

2026 OUTLOOK

GLOBAL LUXURY *Retail*

LUXURY REINVENTED
TURBULENCE BRINGS OPPORTUNITY



WELCOME



WORDS BY

Anthony Selwyn & Marie Hickey

The recalibration towards the world's premier luxury destinations, first flagged in our 2025 report as luxury spend momentum softened, has intensified. Access has now emerged as the defining real estate challenge of 2026, with availability in the most sought after luxury locations more constrained than at any point in the current cycle.

In the ninth edition of the **Savills Global Luxury Retail Report**, we examine where supply pressures are most acute and how brands are responding as competition for best-in-class space escalates. Drawing on insights from **Savills Private Office** and **Agility Research**, the report explores how evolving HNWI geographies, shifting consumer behaviours and luxury travel patterns are reshaping location strategies and creating selective new opportunities. While geopolitical and macro-economic uncertainty persists, the ability to identify and execute location strategies amid continued turbulence is increasingly critical.

Our key *insights* and *expectations* for 2026 include:



Expansion is slowing, not stopping.

New store openings fell to their lowest level since 2020 as brands adopt more disciplined, portfolio-led strategies.



North America moved into the lead.

The region accounted for 27% of global openings in 2025, the first time it has ranked first since tracking began in 2016, with New York firmly back at the top.



Rental performance is stabilising, but future growth will be selective.

Stability is expected to become more widespread in 2026, with upward pressure persisting across a number of core European streets.



Destination and resort markets are rising, but selectively. Luxury travel momentum and hotel development are expanding the map of viable markets, though success depends on securing the right space, partnerships and protecting brand equity.



Capital is being deployed more selectively.

Global alpha cities captured their largest share of new openings since 2019, underscoring a sharpening focus on fewer, higher conviction markets.



Scarcity continues to support prime rents, particularly in Europe.

London's Bond Street reclaimed the top position globally, with Milan and Paris strengthening their position.



Competition for space is shifting from "where" to "how".

With prime availability constrained, growth strategies increasingly centre on upsizing, relocations, pitch extensions and, in exceptional cases, the selective use of key money.

As ever, Savills' insight is underpinned by what remains a first of its kind global tracking of luxury store activity, spanning all brands and locations worldwide. This data led perspective is strengthened by the depth of expertise across our global retail network, with enhanced teams in core luxury markets including Paris, Milan and the United States.

This connected global platform, combining market leading data, deep brand knowledge and sector specialists, enables Savills to advise not only on locations and values, but on the real estate strategies that will shape the next phase of luxury retail globally. More than simply reporting the market, we deliver forward looking, actionable insight relevant to brand and landlord strategies globally.

CONTENTS

01 Store expansion trends

Global luxury store openings slowed in 2025, albeit a select group of leading cities outperformed. We explore the geography of activity, the cities that outperformed and the drivers behind this.

Page 06

02 Agility Research X Savills

We collaborated with Agility Research, a global leader in HNWI consumer insights, to examine how affluent spending priorities are shifting and how luxury brands and real estate strategies are responding, with a focus on the global resort markets to watch.

Page 14

03 The search for luxury's next growth markets

Luxury groups and brands are increasingly exploring opportunities beyond the established global luxury capitals in order to broaden and strengthen their customer base. Under the lens of domestic affluence and tourist appeal, we examine what markets stand out.

Page 22

04 Savills Private Office: The geography of global wealth

Rory McMullen from Savills Private Office and Kelcie Sellers from Savills World Research explore the global mobility trends of HNWI and UHNWI, the locations that continue to appeal and the locational factors driving those choices.

Page 28



05 The US; scale and resilience brings it back into focus

New York returned to the top of the global rankings for new openings. We examine what drove this activity and the enduring appeal of the US for expansive brands and how this may evolve going forward.

Page 34

06 Occupational trends

We examine how occupational markets are responding to broader luxury dynamics and how brands can engineer opportunities in structurally constrained markets.

Page 38

07 Interview: How luxury brands are rewriting their real estate playbook

We chat with Amanda Vissia, Savills Global Luxury Lead, about the new dynamics shaping luxury retail and how speed has become a strategic differentiator for brands looking to capture the strongest sites.

Page 44



08 Looking to the future

We outline luxury real estate's clear strategy for 2026 and beyond and the key trends to expect.

