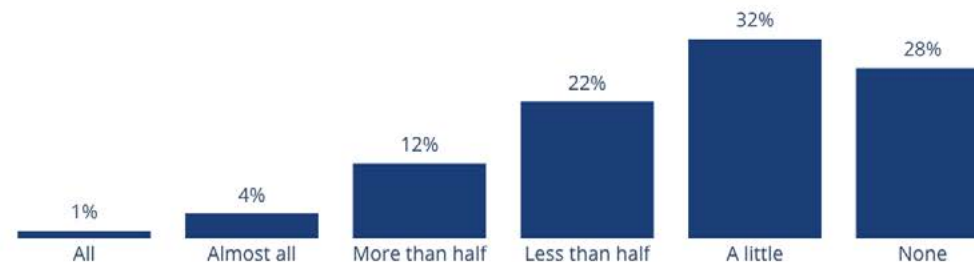
Based on 3,305 respondents in 12 countries (aged 18-83), Feb 2025. Surveys conducted in 10 languages. Question: 'How much extra would you be willing to pay for sustainable luxury products?'. Chart ID: CX77348

Source: ConsumerX

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Annual second-hand and vintage luxury purchases

Europe



Based on 3,305 respondents in 12 countries (aged 18-84), Feb 2025. Surveys conducted in 10 languages. Question: 'What proportion of your luxury product purchases are second-hand or vintage?'. Chart ID: CX77412

Source: ConsumerX

© RetailX 2025

French pre-loved marketplace Vestiaire Collective has a European web traffic of 21.8mn. More than 30,000 new items are submitted by its community of sellers every week, which enables buyers to access around 3,500 items a day. In 2023, it sold 2.3mn items to 800,000 unique buyers.

The popularity of these marketplaces is reflected in the amount of consumers interested in pre-loved, with over half (56%) of European shoppers interested in purchasing second-hand. However, the reality shows slow progress. When asked what percentage of their luxury purchases were second-hand or vintage, 28% admitted to having no pre-loved luxury with the largest cohort (32%) having only “a little” second-hand luxury.

This may simply be a reflection of habits beginning to change, but there are challenges surrounding the move to green practices and adoption. Full traceability and transparency will be needed, and this is a complex issue across the full supply chains. Continued investment, innovation and collaboration will be needed.

Return to sender

Innovation and investment can cover smart energy solutions, green packaging and material technology to make products last longer – which will boost the second-hand market in the long term. But there is also the clever use of existing products. The Europe Online Clothing Rental Market is predicted to grow 8.0% CAGR by 2030, as European consumers look to not only make greener choices, but also access luxury brands and designer pieces at a fraction of the retail price.



©Dressr

While rental may have once been considered only for occasional wear, with the likes of platforms such as My Wardrobe HQ still prioritising special occasions, there are actually a growing number of brands offering more casual clothing. These platforms also bundle deliveries to save on CO2-styles for everyday sustainable luxury. Many

rental sites not only give European consumers an extensive digital wardrobe to borrow from, they also allow fashion designers to showcase their collections in a conscious manner. Belgium rental platform Dressr *[pictured above]* even ship selected garments in reusable, recyclable packaging.

European Top 50

The Top 50 luxury ecommerce sites by traffic paints a revealing picture: the best known brands lie relatively low – indicative of how shoppers are more store-based and exclusive – while the marketplaces, affordable luxury and newbies dominate the online world.

RetailX European Top 50			
COMPANY NAME	SECTOR	HQ COUNTRY	WEB TRAFFIC (MN)
FARFETCH	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	28.9mn
PANDORA (JEWELLERY)	JEWELLER	DENMARK	27.4mn
VESTIAIRE COLLECTIVE	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	21.8mn
LYST	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	18.5mn
MYTHERESA	FASHION APPAREL OR ACCESSORIES SHOP	GERMANY	11.7mn
HUGO BOSS	FASHION APPAREL OR ACCESSORIES SHOP	GERMANY	11.5mn
LOUIS VUITTON	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	9.7mn
DIOR	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	8.3mn
HERMES	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	8mn
LACOSTE	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	7.8mn
SWAROVSKI	JEWELLER	AUSTRIA	7.6mn
RAY-BAN	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	7.1mn
HARRODS	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	6.8mn
CHANEL	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	6.3mn
GUCCI	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	5.4mn
CARTIER	JEWELLER	FRANCE	4.8mn
TED BAKER	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	4.7mn
OMEGA	JEWELLER	SWITZERLAND	4.5mn
TISSOT	JEWELLER	SWITZERLAND	4.2mn
PRADA	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	3.8mn
COACH	FASHION APPAREL OR ACCESSORIES SHOP	UNITED STATES OF AMERICA	3.7mn
L'OCCITANE	COSMETICS SHOP	FRANCE	3.5mn

