

EUROPEAN  
CULTURAL  
+ CREATIVE  
INDUSTRIES  
ALLIANCE

## ECCIA Executive summary & policy recommendations

Based on the study *“The contribution of the  
high-end cultural and creative sectors to  
the European economy”*

*The European Cultural and Creative Industries Alliance (ECCIA), established in 2010, is composed of seven European cultural and creative industries organisations - Altagamma (Italy), Circulo Fortuny (Spain), Comité Colbert (France), Gustaf III Kommitté (Sweden), Laurel (Portugal), Meisterkreis (Germany) and Walpole (UK) - who between them represent 750 brands and cultural institutions.*

Based on art, culture and creativity, our work is underpinned by continuous innovation, a relentless focus on quality, highly skilled employment and strong exports abroad. Our members strive for the highest quality in all they do, from products and services all the way to the experience offered to consumers.

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# Executive summary & *key findings*



€986bn

Business generated by European high-end and luxury brands



5%

of European GDP



70%

European high-end and luxury industries as a share of the global market in 2024



€410bn

European high-end and luxury industries contribution to EU GVA



2mn

Total employment generated by European high-end and luxury brands in 2024 with 160,000 new jobs created since 2019



11.5%

Exports supported by the European high-end industries as a share of total European exports



25%

The European high-end and luxury sector acts as catalyst of high-spending tourists, representing up to 25% of total tourism generated value



~€2,000bn

Over the next five years, the global high-end and luxury market is expected to continue growing and reach €2,000–2,500 billion by 2030F

# Executive summary & *key findings*

Europe's high-end cultural and creative industries are global powerhouses, which make substantial contributions to gross domestic product (GDP) and employment in the region. Operating in multiple sectors, including automotive, crystal, faience and porcelain, design and furniture, fashion and leather goods, fragrance and cosmetics, gastronomy, health and wellness, heritage and museums, hospitality, jewellery and watchmaking, wines and spirits, and yachting, high-end and luxury businesses are frequently considered the pinnacle of creativity, craftsmanship, and innovation in their respective fields.

Renowned for blending heritage, time-honoured skills and innovation, the high-end and luxury sector has a reputation for constancy, creativity and a steadfast commitment to excellence. Embodying the best of Europe and the essence of European

excellence, luxury brands are ambassadors for "Made in Europe" to the rest of the world. As the home of a vast array of prominent luxury businesses, Europe benefits from the halo effect of the qualities attributed to luxury goods and services, which in turn bolsters the continent's soft power on the international stage.

A dynamic blend of diverse countries, cultures, languages and economies, Europe is home to world leading high-end cultural and creative industries. Based on production in Europe, the sector's business model is characterised by a robust network of suppliers, artisans, distributors, talent, and customers that transcends national boundaries. Its highly mobile talent pool frequently crosses borders, enriching the sector with diverse perspectives, while distribution networks are equally interrelated and sophisticated.

## Key findings

### **High-end cultural and creative industries are key drivers of growth, job creation, and ambassadors of European values worldwide:**

- Business generated by European high-end and luxury brands<sup>1</sup>: €986 billion, accounting for around 5% of European GDP.
- European high-end and luxury industries contribute approximately 2% (€410 billion) of the EU gross value added (GVA).
- European high-end and luxury industries as a share of the global market in 2024E (estimate): 70%.
- Exports supported by the European high-end industries as a share of total European exports: 11.5%.
- Total employment generated by European high-end and luxury brands: 2 million people<sup>2</sup> in 2024E with 160,000 new jobs created since 2019.
- The European high-end and luxury sector acts as a catalyst of high-spending tourists, representing up to 25% of total tourism generated value.
- ESG lies at the core of operations for European luxury and high-end companies, with leading firms investing up to 3% of their annual revenues in sustainability innovation and up to 5% in education and training.
- The luxury and high-end sector plays a crucial role in fostering the growth of European financial markets, with luxury stocks over-performing by 4 to 6 times the broader market over the long-term in Italy and France.
- Over the next five years, the global high-end and luxury market growth is expected to continue growing and reach €2,000–2,500 billion by 2030F (forecast).

