True-Luxury Global Consumer Insights
Summary of the BCG-Altagamma 2025 Study

A document prepared

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THE LATEST STUDY ON THE TRUE-LUXURY GLOBAL CONSUMER TRIPLES-DOWN ON TOP-TIER LUXURY CLIENTS AND THEIR CRUCIAL ROLE IN SHAPING THE FUTURE OF THE LUXURY MARKET

This document summarizes the 11th edition of the "True-Luxury Global Consumer Insights" study conducted by Boston Consulting Group (BCG) in collaboration with Altagamma. In 2025, the research once again provides an unparalleled analysis of True-Luxury consumers worldwide, with an intensified focus on the **top-tier luxury clientele**: **The Way Forward Starts at the Core.**

Top-tier luxury clients represent the very top of the spending pyramid, with **annual luxury expenditures averaging ~€360,000**[1] and a **minimum threshold above €50,000**. While small in number (0.1% of luxury consumers), they account for over 23% of the total market spend in 2024 excluding luxury mobility (cars, yachts, jets) and wellness/longevity, and 37% including them, wielding outsize influence on the direction and shape of the luxury industry.

This years' report leverages the below sources:

- **Comprehensive coverage** across all luxury verticals, from personal goods (fashion, leather, jewelry, watches, beauty, …) to experiential categories (hotels, fine dining, exclusive travel, arts, and wellness/longevity, …)
- **7,000-respondent quantitative survey** in 10 key global luxury markets: USA, UK, France, Italy, China, Japan, South Korea, India, Brazil, and the Middle East
- **1,000 top-tier clients** surveyed in depth, averaging €360K yearly spend
- **20+ 1:1 interviews** with Very Important Clients (VICs), selected for spend level
- **2 qualitative focus groups** (USA and China) with VICs
- **20+ interviews** with CEOs, brand executives, and Client Advisors to gather insider perspectives
- **In addition,** Altrata-Wealth-X database of **150,000+ HNWIs** across 70+ countries used for the first time to analyze the contribution of top-tier luxury clients to the different product categories

INTRO & MARKET CONTEXT

For the first time since the 2008 financial crisis—excluding the Covid-19 period—**the Personal Luxury Goods segment registered negative growth**, **contracting by 1%.** This marks the beginning of a new phase for the industry, shaped by shifting demand dynamics and heightened macroeconomic uncertainty.

In contrast, **Experiential Luxury continued its upward trajectory**, driven by consumers' increasing preference for meaningful, immersive experiences. This growth provided a partial offset to the softness in Personal Luxury, underscoring the evolving composition of luxury consumption.

Looking ahead to **2025**, the personal luxury market faces continued headwinds, with growth expected to **remain flat or turn negative**. The outlook reflects a combination of pressures: **softening Chinese**

[1] 360 000€ excluding luxury cars, 500 000€ including luxury cars

demand, persistent **macroeconomic uncertainty in the USA,** and a **continued retreat of the Aspirational segment**—highlighting a market in transition.

WHAT STANDS BEHIND THE SLOWDOWN OF THE PERSONAL LUXURY MARKET?

While the challenges facing personal luxury have been widely discussed, the 11th edition of the study distills the noise into three critical drivers—each rigorously explored to assess its real impact on the market: (i) the pullback of the aspirational consumer, (ii) the slowdown in Chinese luxury spend, and (iii) Gen Z's potential cooling relationship with luxury.

Rather than accept surface narratives, the report tests each hypothesis—confirming or debunking the trends—to reveal what's truly happening behind the headlines.

1. ARE ASPIRATIONAL CONSUMERS REALLY PULLING BACK?

Yes – and the implications for luxury are significant

Note: Aspirational consumers are those occasional luxury buyers that spend less than €5K a year in personal and experiential luxury.

One of the most widely cited reasons behind the recent stagnation of the personal luxury market is the retreat of Aspirational consumers. But what's really going on?

This year's True-Luxury Global Consumer Insights dives deep into the history of luxury—back to its roots in the 1800s, when it was the domain of the truly affluent. Over the past century, luxury opened its doors to a broader audience. **Democratization brought with it massive growth**, with **Aspirational consumers**—those spending less than €5K per year—**eventually accounting for over 70% of the market volume.**

But the segment that once fueled growth is now revealing its fragility.

Aspirational spending has proven to be highly sensitive to macroeconomic cycles. While top-tier clients **tend to spend counter-cyclically**—boosted by stock market performance and immune to broader volatility—**Aspirational spending tracks closely with GDP** and consumer sentiment (correlation 0.97). In contrast, top-tier consumers shows correlation to financial markets (MSCI[2] Index, 0.61).

As a result of such volatility, the **Aspirational segment represents today 60% of the luxury market**, a 13pp. reduction compared to 2013.
What is happening?

[2] Morgan Stanley Capital International Index, a **global stock market index** that tracks the performance of around 1,500 large and mid-cap companies across 23 markets.