ARMANI	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	3.5mn
BURBERRY	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	3.4mn
BARBOUR	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	3.3mn
CALVIN KLEIN	FASHION APPAREL OR ACCESSORIES SHOP	UNITED STATES OF AMERICA	2.9mn
MONCLER	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	2.7mn
BALENCIAGA	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	2.5mn
MICHAEL KORS	FASHION APPAREL OR ACCESSORIES SHOP	UNITED STATES OF AMERICA	2.5mn
TAG HEUER	JEWELLER	SWITZERLAND	2.2mn
LONGCHAMP	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	2.1mn
VERSACE	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	2.1mn
WATCHFINDER & CO.	JEWELLER	UNITED KINGDOM	2mn
LONGINES	JEWELLER	EARTH	2mn
TIFFANY & CO.	JEWELLER	UNITED STATES OF AMERICA	2mn
MONTBLANC	FASHION APPAREL OR ACCESSORIES SHOP	GERMANY	1.9mn
VIVIENNE WESTWOOD	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	1.8mn
CELINE	FASHION APPAREL OR ACCESSORIES SHOP	FRANCE	1.6mn
PAUL SMITH	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	1.5mn
LOEWE	FASHION APPAREL OR ACCESSORIES SHOP	SPAIN	1.4mn
GUERLAIN	COSMETICS SHOP	FRANCE	1.4mn
ADOLFO DOMINGUEZ	FASHION APPAREL OR ACCESSORIES SHOP	SPAIN	1.4mn
IWC SCHAFFHAUSEN	JEWELLER	SWITZERLAND	1.2mn
VANCLEEF&ARPELS	JEWELLER	FRANCE	1.1mn
JIMMY CHOO	FASHION APPAREL OR ACCESSORIES SHOP	UNITED KINGDOM	1.1mn
FENDI	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	1.1mn
BVLGARI	JEWELLER	ITALY	1.1mn
OFF-WHITE	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	1mn
BOTTEGA VENETA	FASHION APPAREL OR ACCESSORIES SHOP	ITALY	1mn
LANCÔME	COSMETICS SHOP	FRANCE	1mn



©Armani

Company: Armani

HQ: Italy

Segment: Fashion apparel and accessories

Europe web traffic: 3,481,896

Revenue: €2.44bn

Armani: A multi-faceted empire fronted by a formidable founder

Giorgio Armani founded his eponymous brand in Milan in 1975, with the fashion label soon becoming known for its minimalist and sophisticated style. In fact, Armani is widely credited with revolutionising menswear and womenswear by redefining the suit with softer silhouettes and a neutral colour palette.

The 1980s proved pivotal for Armani, adding Hollywood star power. Richard Gere's appearance in an Armani suit in the hit movie *American Gigolo* stands out as not only as a landmark in the history of fashion but also cinema. The Armani brand strategically cultivated relationships with film directors and actors, cleverly recognising cinema's power to showcase fashion.

Today, Armani cannot be regarded as solely a luxury brand. It is ranked Italy's second largest fashion brand thanks to its varied collection of haute couture (Armani Privé), ready-to-wear (Giorgio Armani, Emporio Armani), diffusion lines (Armani Exchange, Armani Jeans), lifestyle (Armani Casa) and hospitality (Armani Hotels & Resorts).

It is perhaps this wide offering that has protected Armani from challenging market conditions. Its first half 2024 results saw only a 'single-digit' sales drop. Despite the dip, the company reported an operating profit of €215mn euros, showcasing its resilience in uncertain times.

In 2023, the firm saw net sales increase by 6% at constant currencies, achieving €2.45bn in net revenues. This slight decline is mainly due to weakening sales in the Asia ex-Japan region and the more accessible segment of the luxury market.

