

## Luxury is back on track, on healthier foundations

The 12th edition of BCG and Altagamma's *True-Luxury Global Consumer Insights* captures a market returning to growth, with a more balanced consumer pyramid, evolving purchase drivers, and GenAI already embedded in consumers' habits.

**MILAN, July 7, 2026** — The personal luxury market has found its growth trajectory again. This is the central finding of the 12th edition of the *True-Luxury Global Consumer Insights*, the annual study conducted by **Boston Consulting Group (BCG) in collaboration with Altagamma**. The research draws on responses from **the industry's largest luxury consumer survey** with more than **10,000 luxury respondents** across 11 global markets<sup>1</sup>, over 100 qualitative interviews, and the analysis of 26 product categories across seven sectors (fashion, design furniture, jewelry, food&beverage, hospitality, automotive, and yachts). The research agenda was shaped by the priorities and concerns shared by members of the BCGxAltagamma Advisory Board, over 20 senior professionals from Altagamma's partner brands, that became the backbone of this year's study. The findings confirm that **the growth is back, but on healthier foundations**.

*"After a period of reset, luxury is back on track, but on a healthier and more balanced foundation. The next growth cycle will be driven by a more balanced consumer pyramid, deeper client relationships, broader lifestyle spending and local wealth. This means less reliance on aspirationals (~50% vs. ~70%), one-time buyers (~40% vs. ~60%), personal luxury (~60% vs. ~80%) and cross-border sales (below 30% vs. ~50%), creating a more resilient base for sustainable growth."* Highlighted **Filippo Bianchi, BCG Managing Director and Senior Partner, Global Head of Luxury**.

**Growth for FY26 is expected at 2-5%, accelerating to 4-7% by 2029.** But the numbers tell only a part of the story. Compared to the pre-pandemic years, the composition of the market is rebalancing on a healthier base, and for brands, capturing this shift matters as much as the growth rate itself. From a luxury brand's sales perspective, the base will be more balanced: the consumer mix will shift toward a ~50-50 split between Top Tier and Aspirationals; one-time buyers will decline from ~60% to ~40% of the customer base, reflecting a structural shift from acquisition to retention; traditional personal luxury categories will give way to lifestyle and experiential spending; and cross-border sales, historically boosted by tourist spending, will fall from ~50% to below 30%, as wealth-driven domestic purchasing becomes the structural engine of demand.

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<sup>1</sup> Italy, France, United Kingdom, USA, China, Japan, South Korea, Saudi Arabia, United Arab Emirates, Brazil, India.

Boston Consulting Group  
**Alessia Esposito**  
Communication & Content  
Senior Manager  
[Esposito.Alessia@bcg.com](mailto:Esposito.Alessia@bcg.com)

**Rita Genuardi**  
Media Relations & Content  
Senior Specialist  
[Genuardi.Rita@bcg.com](mailto:Genuardi.Rita@bcg.com)  
Tel. +39 344 0173796

Via Ugo Foscolo, 1  
20121 Milano · Italy

*"The BCG and Altagamma study on luxury consumer paints a positive picture: the return of aspirational consumers, the importance of experiences, and above all the centrality of the product - its substance, its intrinsic quality. It underscores the importance of artificial intelligence for our companies - already used by nine in ten clients today - to better communicate what remains irreplaceable: the artisanal gesture, human expertise, the uniqueness of each piece. **It is there, in the consistency between real quality and innovative storytelling, that the great opportunity for Made in Italy lies.**"* stated **Giovanna Vitelli, President of Altagamma.**

The questions driving the 2026 edition go beyond how fast the market grows: who is driving it, why consumers buy, and how artificial intelligence is reshaping the game.

### **Who is driving growth: a more balanced pyramid**

The Top Tier segment (consumers spending more than €50,000 annually on luxury goods and experiences, €420,000 on average<sup>2</sup>) compounded at +8% CAGR between 2015 and 2025, growing its share of total luxury spend from 14% to 24%. This is the most resilient segment of the pyramid, structurally indifferent to macroeconomic cycles. The Absolute segment (between €5,000 and €50,000 annually) maintained a steady growth of +3% over the same period.

