

August 2020

Kuwait Luxury Retail

In the lap of luxury

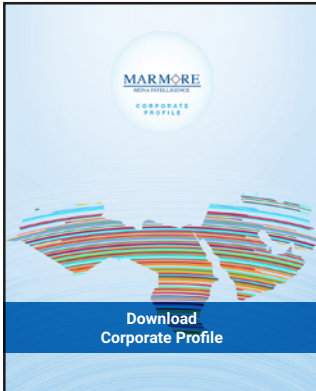


Research Highlights:

Analyzing the major segments of luxury retail in Kuwait, their different formats and retail infrastructure. The report also highlights the fundamental growth drivers and challenges for luxury retail in the region.



About Marmore



Organizational Background

Marmore MENA Intelligence provides research-based consulting solutions to help understand current market conditions, identify growth opportunities, assess supply/demand dynamics, and make informed business decisions.

Marmore is a fully-owned research subsidiary of Kuwait Financial Center 'Markaz'. Since 2006, Markaz Research has been at the forefront in disseminating thought-provoking, hard-data backed research reports. Marmore continues that legacy with a focused approach to providing actionable solutions for business leaders and policymakers.

Since its inception, Marmore has published over 700 research reports and covered more than 25 varied industries and infrastructure segments; all focused primarily on the GCC economies. (To view our Research Library, please [click here](#))

With over 30 policy and regulatory research studies published, Marmore has partnered with renowned regional think-tanks and opinion-leaders to publish some of these intellectually provoking policy research papers. These research studies aim to initiate dialogue and propose better solutions to existing economic conundrums. (To view our Policy & Regulatory research report, [click here](#))

Almost on a weekly basis, Marmore publishes thematic economic, industry, policy and capital market reports. Marmore has been recently conferred **"Research Provider of the Year - 2018"** award by Global Investor, a Euromoney Group company. To learn more, visit www.marmoremna.com

Experience/Qualifications

Marmore is the only regional firm providing niche research based on strong analytics in areas that are less researched. Marmore provides full range of financial market, sector specific and economic and policy researches, as well. The different types of researches are availed based on the client's requirements. It is notable that Marmore research reports have regularly been used by various renowned institutions to better understand the MENA region.

Marmore's strengths can be summarized as follows:

- » Consistent track record of quality, in-depth research offerings;
- » Skilled team with extensive experience in advanced quantitative and qualitative analysis techniques;
- » Deep understanding of MENA market and access to wide-ranging database
- » Delivers high quality, client specific, insightful research reports; highlighting key client issues and uncovering key answers/opportunities for the clients.

 www.marmoremna.com

 /marmoremna

 @marmoremna

 enquiry@e-marmore.com

 marmore-mena

 marmoreMENA



Table of Contents

CHAPTER 1

Executive Summary

CHAPTER 2

Impact due to COVID-19

Decline in Sales

Reduced Consumer Spending

Labour Availability

New Retail Projects

Fillip to E-Commerce

CHAPTER 3

Overview of Luxury retail in Kuwait

CHAPTER 4

Segments in Luxury retail

Automobiles

Apparels / Textiles

Watches & Jewellery – (Hard luxury products)

Accessories (Footwear & Handbags)

Cosmetics & Fragrance

Consumer Electronics

Others

CHAPTER 5

Entry form in Luxury retail and Legal framework

Franchise

Joint Venture

CHAPTER 6

Luxury Retail formats

- Malls
- Hyper Markets
- Online shopping

CHAPTER 7

Retail Infrastructure & Spending

CHAPTER 8

Growth Drivers

- Affluent population
- Higher per capita income
- Grand malls and shopping complexes
- Retail Rental costs
- Franchise Businesses
- Growth in Consumer spending
- Preference of international retailers
- Growing brand conscious population
- Improving Business Environment

CHAPTER 9

Challenges

- Volatile oil prices
- Increased competition
- Stagnating sales and Shifting Trends
- Counterfeiting
- Limited workforce
- Room for improvement in Business Environment

CHAPTER 10

Outlook

CHAPTER 11

Appendix

Kuwait's Luxury Players Profile

List of Tables

Table 1.1	Prominent malls in Kuwait
Table 2.1	Impact on Luxury Retail Product Segments
Table 4.1	Major Automobile brands in Kuwait
Table 4.2	Major Apparel brands in Kuwait
Table 4.3	Major Consumer Watches/Jewelry brands in Kuwait
Table 4.4	Major Accessory brands in Kuwait
Table 4.5	Major Cosmetic & Fragrance brands in Kuwait
Table 4.6	Major Consumer Electronics brands in Kuwait
Table 4.7	Other major brands and their presence
Table 5.1	Maximum percentage of ownership in a corporate franchise
Table 5.2	Some successful franchisees in Kuwait
Table 6.1	Characteristics of Various Mall Type
Table 6.2	Retailers present in Avenues Mall
Table 7.1	Upcoming Malls in Kuwait
Table 8.1	Growth in per Capita Income Levels
Table 9.1	Kuwait Ease of Doing Business and Starting a Business, 2019-20 Rankings
Table 9.2	GCC Ease of Doing Business and components, 2020 Rankings
Table 11.1	Leading Luxury Players in Kuwait

List of Figures

Figure 3.1	Population of Kuwait (in millions)
Figure 3.2	Kuwait Population Pyramid, 2019
Figure 3.3	Distribution of Monthly Wages by Nationality (in KD), 2018
Figure 3.4	GDP per capita of GCC countries on a PPP basis, 2020 (in 000's)
Figure 6.1	Percentage of Individuals using the Internet in Kuwait
Figure 6.2	Kuwait- Age grouping of online shoppers, 2016
Figure 7.1	Existing and Future Retail Space (in sq. m) in Kuwait
Figure 8.1	HNWI population in Kuwait (in '000s)
Figure 8.2	Urbanization levels in 2020e
Figure 8.3	Kuwait Per Capita Income Level in comparison with other countries at current prices (in International Dollars '000), 2020
Figure 8.4	Growth in Consumer Spending in Kuwait (KD millions)
Figure 8.5	Visitor Exports (Foreign spending in Kuwait) (in USD billion)
Figure 8.6	Leisure Tourism & Spend in Kuwait (in USD billion - real prices)
Figure 8.7	Expatriates in Kuwait

Executive Summary

Kuwait is the seventh richest country in the world, in terms of average per capita income. High GDP, increasing population and high per capita income makes Kuwait a popular destination for the luxury retailers.