(1) Estimate of the retail value generated by European companies net of the distribution margin outside of Europe.

(2) Considering both Direct and Indirect Employment.

### European high-end and luxury industries market size and growth by sector

EUROPEAN HIGH-END AND LUXURY INDUSTRIES	2024E VALUE	EUROPEAN SHARE OF GLOBAL SECTOR	CAGR 2019-24E
Automotive	€486bn	84%	+0%
Personal goods	€289bn	80%	+6%
Hospitality	€79bn	32%	+3%
Wine and spirits	€45bn	46% (76% for Wine)	+4%
Food	€36bn	50%	+6%
Design and furniture	€33bn	64%	+6%
Yachts	€9bn	72%	+11%
<b>Total</b>	<b>€986bn</b>	<b>70%</b>	<b>+3%</b>

## Wider economic impact

The industry's business model, which is based on culture and creativity, Europe-based production and strong exports abroad, has enabled European high-end and luxury businesses to develop and maintain leadership on the world stage. The sector's overall value, however, goes far beyond its direct economic contribution to include indirect economic, social, cultural, and financial spillovers. By boosting tourism, preserving skills and craftsmanship, investing in environmental, social and cultural initiatives, driving international investment and supporting European financial systems, the sector also contributes significantly to Europe's social and economic prosperity.

### 1. A driver of economic growth

The high-end and luxury sector supports the preservation and development of upstream production clusters,<sup>3</sup> centres of excellence,<sup>4</sup> and high-end luxury city ecosystems,<sup>5</sup> and in so doing

creates both direct and indirect employment while preserving unique skills and expertise. These zones are critical drivers of economic activity and reinforce the distinctive competitive advantage of the high-end and luxury industries.

Clusters and centres of excellence serve as engines of employment, knowledge transfer, and community development, opportunities that extend well beyond the businesses operating within them. The physical proximity of small- and medium-sized enterprises catering to the same upstream and downstream businesses and consumers stimulates innovation and drives technological advancement. Meanwhile, high-end and luxury city ecosystems act as both catalysts for local economies and magnets for global tourism. Luxury city ecosystems' economic dynamism paired with the cultural allure of luxury, serves as a powerful driver of innovation, talent attraction, and global visitor flows, which enhance the vitality and global standing of the communities which they inhabit.

(3) Upstream production clusters are geographically concentrated networks of interconnected businesses within a specific sector.

(4) Centres of excellence are regions globally recognised for their specialised expertise in a particular industry.

(5) High-end luxury city ecosystems are retail hubs and clusters of brand headquarters or subsidiaries, which encourage the co-location of interrelated businesses.

## 2. Employment and skills

In 2024E, European high-end and luxury brands employed approximately 2 million people,<sup>6</sup> both directly and indirectly, across the value chain. This accounts for nearly 1% of the total European workforce,<sup>7</sup> underscoring the sector's critical role in sustaining employment.

Employment growth within the high-end and luxury industries has consistently outperformed the broader European labour market. Between 2019 and 2024E, the sector achieved a Compound Annual Growth Rate (CAGR) of 1.3%, compared to 0.7% across the overall labour market. During this period, European high-end and luxury industries created nearly 160,000 new jobs, even amid efforts to optimise productivity through significant investments in efficiency across the value chain. A key factor in this resilience is the centrality of a highly skilled workforce to the luxury business model. High-end and luxury brands invest heavily in training and professional development, which is integral to safeguarding the unique skills and expertise that define the industry.

## 3. Boosting tourism and tourism-related spending

Europe stands among the world's most visited regions, with the high-end and luxury sector drawing millions of international visitors each year. Up to 40%<sup>8</sup> of travellers, particularly from Asia, cite luxury shopping as a primary factor in choosing their holiday destination. Notably, over half of tourism's direct economic contribution in Europe is generated through expenditure on shopping and cultural activities.

## 4. Bolstering financial systems

High-end European luxury brands play a significant role in contributing to the development and the performance of European financial

systems, acting as key contributors to growth.

Listed high-end luxury companies represent a significant share of main European Index markets capitalisation in some countries, accounting for ~30–35% of Euronext Paris capitalisation, and ~15% of Borsa Italiana, for example.