The most anticipated signal, however, concerns the **Aspirational** segment, which has been the source of almost all of the market volatility in recent years. The 2026 data points to a reversal: **over 75% of Aspirationals expect their luxury spending to remain stable or increase over the next 18 months**, with their net purchase appetite improving by 7 percentage points versus 2025 - the most significant improvement of any consumer segment. The freefall is slowing, and that is precisely the signal the market was waiting for.

### **Why consumers buy: four clear findings**

Looking back over a decade, a profound reversal has taken place in what luxury means to consumers. Extrinsic values - status, recognition, and the desire to be seen - which nine years ago sat at the very top of what consumers associated with luxury, have dropped to the bottom. Rising in their place are **intrinsic values**: self-reward, time, health and longevity. Product - rooted in quality and long-term value - has remained exactly where it has always been, stable at second. **The new currency of luxury is time and wellbeing**, and brands that still speak the language of showing off are speaking to a shrinking audience.

*"The biggest myth in luxury today is that consumers buy the logo or the Creative Director. They don't. We surveyed 10,000 luxury consumers, and what comes out is that **design**,*

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<sup>2</sup> Personal Luxury includes clothing, footwear, accessories, leather goods, beauty, jewelry (branded and unbranded) and watches; Experiential Luxury includes furniture, food and wine, fine dining, hotels and exclusive vacations.

*craftsmanship and timelessness remain the top three purchase drivers across every spending tier, while logo visibility ranks last and Creative Directors have limited influence beyond the very top of the market: only 44% of consumers know who the Creative Director of the brands they buy is. Meanwhile, 70% of consumers have walked away over price: not because demand disappeared, but because the price-value equation broke down.*" added **Guia Ricci, BCG Managing Director and Partner.**

To understand what concretely drives purchase decisions, the study tested 18 purchase drivers across 12 product categories. Four findings emerge with force:

- **Product remains king.** Design and aesthetics, craftsmanship, timelessness, and iconic status rank as the top purchase drivers across almost every category. These are not priorities for the future, but the baseline expectation of the luxury consumer today, at every tier of the pyramid.
- **Logo visibility has lost its appeal.** Across all 12 categories analyzed, logo visibility ranks last or near-last as a purchase driver. The era of overt brand signaling as a proxy for status is structurally ending.
- **The Creative Director has less influence than the industry believes.** Globally, 56% of luxury consumers say they do not know, or barely know, who the Creative Director is of the brands they buy. The picture changes sharply at the top: 68% of Top Tier consumers know their brands' Creative Directors (vs. 44% of Aspirationals), one in four has purchased from a brand because of its Creative Director, and one in six has stopped buying when a change in creative direction disappointed them. Creative direction matters for the highest-value, most engaged consumers, but it does not drive the broader base.
- **Price rejection, when not felt justified, is structural and not tier-specific.** Approximately 70% of luxury consumers – both Aspirationals and Top Tier – say they have decided not to purchase a luxury product in the last 12 months because the price felt unjustified. The good news is that these consumers are not lost: more than 50% remained within luxury, switching to a different product from the same brand or moving to a competitor. For brands, the implication is clear: pricing strategy and merchandising grid architecture require a rigorous, category-by-category review, always grounded in the product quality that consumers across all segments confirm as the non-negotiable foundation of luxury.

### **How innovation reshapes luxury: AI and GenAI are here to stay**

*"GenAI is here to stay, and this is not another experiment. 90% of consumers use it regularly, and **80% of those use it to research luxury products or experiences.** What is perhaps most striking is the trust: **consumers trust it nearly at the level of word of mouth, and twice as much as social media and influencers.** And when it comes to brand interactions, 62% already expect brands to use GenAI in client-facing contexts*

Boston Consulting Group  
**Alessia Esposito**  
Communication & Content  
Senior Manager  
[Esposito.Alessia@bcg.com](mailto:Esposito.Alessia@bcg.com)

**Rita Genuardi**  
Media Relations & Content  
Senior Specialist  
[Genuardi.Rita@bcg.com](mailto:Genuardi.Rita@bcg.com)  
Tel. +39 344 0173796

Via Ugo Foscolo, 1  
20121 Milano · Italy

such as content creation and clienteling, 83% are comfortable with it and 77% say it would not affect their purchase decisions at all. The opportunity is no longer about convincing consumers; it is about brands catching up." **Bianchi and Ricci** concluded.