The major segments of luxury retail in Kuwait are Consumer Electronics, Automobiles, Apparels, Watches & Jewellery, Footwear & Handbags and Cosmetics. Luxury brands like Chanel, Gucci, Dior and Louis Vuitton operate in multiple segments such as Apparels, Footwear, Handbags, Cosmetics and Fragrances and have their presence here. Higher average incomes and various subsidies make it easier for consumers to choose top brands and large sports utility vehicles, compared to Europe and many Asian markets. In Kuwait luxury segment, high-end fashion and accessories enjoy a bigger share of the overall market.

Luxury retail operates through malls, hypermarkets and online shopping. Malls offer a unique proposition of entertainment plus shopping, and continue to be the choice destination for shoppers as it offers a wholesome experience. Demand for retail space is increasing and occupancy rates in prime malls reached to about XXX per cent. Kuwait currently has about XXXX sq. m retail space, and is expected to have an additional XXXX sq. m retail space by 2022.

Growth in the online retail segment is supported by a high penetration of Internet among the population, with around 98 per cent of the population using internet. The e-commerce market size in Kuwait is expected to be about USD XXXX billion by 2020.

Table 1.1: Prominent malls in Kuwait

Project	Retail Space (in Sq m)
Avenue Mall	XXXXX
360 Kuwait	XXXXX
Al Kout	XXXXX
Gate Mall	XXXXX
Marina Mall	XXXXX
Al Hamra Luxury Centre	XXXXX

Source: Company Websites, Marmore Research

Lockdowns and social distancing to contain the spread of COVID-19 have impacted luxury retail sector in terms of decline in sales and consumer spending, labour availability, thrust to e-commerce etc.

Affluent population, higher disposable income, grand malls, growing population and rising number of tourists act as growth drivers for luxury retail. However volatile oil prices, counterfeiting, changing trends, increasing competition and room for improvement in the business environment are few challenges the sector is facing.

To buy the full report, please [Click Here](#) 

OR email us at **enquiry@e-marmore.com**

Would prefer talking to us? Call us at **+965 2224 8280**

Disclaimer

This report has been prepared and issued by Marmore MENA Intelligence Ltd (Marmore), a fully owned research subsidiary of Kuwait Financial Centre "Markaz" K.P.S.C. Marmore is a private limited company registered with the Registrar of Companies in India.

This Report is owned by Marmore and is privileged and proprietary and is subject to copyrights. Sale of any copies of this Report is strictly prohibited. This Report cannot be quoted without the prior written consent of Marmore. Any user after obtaining Marmore's permission to use this Report must clearly mention the source as "Marmore." The Report is intended to be circulated for general information only and should not be construed as an offer to buy or sell or a solicitation of an offer to buy or sell any financial instruments or to participate in any particular trading strategy in any jurisdiction.

The information and statistical data herein have been obtained from sources we believe to be reliable, but no representation or warranty, expressed or implied, is made that such information and data is accurate or complete, and therefore should not be relied upon as such. Opinions, interpretations, estimates, and projections in this report constitute the current judgment of the author as of the date of this Report. They do not necessarily reflect the opinion of Markaz or Marmore or other identified parties and are subject to change without prior notice. Neither Marmore nor Markaz have an obligation to update, modify, or amend this report or to otherwise notify a reader thereof in the event that any matter stated herein, or any opinion, projection, forecast, or estimate set forth herein, changes or subsequently becomes inaccurate, or if research on the subject company is withdrawn.

This Report may not consider the specific investment objectives, financial situation, and the particular needs of any specific person who may receive this report. Investors are urged to seek financial advice regarding the appropriateness of investing in any security or investment strategy discussed or recommended in this report and to understand that statements regarding future prospects may not be realized. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Investors should be able and willing to accept a total or partial loss of their investment. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily indicative of future performance.

Markaz may seek to do business, including investment banking deals, with companies covered in its research reports. Markaz may have interests in the areas covered in this research report. Markaz, Markaz managed entities, its clients, or its employees may have from time to time long or short positions in any security, derivative or other types of assets referred to in this research report. As a result, investors should be aware that Markaz may have a conflict of interest that could affect the objectivity of this report.

This report may provide the addresses of or contain hyperlinks to websites. Except to the extent to which the report refers to website material of Markaz and Marmore, Markaz has not reviewed the linked site and takes no responsibility for the content contained therein. Such address or hyperlink (including addresses or hyperlinks to Markaz's or Marmore's own website material) is provided solely for your convenience and information, and the content of the linked site does not in any way form part of this document. Accessing such website or following such link through this report or Markaz's or Marmore's website shall be at your own risk.

For further information, please contact 'Markaz' at P.O. Box 23444, Safat 13095, Kuwait, **Email: enquiry@e-marmore.com**, Tel: 00965 22248280; Fax: 00965 22495741.