## 5. Contributing to social and environmental initiatives

Luxury brands frequently dedicate significant resources, sometimes as much as 6–10%<sup>9</sup> of their annual revenues, to initiatives that transcend their immediate business objectives. While the scale and nature of these investments vary considerably across sectors, their impact is far-reaching.

Social consciousness and sustainability shape the strategies and operations of European high-end and luxury brands on multiple levels. Leading companies at the forefront of the Environmental, Social and Governance (ESG) curve allocate on average 1–3%<sup>10</sup> of annual revenue to sustainability innovation. Across the industry, progress has been made in building sustainable supply chains that are both compliant with existing regulations and prepared for new traceability, transparency, and environmental impact reduction standards. Luxury brands have also intensified their efforts in climate resilience, collaborative ecosystem restoration projects and designing for permanence and circularity.

Beyond sustainability, the luxury sector supports new dimensions of social responsibility, exemplified by partnerships with global organisations and community empowerment initiatives, including educational projects focusing on gender equality and cultural awareness. Brands have also initiated programmes aimed at empowering underserved communities and transformed diversity and inclusion initiatives to addresses multiple facets of inclusivity, including neurodiversity, gender identity, cultural and ethnic diversity, socioeconomic backgrounds, and accessibility.

(6) The total employment figure for the high-end and luxury industries includes core activities plus upstream and downstream activities, but excludes enabling ecosystems.

(7) Based on EU27 data with UK and Switzerland.

(8) Survey conducted on US, Russian and Chinese international "elite shoppers," defined as tourists with €55,000 average tax-free spend, ~12 transactions per year and >3 trips made on average, ~15 days abroad in a year.

(9) Source: Average of respondents in survey sent to members of ECCIA associations (2024).

(10) Source: Average of respondents in survey sent to members of ECCIA associations (2024).



## 6. Preserving heritage and deep connects with art and culture

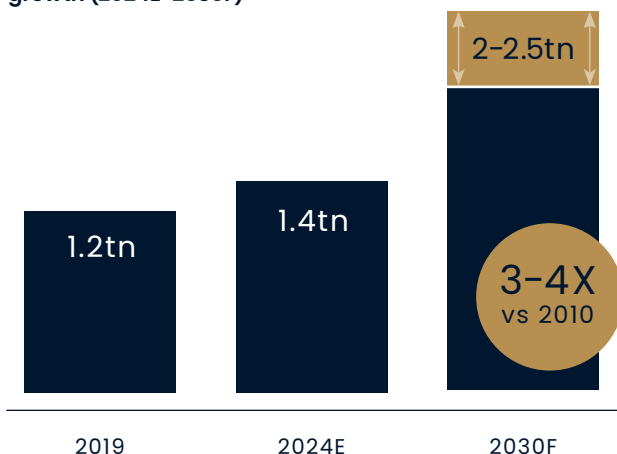
Recognising the importance of preserving Europe's cultural heritage, high-end and luxury companies have become key contributors to safeguarding historic landmarks and cultural sites, allocating significant resources to artistic and cultural patronage. Luxury brands have also forged close ties with cultural organisations and art foundations, amplifying their impact on the creative landscape.

## 7. Promoting European excellence

The European high-end and luxury sector plays a pivotal role in shaping and promoting the continent's global brand. Luxury products are symbols of exceptional craftsmanship, original design, and innovation, while also acting as tangible representations of Europe's heritage and creativity. Whether it is a leather handbag, a haute couture dress, or a one-of-a-kind car, luxury items, services and experiences embody a legacy of skill and artistry. These products build a narrative of European sophistication and authenticity, strengthening the emotional connection between the region and its global consumers, and elevating Europe's prestige and influence on the global stage.

## 8. Future growth

**Scenarios of future global high-end and luxury market growth (2024E-2030F)**



Despite recent normalisation in the global luxury market, solid fundamentals continue to support a positive long-term outlook. Over the next five years, the addressable population is expected to grow by 300 million new consumers, particularly in China and developing markets such as Latin America and India, alongside a significant increase in addressable wealth within these regions.

