French-owned groups still lead worldwide luxury market, according to Deloitte survey

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France continues to dominate the world luxury goods market. According to the latest annual survey by consulting firm Deloitte, published on Tuesday, the country’s top luxury names like LVMH, L’Oréal, Kering and Hermès account for nearly one quarter of the total sales of the industry’s top 100 corporations.

As indicated in Deloitte’s Global Powers of Luxury Goods 2018 report, the one hundred largest luxury corporations, of any nationality, generated total sales worth $217 billion in the financial year 2016 (defined by Deloitte as financial years ending within the 12 months to June 2017).

The LVMH group and its 70 brands (among them Louis Vuitton, Fendi and Sephora) topped the revenue-based ranking. The group owned by Bernard Arnault led US cosmetics group Estée Lauder, which ranked third the previous year but has managed to overtake Swiss group Richemont.

Nine of the corporations featured in the ranking are French-owned, and they generated 24.3% of the ranking’s aggregate revenue. Kering (owner of Gucci, Saint Laurent and Bottega Veneta) was ranked fifth, on par with the previous year, while L’Oréal climbed one position into sixth.
Hermès, with its famous silk scarves and the Birkin and Kelly handbags, was ranked 12th. The other French groups featured in the ranking are Christian Dior Couture (26th), Clarins (32nd), SMCP (Sandro, Maje, Claudie Pierlot, 52nd), Longchamp (57th) and Nuxe (94th).

In terms of number of individual companies ranked in the top 100, Italy led with no less than 24, among them names like Luxottica (eyewear), Prada and Giorgio Armani.

The highest growth rate among the top 100 was posted by Canadian brand Canada Goose, renowned for its parkas and down jackets, whose sales on the domestic market leapt by 63%.

"In 2016, the growth of luxury goods sales was very weak. 2017 was a much better year, and the forecast for 2018 is also very positive," said Bénédicte Sabadie, a partner in charge of the Luxury market at Deloitte France.

"It’s a truly global trend. Tourism plays a very big part in luxury goods consumption. In 2017, growth was chiefly driven by Chinese consumers, who are expected to continue to do so in 2018: they have started consuming heavily on their domestic market, and they have also begun to travel abroad again," added Sabadie.

Translated by Nicola Mira

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