Page 48

Global luxury store openings slowed in 2025, but a handful of leading cities *powered* ahead

Global luxury retail expansion moderated further in 2025, with the number of new store openings falling to its lowest level since 2020.

This deceleration was widely anticipated, reflecting the continued headwinds facing the sector and a more cautious occupier mindset. It also aligns with the portfolio rationalisation strategies evident across many of the larger luxury groups, as brands increasingly prioritise quality of presence over scale of network.

The slowdown was evident across all regions, underlining the increasingly universal nature of the adjustment cycle. China recorded the most pronounced decline in new openings, although this largely reflects a timing effect rather than a structural shift in long term intent. A significant proportion of stores delivered in 2024 were tied to the completion of major prime retail schemes, decisions that were rooted in occupier sentiment from 2022 or earlier. As that development pipeline has now been absorbed, new store activity has naturally eased.

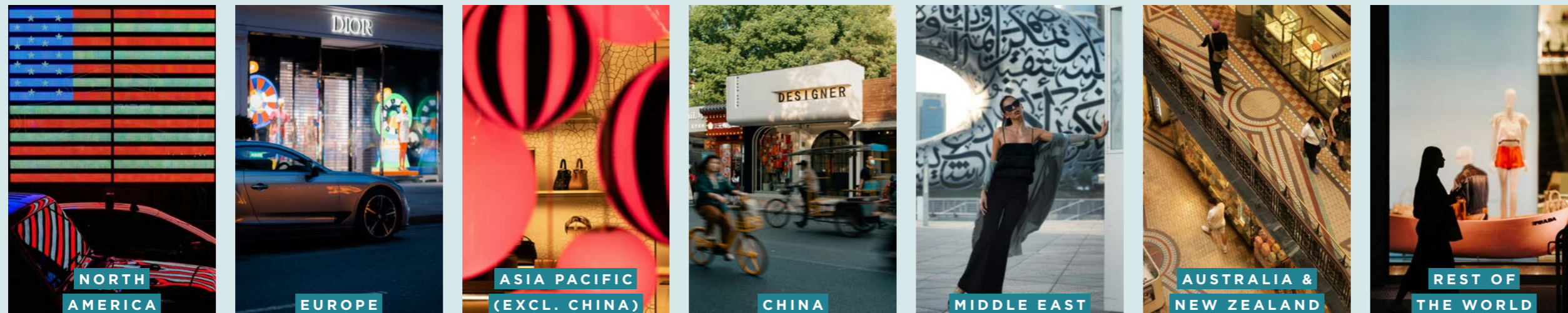
By contrast, the moderation in activity was less acute across North America and Europe, where new openings declined by 13% and 8% respectively.

This relative resilience reinforces the trend highlighted in our previous report: a renewed focus on global and destination cities.

Brands are increasingly concentrating investment in a smaller number of strategically important locations, particularly established luxury capitals in Europe and North America that continue to deliver depth of demand, international footfall and brand visibility.

As a result, North America emerged as the leading region globally for new luxury store openings in 2025, accounting for 27% of total activity. This marks the first time the region has topped the rankings since we began tracking new store openings in 2016. While China had dominated the post pandemic period, and Europe prior to that, this shift underscores the evolving geography of luxury expansion, with brands recalibrating towards markets that offer long term resilience, mature consumer bases and proven global appeal.

SHARE OF NEW OPENINGS (2025)



Source: Savills Research
 (Note: new store expansion analysis excludes concessions and pop-ups. It does include relocations and reopenings where there has been an upside)

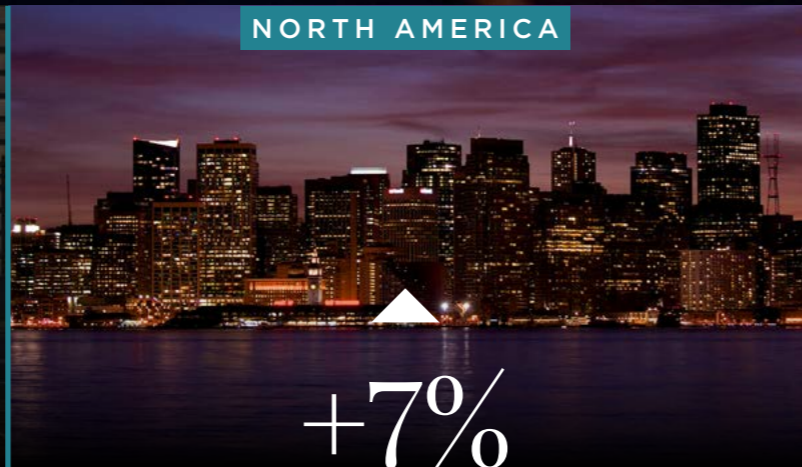
Focus on the world's leading luxury cities intensifies

