Luxury Goods Record Good Growth

Contributed by Euromonitor
Wednesday, 17 July 2013
Last Updated Friday, 19 July 2013

Good overall economic performance and rising income levels among Thai consumers, luxury goods recorded good growth in 2012.

Rising metro sexual trend positively supports menâ€™s luxury goods sales The metro sexual trend has been rising and is becoming increasingly noticeable in Thailand. Within luxury goods, luxury timepieces and accessories such as sunglasses, leather goods and bags have experienced greater demand. The trend has been strengthened by store expansion of luxury timepieces as in 2012 the Rolex Boutique opened another store at Central Chidlom. Luxury goods, including menâ€™s products, continue to be interpreted as a status symbol. In addition, aggressive event marketing of luxury brands has also helped to boost sales. International brands gain wider recognition among affluent customers Though the luxury brands area in Thailand remains fragmented, global brands are gaining wider recognition and acceptance among high net worth individuals. Thanks to the growing retail market, the opening of various retail outlets and premier department stores is fuelling opportunity within the area. Strategic channel distribution of luxury goods to target customers is perceived as being key to success in Thailand. Celebrity endorsement also plays an important role in driving demand and fashion trends in the luxury market. Social media stimulates purchases of trendy and luxury products The growing popularity of social media sites such as Instagram, Twitter and Facebook has had a remarkable impact on sales and demand for luxury products. These social media sites are often used as a new marketing tool to share information on new product launches and convey special features and the uniqueness of limited editions to target customers. In addition, other exclusive social events have also been delivered through this channel very effectively as a growing number of working people are entering the middle class, which is the target of many secondary luxury goods brands. Expansion of luxury stores gives rise to good prospects for luxury market Over the forecast period, retail business in Thailand is expected to face stronger competition, with retail outlets, department stores and premier shopping malls set to expand further. Leading retail business operators such as The Mall Group and Central Group are planning to open new shopping malls positioned in the high-end market over the next few years. The Emporium 2 will be opened just opposite to The Emporium while Central Embassy will also be opened within the next two years. This will provide luxury brand marketers with a great opportunity to boost sales amongst local consumers and tourists.Republished with permission from Euromonitor Market Research Blog, originally posted on (July 2013)