Despite cost and demand challenges, Armani strategically implemented only modest retail price increases, demonstrating the group's medium-term focus and pragmatic response to market fluctuations.

Furthermore, earlier this year Armani championed 20 years of its haute couture with the launch of an immersive exhibition in Milan. Hosted in the Armani/Silos museum, the exhibition 'Giorgio Armani Privé 2005-2025' aims to showcase 150 creations which retrace an impressive career marked by the constancy of style.

"Style is about wearing eveningwear with ease and casualness," Giorgio Armani recently told Harper's Bazaar France.

Revisiting his archives, the 91-year old reflects not only the longevity of the brand he founded, but also the scope it has in both the luxury and wider fashion sector.

BOSS

HUGO BOSS



©Hugo Boss

Company: Hugo Boss

HQ: Germany

Segment: Fashion apparel and accessories

Europe web traffic: 11,461,662

Revenue: \$4.7bn

Hugo Boss: A matter of collaboration and control

German fashion group Hugo Boss has taken to focusing on what it can control, as it contends with “macroeconomic uncertainty”.

Its 2025 first-quarter performance saw overall group sales fall 2% year-on-year (currency adjusted) to €999mn. However, Boss’ digital business continues to grow, increasing by 4%, partially offsetting revenue declines in both brick-and-mortar retail (–4%) and brick-and-mortar wholesale (–3%).

It is unsurprising then that the brand’s five year turnaround strategy focuses on rebalancing its omnichannel offering. It will introduce a raft of cost efficiency measures while teaming up with English former professional footballer David Beckham to get back to winning ways.

Introduced for Spring/Summer 2025, BECKHAM x BOSS is the first-ever Boss collection co-designed with the co-owner of Inter Miami CF. According to the brand, Beckham brings his own vision, impeccable taste, and innate fashion expertise to the collection.

“Our first BECKHAM x BOSS collection marks a significant milestone in our long-term strategic partnership and represents a unique moment in the history of our core brand,” says Daniel Grieder, CEO of Hugo Boss.

“We have been very much looking forward to this launch and are more than excited to see how these pieces are received by our end consumers.

“This collection is based on our strategic priority that product is key and our goal to seamlessly dress our customers for every occasion with our brands.”

The collection features everything from everyday jersey essentials, elevated knitwear and crisp shirting, through to tailoring for all occasions, from casual to formal. Tailored garments feature a new signature cut, exclusive to BECKHAM x BOSS.

Additionally, the launch of the collection was supported by a 360-degree marketing campaign, featuring the largest advertising mural in Europe. In April, a unique, 541 sqm hand-painted depiction of the campaign’s hero image, overlaid with a moving projection, was unveiled on Tabernacle Street in East London. The campaign will also appear on billboards across the globe.

While Boss will be hoping David Beckham’s star power will counteract any economic uncertainty, it will also be relying on its own “strong operational backbone.

“We are strategically positioned to adapt effectively to potential trade-related developments,” adds an effusive Grieder.

“With our two powerful brands, our resilient supply chain, and our agile organisational platform, I am confident in our ability to successfully navigate the external challenges ahead. We are well positioned and firmly committed to continuing our journey in 2025 and beyond.”

Harrods



©Harrods

Company: Harrods

HQ: UK

Segment: Fashion apparel and accessories

Europe web traffic: 6,773,879

Revenue: \$900mn

Parent: Qatar Investment Authority

Harrods: An iconic department store digitising for a modern world

Harrods started as a single-room grocer in 1849, but has grown to become a seller of luxury brands and one in its own right. The company employs more than 4,000 employees, it attracts around 15mn customers annually.

The Knightsbridge flagship department store in London, which spans over one million square feet and houses more than 330 departments, is an icon of luxury. But like all luxury brands, Harrods has had to blend its brick-and-mortar operations with a thriving travel opportunity, and an equally personal digital experience.

The worldwide reach of Harrods can be seen in the way the luxury brand approaches global travellers. Harrods has expanded its presence in airports, both in the UK and internationally, as part of a broader strategy to diversify its retail footprint.

