

The UAE Luxury Goods Market is anticipated to register a CAGR of 5.20% during 2023-2028- Market Size, Share, Forecasts, & Trends Analysis Report by Mordor Intelligence.

According to a new market research report titled, "UAE Luxury Goods Market-2023-2028", the UAE luxury goods market is expected to grow at a CAGR of 5.20%. In the long term, the increasing disposable income and the growing premiumization among urban consumers are anticipated to drive the market demand. Subsequently, tourism in the United Arab Emirates is projected to grow at a healthy rate during the forecast period. It offers significant opportunities to the market players for expansion and growth. Additionally, luxury brands have been launching offline stores in innovative formats to capture consumer interest and generate revenue.

For instance, in October 2021, Gucci launched a new pop-up store at Dubai's iconic Burj Al Arab. This store was the first of its kind in the region and coincided with the United Arab Emirates 50th anniversary and Expo 2020.

Luxury Goods Market Research -What is driving the growth of the UAE Luxury Goods Market?

The United Arab Emirates is among the most visited countries in the world, and with the support of the regulatory bodies of the country, the tourism industry is witnessing a surge. According to Dubai's Department of Economy and Tourism, Dubai hosted more than 7 million international visitors during the first half of 2022, a rise of 183% Y-o-Y.

- In 2021, Dubai received a total of 7.28 million international visitors.
- The sustained growth of the UAE luxury goods market can be attributed to the continuing rise in the tourism industry.
- Travelers visiting the country often buy luxury goods from the outlets of various multinational brands and take them back to their homes, where certain brands or products may not be commercially available.
- The United Arab Emirates is an economically strong market, and major multinational brands have often launched their premium products earlier in this country than many others.
- Tourists often come across things that the United Arab Emirates is famous for, such as luxury perfumes and leather products.
- For instance, the luxury goods brand, Gucci, has a product portfolio in the country that comprises more than 29 variants of perfumes.

Thus, as the tourism industry continues to grow, the luxury goods market in the country is likely to grow at a healthy rate, posing significant opportunities for the players to introduce their products to the local market.

How is the growth being addressed?

With the increasing digital adoption, e-commerce is becoming a reality, shaping new user interactions, disrupting business models, and creating new growth opportunities for single and multi-brand luxury goods stores in the country. As more customers move online, businesses follow suit, leading to the digital ecosystem's gradual development.

It provides customers easy access to product-related information and prices, which further contributes to the overall growth of the UAE luxury goods market.

In April 2022, Business of Preloved Fashion (BOPF), a luxury fashion brand, entered the UAE market and launched an online platform to create direct interaction between buyers and sellers.

Retailers are increasingly using technologies like augmented reality (AR) and metaverse to help online customers improve their shopping experience.

Additionally, government initiatives promote e-commerce in the region, boosting the market's growth. For instance, the UAE government set up a duty-free e-commerce hub, Matajircom, as an initiative to work closely with local and international companies.

Who are the key players in the UAE Luxury Goods Market?

The UAE luxury goods market is highly competitive, with the presence of both global and domestic players. However, the global players, including:

- Rolex SA
- Kering Group
- Chanel SA
- LVMH Moët Hennessy Louis Vuitton
- Compagnie Financière Richemont S.A.
- Burberry Group PLC
- Coty Inc.
- Breitling SA
- Roberto Cavalli SpA

Recent developments in the UAE Luxury Goods Market

- In March 2022: Kering Group's Gucci debuted its glittering high jewelry pieces encompassing necklaces, rings, and bracelets in the United Arab Emirates. The jewelry pieces are created using white gold, white diamonds, and sapphires in many hues.
- In July 2021: Versace unveiled its new boutique at The Galleria Al Maryah Island, Abu Dhabi. The new boutique spans 152 square meters and features a full selection of Versace ready-to-wear fashion and accessories for men and women.
- In May 2021: Rolex opened its new boutique at The Galleria Al Maryah Island in Abu Dhabi, the capital of the United Arab Emirates.

Briefly, the Mordor Intelligence UAE Luxury Goods Market Research Report is a must-read for start-ups, industry players, investors, researchers, consultants, business strategists, and all those who are looking to understand the UAE Luxury Goods industry. Get a glance at the

<https://www.mordorintelligence.com/industry-reports/uae-luxury-goods-market>

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