**Nearly nine in ten luxury consumers already use AI and GenAI tools weekly or more; 39% use them daily.** This is not a generational phenomenon: even among Boomers, 56% are weekly or more frequent users. Of those already using these tools, 79% have done so to research luxury products or experiences, with a behavior that is fundamentally different from anything that came before. The generative nature of these tools enables a new kind of search: one that does not stop at finding information, but continues into comparison, evaluation and recommendation in a single fluid conversation. This combined behavior accounts for nearly 60% of all AI and Gen AI luxury interactions, concentrated category-wise in bags and leather goods (22% of AI queries), watches (22%), and travel and hospitality (14%).

On trust, the data is striking with a net trust score<sup>3</sup> of 29 percentage points, **GenAI tools rank fourth among information sources for luxury, at par with traditional web search and nearly in line with word of mouth** (36 points). Consumers trust AI and Gen AI at roughly twice the level of social media and influencers, which score just 13 points, perceiving it as more neutral and unbiased, in part due to the absence of sponsored content. Only brand websites rank higher, at 42 points.

To assess consumer readiness for AI-assisted brand interactions, the **study tested seven concrete AI and GenAI use cases across client-facing domains**, measuring consumer expectations, brand perception, and purchase intent for each. The results are clear: **62% of consumers already expect brands to use AI/Gen AI; 83% maintain a positive brand perception after discovering a brand uses the technology; 77% say they would continue purchasing from it.** Pockets of resistance emerge around AI-generated advertising campaigns and personalized clienteling messages, concentrated almost entirely among Boomer consumers in Western markets. The implication for brands is not to avoid these use cases, but to approach them with a differentiated strategy: education and transparency for content, trust-building for clienteling.

The paradox is that while consumers have embraced AI and GenAI into their daily habits, the industry has not kept pace. According to the *BCG Build for Future 2025* survey of more than 1,250 companies globally, including approximately 50 in fashion and luxury, around 60% of companies in the sector are still in the stagnating or emerging stages of AI maturity.

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<sup>3</sup> Net Trust Score: percentage of consumers who declare full trust in an information source, minus the percentage who declare no trust at all in that same source.

Boston Consulting Group  
**Alessia Esposito**  
Communication & Content  
Senior Manager  
[Esposito.Alessia@bcg.com](mailto:Esposito.Alessia@bcg.com)

**Rita Genuardi**  
Media Relations & Content  
Senior Specialist  
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Consumers are ready, the technology is available, and the business impact is measurable. There is no reason to wait. **Significant value creation opportunities exist where AI and GenAI adoption meet minimal consumer resistance and generate significant impact:** starting there, and expanding progressively, is the most natural path forward.

Luxury is back on track, but the coordinates have shifted. The consumer pyramid is rebalancing, purchase motivations reward quality and personal values, and artificial intelligence has already entered the purchase journey. The consumer is ready: the next move belongs to the brands.

**Boston Consulting Group (BCG)**, nata nel 1963, è oggi leader della consulenza strategica, con più di 90 uffici in 50 paesi e oltre 30.000 professionisti. Da oltre sessant'anni affianca i propri clienti in diversi settori e geografie nella trasformazione del business, unendo chiarezza strategica e intelligenza artificiale applicata per generare impatto concreto: risultati misurabili, capacità innovative e attitudine al cambiamento. Presente in Italia da oltre trent'anni, BCG opera attraverso gli uffici di Milano e Roma ed è alla guida del sistema *East Mediterranean and Caspian* (EMC). Per saperne di più visita [bcg.com](https://www.bcg.com)

Boston Consulting Group  
**Alessia Esposito**  
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Senior Manager*  
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