The luxury sector is projected to reach a market size of €2,000 billion–€2,500 billion by 2030, driven by a steady CAGR of 4-6%. This sustained growth reflects the sector's resilience and its ability to adapt to evolving consumer preferences, expanding demographics, and rising wealth in key markets.

European high-end and luxury industries hold a strong leadership position within this global context.

## Evolving scenario

The assessment of the contribution to the European economy presented in this study occurred within a stable geopolitical and commercial environment — an assumption that no longer holds true following the escalating tensions with our key trading partners, which have materialised or risk materialising into the imposition of tariffs that will considerably impact our supply chains.

While this scenario still serves as a valuable benchmark for illustrating the significant role these industries play in the European economic system, the sustainability of such economic impact must now be reconsidered. The imposition of tariffs can substantially affect global demand, disrupt trade, and influence the strategic decisions of individual firms.

Indeed, the impact of tariffs extends beyond consumer prices, triggering uncertainty, stock market volatility, weakening consumer confidence, and dampening macroeconomic indicators even before their effective implementation.

Furthermore, if/when tariffs will be eventually enforced, firms are often compelled to respond to rising costs by increasing prices, adjusting production structures, or ultimately reassessing their sourcing strategies. Such responses, however, risk amplifying the pressure on demand and further compromising corporate profitability, thereby creating an environment that challenges the pursuit of sustained growth and economic stability.

### Potential constraints

A pressing challenge for European high-end and luxury companies is the need to attract **a new generation of talent**. While heritage and traditional craftsmanship are central to brands' value proposition, finding young people willing to engage in craftsmanship-oriented jobs is becoming increasingly difficult.

**Shifts in global demographics and economic patterns** are an additional challenge to safeguarding specialised skills and expertise. Luxury businesses dedicate significant resources to nurturing talent and advancing professional training. These efforts are vital to ensuring their standards of excellence endure, while also supporting the livelihoods, structures, and communities that have grown around these industries.

The rapid increase in both the number and scope of **stricter ESG regulations** is spreading across industries, driving up prices from volume cuts and raising costs of doing business. Heightened pressure on businesses and governments for sustainable reforms will significantly disrupt high-end and luxury industry operations, with expectations of further emissions reduction mandates to trigger far-reaching impacts on the whole supply chain. This would put pressure on high-end and luxury companies to reassess their overall strategy.

Escalating **geopolitical tensions**, and consequent surges in tariffs, trade wars, and protectionist

policies on behalf of international economies, have the potential to significantly impact European high-end and luxury companies, compelling them to reassess sourcing operations, cost structures and pricing mechanisms.

Finally, the **adoption of Artificial Intelligence** is already transforming industries worldwide, delivering significant macroeconomic benefits, including job creation, enhanced productivity, and cost savings. However, without timely and proactive intervention, the workforce is likely to face considerable upheaval. Repetitive roles are particularly vulnerable, with accelerated risk of displacement potentially leading to a surge in layoffs. This phenomenon poses a threat to middle-class consumers, potentially diminishing their purchasing power and impacting their ability to engage with high-end and luxury brands.

### Looking ahead

As the luxury industry moves toward its projected market potential of €2,000 billion–€2,500 billion by 2030, it must leverage these disruptions as catalysts for innovation. By investing in their workforce, adopting sustainable practices, navigating geopolitical complexities, and embracing technological advancements, European high-end and luxury brands can ensure their continued leadership on the global stage.

With the right support, luxury businesses can continue to deliver value to consumers while playing a significant role in upholding Europe's legacy of craftsmanship and creativity, and, in turn, the continent's reputation for excellence. By bolstering employment and supporting skills accrual, forging ahead with social, environmental and cultural initiatives, and playing a role in the continent's economies, the sector will be in a position to continue contributing significantly to Europe's future prosperity.

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Policy  
*recommendations*

# Policy *recommendations*

Despite its sustained global competitiveness and optimistic growth prospects, European high-end cultural and creative industries face significant challenges due to geopolitical tensions and trade disputes in key markets, such as the USA and China. Retaliatory measures, including tariffs and non-tariff barriers, threaten the industry's ability to maintain competitive access to these crucial export destinations. The increasing protectionist rhetoric could further strain the industry, which relies heavily on open markets. Furthermore, our production cannot be relocated, as our business model and appeal are rooted in Europe's cultural heritage and expertise.