A return to luxury's foundations is refocusing investment on the world's key cities and their prime destinations.



EUROPE

-2%



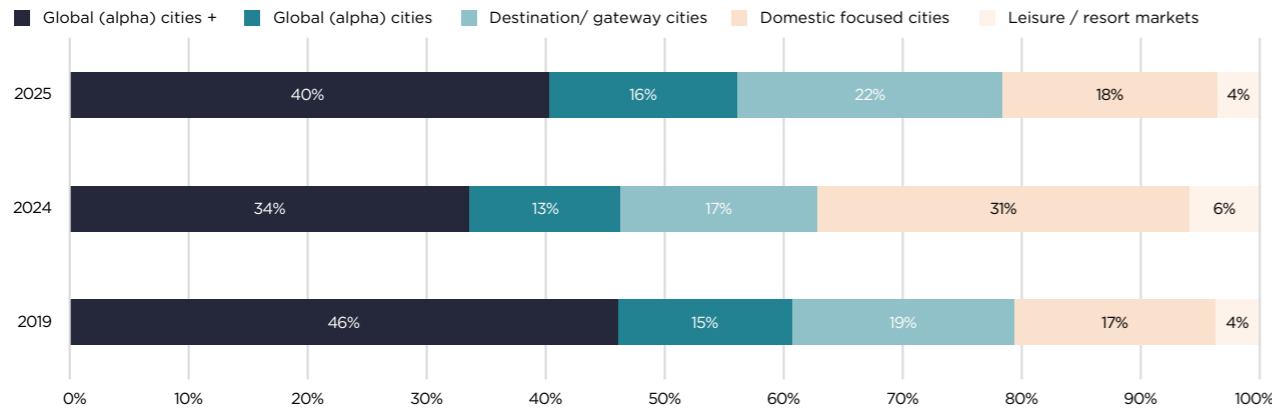
NORTH AMERICA

+7%

ANNUAL CHANGE IN NEW OPENINGS ACROSS EUROPE'S GLOBAL ALPHA CITIES

ANNUAL CHANGE IN NEW OPENINGS ACROSS NORTH AMERICA'S GLOBAL ALPHA CITIES

FIGURE 01: NEW STORE ACTIVITY BY MARKET TYPE



Source: Savills Research
 (Note: new store expansion analysis excludes concessions and pop-ups. It does include relocations and reopenings where there has been an upside)

New store activity moderated across all location typologies in 2025, reflecting a broad-based recalibration in luxury expansion strategies. While destination cities and global alpha cities both recorded a slowdown, the extent of the contraction was less severe than in other market types, with activity declining by 26% and 33% respectively. This relative resilience reinforces the enduring strategic importance of these locations within global luxury networks.

Despite lower absolute volumes, global alpha cities accounted for their largest share of new store openings since 2019. The majority of this activity was concentrated within a small cohort of premier global alpha cities as defined by the GaWC World Cities framework, which together captured 56% of all new openings, its highest share since 2019. This marks a clear acceleration of the trend identified in our previous report: a sharpening focus on a limited number of globally dominant luxury cities where scale, visibility and long-term brand equity can be most effectively leveraged.

The shift towards these core global cities was particularly pronounced across North America and Europe. In North America, new store openings within global alpha cities increased by 7% year-on-year in count terms, underscoring the strength of demand in a select number of highly established luxury markets in that region. Europe also demonstrated relative resilience, with activity in its global alpha cities declining by just 2%. Together, these patterns highlight a growing polarisation in luxury retail investment, with brands increasingly concentrating capital into fewer, higher-conviction markets that offer proven depth, international reach and long-term relevance.