Harrods has established outlets in every terminal at Heathrow Airport, while its 6,200 sq ft store at Gatwick South Terminal features dedicated boutiques for brands like Swarovski, DKNY, Michael Kors, and Longchamp. It also features a jewellery counter-mirroring the luxury of its Knightsbridge flagship.

Harrods extends its retail presence beyond its famous store and airport presence to the seas with boutiques on cruise ships, including the QE2.

For consumers looking for luxury online, Harrods embarked on a comprehensive digital transformation, relaunching its ecommerce platform in November 2024.

The luxury department store aimed to provide a seamless online journey for its customers, incorporating a number of innovative technologies and systems.

It introduced several new features to its website including refreshed landing pages and a sophisticated 'headless' front-end framework. This approach was designed to boost both the functionality and aesthetics of the platform.

"We are continuously expanding our ecommerce presence to deliver memorable experiences to our customers around the world," explains Caitlin Innes, chief digital and customer officer at Harrods.

However, the luxury brand became the third UK retailer to be hit with cyber attacks in May 2025. Following similar incidents with Marks & Spencer and supermarket Co-op, Harrods also reported attempts to gain unauthorised access to some of its systems.

"Our seasoned IT security team immediately took proactive steps to keep systems safe," a company statement said. Shoppers were encouraged to visit the Knightsbridge store, H beauty stores and to continue to shop via harrods.com.



©Louis Vuitton

Company: Louis Vuitton

HQ: France

Segment: Fashion apparel and accessories

Europe web traffic: 9,730,244

Revenue: N/A

Parent: LVMH Louis Vuitton Moët Hennessy

Parent revenues: €84.7bn in 2024

Louis Vuitton: The flagship LVMH brand stays focused on standout luxury products

Established in Paris in 1854, Louis Vuitton revolutionised travel accessories with the introduction of the flat-top, waterproof canvas trunk. A design so successful it led to widespread imitation and the creation of the now-iconic beige and brown striped pattern featuring the LV logo.

The brand's global expansion began with the opening of the world's largest travel goods store on the Champs-Élysées in 1913, followed by prestigious outlets in London, New York, Alexandria, and Buenos Aires.

Louis Vuitton further solidified its luxury status through a 1983 partnership with the America's Cup, creating the internationally recognised Louis Vuitton Cup. This contributed to the 1987 merger with Moët et Chandon and Hennessy, forming the parent company LVMH.

This merger resulted in a reported 45% profit increase across the three companies between 1987 and 1988, establishing LVMH as a dominant force in the luxury market, now encompassing approximately 75 renowned brands.

While specific financial details for the Louis Vuitton brand are not public, the LVMH group experienced a 1% revenue increase between 2023 and 2024, despite a 14% drop in profit from recurring operations. This trend may reflect broader

challenges in the luxury market, including increasing margin pressures and slowing demand due to the ongoing low consumer confidence in numerous regions.

To maintain its brand's perceived high value and to protect existing customer investments, Louis Vuitton has always historically avoided price discounting and is continuing this strategy despite current pressures.

Instead, the brand has looked to engage younger consumers and foster lasting relationships by focusing on diversifying its product offerings, including expanding its presence in accessories, jewellery, watches, and fragrances.

To further enhance its luxury appeal and sustain customer engagement, Louis Vuitton persists in investing in both exclusive retail experiences and partnerships for limited-edition product lines.

Collaborations with renowned artists and designers, along with limited-edition collections, have been key tools in maintaining its relevance in a context of economic uncertainty.

To celebrate Spring 2025, the French fashion house partnered with Japanese contemporary artist Takashi Murakami for the second time, launching a Cherry Blossom motif collection.

PRADA



©Prada

Company: Prada

HQ: Italy

Segment: Fashion apparel and accessories

Europe web traffic: 3,776,423

Revenue: \$0.61bn

Parent: Prada Group

Parent revenue: €5.4bn

Prada: Uniting Italian luxury

The Milan-founded brand may have started in 1913 with one store selling leather goods, trunks and travel accessories, but has grown into a fashion house capable of bucking the luxury slowdown.

Prada Group sales grew 15% to €5.4bn last year, defying the challenges faced by the overall luxury market. Miu Miu, Prada's youthful-leaning sister brand, spearheaded this impressive expansion, with its retail sales nearly doubling.