In the past year alone, **~35% of Aspirational consumers reduced or paused their luxury spending**. This figure climbs to 45% in China and about 30% in Europe and USA. Price hikes, loss of perceived value, and financial caution are the key drivers of disengagement.

The top three categories where consumers **reallocate their spend** include:

- Financial Savings or Investments (22%)
- Wellness & Self-care (13%)
- Second-hand Luxury (13%)

Today, aspirational consumers are focusing their spending on timeless products and are increasingly critical of price increases that are not justified by innovation or quality. **Half report a preference for purchasing iconic or timeless pieces, and three out of four say they have abandoned a purchase due to a negative perception of value for money.**
This behavior reflects not only economic caution, but likely **a deeper redefinition of what luxury means for this segment.**

2026 outlook still cautious for the Aspirational consumer: 50% still feel financially vulnerable (vs. 10% of top-tier clients) and 60% declare to feel worried about macroeconomic pressures (such as tariffs): overall, **25% of Aspirational consumers expect their luxury spending to still decrease by 5-25% in the next 18 months and 40% to remain stable.**
On the contrary, top-tier clients are expected amplify their spend in luxury, with **50%** expect it to **increase it between 5 to 25%** in the near future, and 34% to still keep it stable.

What is the impact on luxury brands?

Luxury was once the realm of the few. **But in the race for scale, much of the industry lost its soul and traded exclusivity for reach, stability for volatility**. Today, for brands heavily reliant on this segment, the repercussions are clear: **brands with over half their client base made up of Aspirational consumers are seeing the steepest declines**, underperforming sharply in the past 3 years and especially over the past 12-18 months. In contrast, those that stayed loyal to their core, top-tier clients (0.1% of clients who account for 37% of market value including luxury mobility and wellness/longevity categories) **are not just weathering the storm, they're thriving.**

2. *WHAT'S NEXT? THE WAY FORWARD STARTS AT THE CORE, WITH TOP-TIER LUXURY CLIENTS AT THE BARYCENTER*

T*he way forward starts at the core: recenter on top-tier clients, and refocus on luxury fundamentals, with three strategic questions to unlock opportunities for growth.*

A. WHO ARE THEY?

At the heart of the True Luxury ecosystem lies a small yet highly influential group: **top-tier clients.** These individuals—defined by annual spending above €50,000—**represent only 0.1% of the total consumer base, but contribute to a considerable share of the market's value.**

Their relevance is anchored in an underlying **robust and expanding demographic of High Net Worth Individuals**: in 2024, the global population of **HNWIs exceeded 940K individuals**, with projected growth of **+9% CAGR in population and +8% CAGR in wealth by 2030**. Total financial wealth held by this segment is expected to rise from €68T to €103T in just six years.

North America remains the core of global HNWI wealth, holding 46% of total assets and continuing to drive the market. However, new pockets of growth are emerging: regions such as **India and Southeast Asia are accelerating their wealth creation. India**, in particular, is projected to grow its HNWI population by **11–15% CAGR through 2034**, supported by an increasingly global and mobile clientele.

This dynamic base of global wealth creation is reshaping the top tier of luxury demand. Brands that once focused primarily on traditional luxury hubs must now **recognize the opportunity—and complexity—of this emerging geography**. The strategic imperative is clear: to tap into this accelerating, globally dispersed wealth, brands must strengthen their ability to identify, understand, and serve these highly mobile and evolving clients with precision and consistency.

B. WHAT DO THEY BUY?

From a luxury market perspective (when also including mobiliy categories such as cars, yachts and jets**),** top-tier luxury clients are generating **37% of market value**. They are driving the most value not only in yachts or jets (as expected, 100% of the market), but across a diverse range of categories including design, wines and spirits, cars, wellness, watches, and jewelry. In fact, these clients account for a disproportionate share of market value in categories like **design and fine arts (71%), wines and spirits (66%),** and personal luxury staples like **jewelry and watches (34%).** While personal luxury is now over-exposed to aspirational consumers, experiential and mobility categories are emerging as key growth levers for the ultra-wealthy.

From a consumer spend (category penetration) point of view, personal luxury goods continue to be a foundational element of top-tier clients' consumption patterns. With a **penetration rate of 93%,** categories like fashion, jewelry, watches, and prestige beauty remain dominant. However**, this segment's engagement spans far beyond traditional personal goods, increasingly encompassing lifestyle-driven purchases across experiential and mobility categories**.

Hospitality and fine dining attract over 80% of top spenders, with average annual expenditures nearing €100K. Cars, particularly in the ultra-luxury segment, represent a key spend area, with 52% of top-tier clients engaging and average annual spend approaching €230K. Other high-value categories include design and fine arts (43%), wellness and beauty treatments (35%), wine and spirits (38%), and private memberships (28%).

But how much do they spend, really?