Domestically, the industry grapples with the rapid implementation of legislative initiatives under the EU's twin digital and green transitions. While supportive of these ambitious goals, the sector faces significant pressures from the sheer volume of regulatory changes, often accompanied by short implementation timelines. Additionally, in some cases, our industries may be unintentionally affected by certain measures designed for other sectors. Against this backdrop, the industry remains optimistic, leveraging its steadfast commitment to sustainability, innovation, and social responsibility to sustain its leadership on the global stage.

Outlined below are policy recommendations that will support the sector's long-term sustainable growth and its ability to continue to support the European economy and reputation.

## 1. Strengthen intellectual property rights (IPR) and combating counterfeiting

- **Enhance the enforcement of the Digital Services Act (DSA):**

The effective implementation of the DSA depends on the European Commission's commitment to rigorously enforcing its provisions by:

- Allocating sufficient financial and human resources;
- Conducting an implementation review;
- Proactively removing counterfeit products and clarifying the rollout of the trusted flagger mechanism.

- **Introduce specific anti-counterfeiting**

**legislation:** Implement binding measures to address the gaps left by the DSA:

- Enforce traceability across the entire value chain by mandating a "Know Your Business Customer" obligation for all intermediaries, not just online marketplaces.
- Require all intermediaries to take proactive, reasonable, and proportionate measures to prevent the appearance of counterfeit goods.
- Ensure platforms implement measures to prevent the reappearance of illegal products following removal.

## 2. Preserve consumer trust and experience

- **Combat unauthorised sales:** Strengthen the EU's legislative framework to help brands enforce their selective distribution networks against unauthorised distributors, protecting brand image and investments while ensuring consumer safety
- **Support our tailored distribution networks:** Maintain high-end industries' ability to select authorised sellers based on qualitative criteria to preserve craftsmanship and the excellence of our customer service.

## 3. Promote sustainability in high-end goods and services

- **Industry-specific consultation:** Involve industry representatives in the preparation of Green Deal secondary legislation to address the specific needs of our sector, particularly for ecodesign and circular economy requirements.
- **Implementation delays:** Ensure a minimum of 36 months for compliance with new legal obligations, in line with the industry's product cycle (design to retail).
- **Ensure a level playing field:** Apply Green Deal standards equally to all companies operating in the EU market and prevent new measures from undermining European companies' global competitiveness.

## 4. Support craftsmanship and skills development

- **Address the skills gap:** Launch EU-level and Member State initiatives to develop a workforce skilled in craftsmanship, engineering, and technical production for high-end industries.
- **Introduce a European Maître d'Art title:** Recognise and promote creative and technical expertise essential for preserving high-quality craftsmanship.

## 5. Enhance trade and tourism

- **Prioritise diplomatic solutions to trade disputes:** European high-end and luxury brands face significant challenges from escalating geopolitical tensions, rising tariffs, and protectionist trade policies, particularly in the US and China (two key markets contributing 35-40% of revenues). Proactive strategies such as market diversification, engagement with emerging economies, and advocacy for favourable trade agreements are essential to safeguarding resilience and mitigating risks to profitability and global competitiveness.
- **Promote Free Trade Agreements (FTAs):** Support FTAs that ensure reciprocal market access, reduce barriers to trade, and combat counterfeiting and parallel trade.
- **Visa facilitation:** Simplify procedures for obtaining EU visas and encourage VAT-free shopping for non-EU tourists to enhance the EU's appeal as a destination for high-end shopping and tourism.

## *About ECCIA*

The European Cultural and Creative Industries Alliance (ECCIA), established in 2010, is composed of seven European cultural and creative industries organisations – Altagamma (Italy), Circulo Fortuny (Spain), Comité Colbert (France), Gustaf III Kommitté (Sweden), Laurel (Portugal), Meisterkreis (Germany) and Walpole (UK) – who between them represent 750 brands and cultural institutions.

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