Its continued success was due to "the enduring relevance of our brands", and "an unwavering focus on product innovation, quality, craftsmanship", as well as "a unique ability to read contemporaneity".

Prada's growth is not limited to its own brands, as it looks to strengthen Italy's position in the luxury industry with the recent acquisition of Versace.

On 10 April 2025, Prada acquired its smaller rival from the fashion conglomerate Capri Holdings for €1.25bn, in a move that instantly combines two of the biggest names in Italian fashion.

This strategic purchase comes as Prada seeks to expand despite the luxury market slowdown, while Versace has been struggling to maintain profitability.

Patrizio Bertelli, Prada group chairman and executive director, commented: "We are delighted to welcome Versace to the Prada Group and to build a new chapter for a brand with which we share a strong commitment to creativity, craftsmanship and heritage."

"We aim to continue Versace's legacy celebrating and re-interpreting its bold and timeless aesthetic. At the same time, we will provide it with a strong platform, which is reinforced by years of ongoing investments and rooted in long-standing relationships."

"Our organisation is ready and well positioned to write a new page in Versace's history, drawing on the group's values while continuing to execute with confidence and rigorous focus."

This latest acquisition follows Prada's work to strengthen its own operations. Over the past few years it has brought in a new CEO, CFO and deputy chairman. Renowned designer Raf Simons joined the company as co-creative director of the Prada brand in 2020.

While President Trump's tariffs will be a concern to any luxury brand, Prada has positioned itself for continued success by building an Italian superhouse of luxury.

MaxMara

©Max Mara



Company: Max Mara

HQ: Italy

Segment: Fashion apparel and accessories

Europe web traffic: N/A

Revenue: €1.2bn

Parent: Maramotti

Max Mara: From ready-to-wear to fur-free

Founded in 1951 in Reggio Emilia, Italy, Max Mara's focus has always been on sophisticated tailoring, minimalist elegance, and premium craftsmanship. Max Mara pioneered the concept of "ready-to-wear" luxury long before it became mainstream.

Its iconic camel coat has become a global fashion staple, and in May 2025 it celebrated 10 years of its iconic Whitney bag, with a limited edition release in new colours and sizes.

The brand continues to maintain strict control over its design, production, and distribution. Unlike many of its competitors that outsource production, Max Mara has preserved much of its manufacturing in Italy, ensuring quality and maintaining a close link to its heritage.

Max Mara operates over 2,500 stores in more than 100 countries, often located in high-end retail districts. The company also adopts a controlled digital presence, using minimalist, visually consistent campaigns that echo the brand's elegance.

This elegance is now being blended with innovation as Max Mara looks at fabric technology and sustainability initiatives. It has put a real focus on responsible sourcing and durable fashion.

As previously mentioned, the camel coat is a fixture of Max Mara's success and its CameLuxe project repurposes surplus camel hair from its coat production into a high-performance insulating

material. This material is used in padded garments like parkas and gilets, reducing reliance on traditional down or synthetic fillers and minimising waste.

Furthermore, in August 2024 the Max Mara Fashion Group announced a comprehensive fur-free policy across all its brands. The group had faced increasing pressure over several years from animal rights organisations such as People for The Protection of Animals (PETA) and Four Paws to stop using real animal furs in its collections.

While Max Mara did not release an official statement on the issue, it confirmed an internal memo to staff had been seen, reassuring them that it does not sell products made from fur either online or in any of its physical retail locations. It also stressed that it does not intend to introduce products made from fur in future collections. The move has been widely welcomed.



©Moncler

Company: Moncler**HQ:** Italy**Segment:** Fashion apparel and accessories**Europe web traffic:** 2,687,479**Revenue:** €939mn

Moncler: Moving mountains for sustainable, functional luxury fashion

Initially established in France in 1952, this well-regarded outerwear brand has evolved into a global luxury powerhouse merging performance functionality with high-fashion aesthetics.

Now headquartered in Milan, Moncler operates across 70 countries with a network of stores accounting for 60% of its revenue. The company also takes an immersive approach to brick-and-mortar sites, with experience at the heart of its landmark stores on Paris's Rue du Faubourg Saint-Honoré, New York's Madison Avenue, and Tokyo's Ginza district.