From a share of wallet point of view, top-tier luxury consumers spend over **€500,000 annually in luxury goods and services** (including luxury cars and wellness/longevity, excluding yachts/jets), averaging **~€1.5K per day**. Deaveraging the total, **different spending profiles emerge:**

- **"All categories' spenders"** represent 26% of total spend and 17% of top-tier consumers, spend on average €580K a year and distribute their budgets across cars (70%), hospitality & dining (16%), and personal luxury (8%). They are mostly male (65%) and based in North America (30%)
- **"Car lovers"** account for 14% of clients and 21% of total value, spending around €330K annually, with 95% of their budget dedicated to cars. They tend to come from the Middle East (40%) and Europe (30%)
- **"All about product"** cluster spends on average €360K and is highly focused on personal luxury goods (100%). This group represents 12% of total spend and 27% of customers, with a strong presence in China and a balanced gender split

Other spending profiles analyzed in the research include: **"All about experience"**, **"Style seekers", "Luxury essentials spenders"**.

In terms of spend distribution, **luxury is no longer confined to ownership—it is now about lifestyle orchestration, where top-tier clients seek harmony between objects, experiences, and wellbeing.**

The rise of the health-as-wealth mindset for top-tier clients

Growth patterns also reveal a structural shift: categories associated with long-term enrichment and personal value—such as wellness, beauty, and interior design—are experiencing the fastest acceleration, with double-digit future growth expected. This reflects a **clear 'health-as-wealth' mindset** emerging among top-tier consumers, where **well-being, aesthetics, and personal space are prioritized as key dimensions of luxury, with a +10% increased spend expected in next 18 months.** Meanwhile, more mature categories like apparel and wines are stabilizing, signaling a recalibration toward deeper meaning and investment-worthiness.

C. WHAT DO TOP-TIER CLIENTS REALLY WANT?

What they want is simple: connection, intimacy, excellence, recognition. What they get instead is a **a** luxury that still feels too noisy, too crowded, too industrialized

First and foremost, they demand ***CONNECTION***. These clients typically engage with up to 57 brands across different categories and receive 40–60 brand outreaches every month, often **lacking personal relevance**. As a result, **65% feel overwhelmed** by the volume of brand interactions, leading to growing fatigue and

disengagement. What they value is not outreach, but **tailored interaction—built around their personal context, taste, and lifestyle.**
What do they get instead? *Too much noise, and too little clienteling*

Second, they want ***INTIMACY***. 80% express a preference for exclusive, dedicated spaces within boutiques—**spaces that offer privacy, calm, and high-touch service**.
What do they get instead? They often find themselves navigating mass-market retail experiences that dilute the emotional power of luxury.

Third, they expect ***EXCELLENCE***. 89% of top-tier consumers **rate craftsmanship and product quality as a top driver of value.**
What do they get instead? *M*any cite frustrations—even in the delivery of bespoke or high-ticket pieces—where delays, inconsistency, or lack of follow-up compromise the perceived worth.

Finally, they crave ***RECOGNITION***. Only two of the nine brands they regularly shop with recognize them as VICs. Many are not identified at all due to outdated or overly transactional CRM systems. **70% of potential top-tier clients are missed by brands because they fall outside static definitions or spending thresholds**.
What do they get instead? *An experience that is not up to their high-value client worth.*

Closing this gap means rethinking **how brands define and serve value**. To win with top-tier clients, brands must double down on **four often-overlooked fundamentals**—each tied to common friction points and clear actions:

- Recenter on the **Client Relationship**
  Issue: Generic, high-volume outreach
  Action: Enable human-led clienteling, enhanced by GenAI, to personalize at scale
- Recenter on the **Client Experience**
  Issue: Overcrowded, impersonal retail environments
  Action: Create exclusive, curated spaces and seamless journeys across channels
- Recenter on the **Product Quality**
  Issue: Erosion of perceived value due to massification
  Action: Vertically integrate key suppliers to ensure excellence and craftsmanship
- Recenter on the **Client Identification**
  Issue: High-potential clients missed due to narrow segmentation
  Action: Upgrade CRM with richer data and advanced segmentation models

CONCLUSION

The way forward starts at the core.

The luxury brands that will win in the years ahead will be those that have the courage to center their strategy around the core, delivering excellence to the clients who define what true luxury

means. Top-tier clients—though few in number—will play an increasingly critical role. This strategic refocus would also involve a return to the heart of what has always made luxury exceptional: personal relationships, the client experience, refined quality, and enduring trust.

Brands will need to harness human-led clienteling, enhanced by GenAI that can boost personalization and empower advisors with deeper insight. They'll also need to curate the customer journey to recenter intimacy and relevance, both in-store and beyond.

Leaders in the sector will focus on fundamentals across the value chain, ensuring craftsmanship and consistency by owning the processes that define product excellence. They'll need to boost their recognition of where the top-tier clients can be found and what they want, with richer data collection and more sophisticated segmentation.

To meet and retain top-tier clients, brands must recalibrate—not through scale, but through precision; not through ubiquity, but through intimacy. In doing so, they take a crucial step toward building a stronger luxury industry by returning to what made it exceptional in the first place.