In 2018, Moncler launched the "Genius" project. Rather than following the traditional seasonal calendar, Moncler Genius introduced multiple capsule collections throughout the year, each designed by a different renowned creative.

Collaborators have included former creative director of Valentino Pierpaolo Piccioli; Japanese musician, producer, and fashion designer Hiroshi Fujiwara; and London-born designer Craig Green.

As well as offering its shoppers collaborative designs and personalised experiences, Moncler has also committed to becoming carbon neutral by 2025 and is transitioning to recycled fabrics and traceable down.

Its "Born to Protect" initiative outlines ambitious goals around environmental and social responsibility. This year it aims to reach 50% sustainable nylon used in its luxury outerwear, while also ensuring more than 80% of its strategic suppliers to reach Moncler's highest levels of social compliance.

Then in January, the retailer introduced its second Born to Protect collection, alongside a short film featuring 'recycled' archival footage and alpine images to pay homage to Moncler's mountain DNA and commitment to "our shared future".

"Moncler is not a brand to shy away from a challenge. The second Moncler Born To Protect collection, made with lower impact materials, reflects the brand's dedication to tomorrow's world" the brand said in a statement.

"What started as a clear mission to protect from the cold, has evolved to a commitment to protect people and the planet, while acknowledging there is still a long way to go. We used to climb mountains. Now, we must move them."



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Expert insight

Reimagining luxury retail: why data-driven agility defines the new standard



Merinda Hillier, VP Marketing EMEA, Tealium

Luxury retail in Europe has undergone a remarkable resurgence since the pandemic, but 2025 marks a turning point. With growth tapering and

performance diverging across segments, luxury brands are under pressure to evolve—again. As consumers return to physical boutiques while still demanding digitally fluent experiences, the brands that will win are those who stop seeing online and offline as separate worlds—and instead orchestrate them into a single, seamless experience.

At Tealium, we believe that the future of luxury retail lies in mastering the moment that matters. That moment could be a loyal client revisiting a flagship store in Milan, or an impulse browse on a mobile device at midnight in Paris. Regardless of the channel, the expectation is the same: a personalised, timely, and connected interaction that reflects not just brand prestige, but customer understanding.

Luxury shoppers are not merely transacting—they're expressing values, aspirations, and a desire for meaningful engagement. Today's consumer is more discerning and digitally aware than ever. They are also more conscious of how, where, and why they spend. In this context, luxury brands must look beyond traditional CRM systems and siloed marketing approaches. What's needed is real-time intelligence, built on unified customer profiles, to anticipate and act in the exact instant a decision is being made.

Why does real-time matter so much in luxury? Because these transactions are high-stakes. A delay in recognising a client's intent can mean missing a sale, but more importantly, it can undermine brand perception. A high-value customer expects a luxury brand to "know" them—whether they're entering a store for the fifth time this year or browsing online for the first time in months. Acting on data in milliseconds, not minutes, allows brands to deliver experiences that feel effortless, exclusive, and personal.

Crucially, this real-time responsiveness must be built on trust. With increasing scrutiny around privacy and consent, luxury retailers must prioritise first-party data strategies that respect consumer choice while enabling hyper-personalisation. The reward? Higher loyalty, deeper engagement, and greater lifetime value.

The luxury brands leading in this space are unifying physical and digital touchpoints into orchestrated journeys. They use real-time insights not only to convert sales but to foster enduring relationships. Whether it's tailoring a store appointment based on

recent online behaviour, or triggering a perfectly timed message just as a client hesitates at checkout, these micro-moments add up to something powerful: relevance.

As the luxury sector moves into its next phase, the winners will be those who shift from reactive marketing to proactive orchestration. Not just meeting expectations—but anticipating them. Not just delivering service—but delivering it in the moment it's needed most.

Luxury is no longer just about product. It's about presence—knowing where your customer is, what they value, and how to engage in ways that feel truly bespoke. In 2025 and beyond, that presence will be powered by real-time, consented data.



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Conclusion

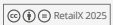

We hope you have found our research and analysis to be of interest and value. We would be very pleased to hear from you with questions, suggestions or comments. In particular, do let us know of any areas of research that you would like us to investigate for possible inclusion in the 2026 report.

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