New York *regained* its crown as the top city globally for new luxury store openings

TOP 10 GLOBAL ALPHA & DESTINATION CITIES



Source: Savills Research
 (Note: new store expansion analysis excludes concessions and pop-ups. It does include relocations and reopenings where there has been an upsize)



New York re-emerged as the leading global location for luxury store openings in 2025, marking its first return to the top of the rankings since 2019. This shift signals a broader recalibration in brand expansion strategies, with renewed emphasis on cities that combine scale, depth of wealth and long term strategic relevance within global luxury networks.

The city was one of only a small number of markets to record an increase in new store activity over the year, with openings rising by 23% year-on-year. This acceleration reflects a deliberate focus on markets with a high concentration of ultra-high net worth individuals (UHNWI), a consumer segment that continues to underpin luxury sales performance and is expected to remain a key driver of growth over the medium term. New York retains its position as the world's largest UHNW market, reinforcing its role as a cornerstone location for luxury

brands seeking sustained exposure to resilient, high spending demand.

Occupier conditions have also been supportive. Increased availability and a rebase in rents across the city's prime luxury corridors, most notably Fifth Avenue and Madison Avenue, over the past three years have created a window of opportunity for brands to secure flagship space. This is reflected in the spatial concentration of new activity, with 56% of New York's openings located along these two established luxury destinations.

Looking ahead, however, the pace of expansion is expected to slow. With vacancy levels now returning towards historical lows and competition for best-in-class space intensifying, future activity is likely to be increasingly selective as brands will continue to prioritise prime positioning and long term brand value.



Ongoing turbulence has intensified the laser focus on the real estate fundamentals; *location and building*

Mirroring the pattern observed in New York, several of Europe's premier global luxury alpha cities recorded an uplift in new store activity in 2025. This reinforces the depth of brand appetite for a concentrated group of major luxury markets where both domestic and international spend and reach remains the most compelling. Paris and Milan stood out in particular, with new openings increasing by 14% and 86% respectively. While Milan's growth reflects expansion from a comparatively low base, given the severe supply constraints that have characterised the market over the past three years, much of this activity also reflects forward-looking positioning, with a number of openings timed to coincide with the Milan-Cortina Winter Olympic Games in February 2026.

The character of new store activity across these leading cities further underlines a renewed emphasis on securing the best space in the strongest locations. Across the five core global luxury destinations, New York, Paris, Milan, London and Tokyo, upsizing accounted for a significant share of overall activity. Rather than pursuing network growth through additional stores, larger luxury brands are increasingly focused on expanding their presence within existing prime locations.

While this strategic direction is not new, brands have long sought larger, more immersive spaces that better reflect brand identity and allow full product ranges to be showcased.



42% of new store activity in the city took the form of upsizing, either through expansion within existing locations or relocation to larger premises

This has become more pronounced over the past 18 months. As wider sector volatility has prompted a pullback in global portfolio expansion, occupier strategies have sharpened, with capital increasingly channelled into core markets and selective new growth opportunities where long-term returns and brand impact are most persuasive.

London provides a clear illustration of this shift. In 2025, 42% of new store activity in the city took the form of upsizing, either through expansion within existing locations or relocation to larger premises, the highest proportion among the top five global luxury cities. Milan followed, with upsizing accounting for 38% of new openings, reflecting similar supply dynamics and a shared focus on maximising presence within tightly held prime luxury corridors.

Why luxury travel is *winning* and what it means for real estate

Savills Research, in collaboration with Agility Research, a global leader in high-net worth (HNW) and ultra-high-net worth (UHNWI) consumer insights and consulting for the luxury and premium sectors, explore how the spending priorities of the world's affluent consumers are evolving and how luxury brands and real estate strategies are responding.

Despite a marginal contraction in the global personal luxury goods market in 2025 according to Bain-Altgamma¹ (-2% year-on-year based on current exchange rates), the global HNWI population continues to expand. UBS forecasts a further 9% increase by 2029 compared with 2024 levels.

Yet a rising super affluent population has not translated into stronger luxury goods demand. Macro-economic uncertainty, geopolitical volatility, brand-led frictions, and shifting consumer preferences have all weighed on spend.

¹Bain-Altgamma Luxury Goods Worldwide Market Study: Finding a new longevity for luxury, 2025/26. HNWI defined as those with liquid investable assets between US\$1-30 million.



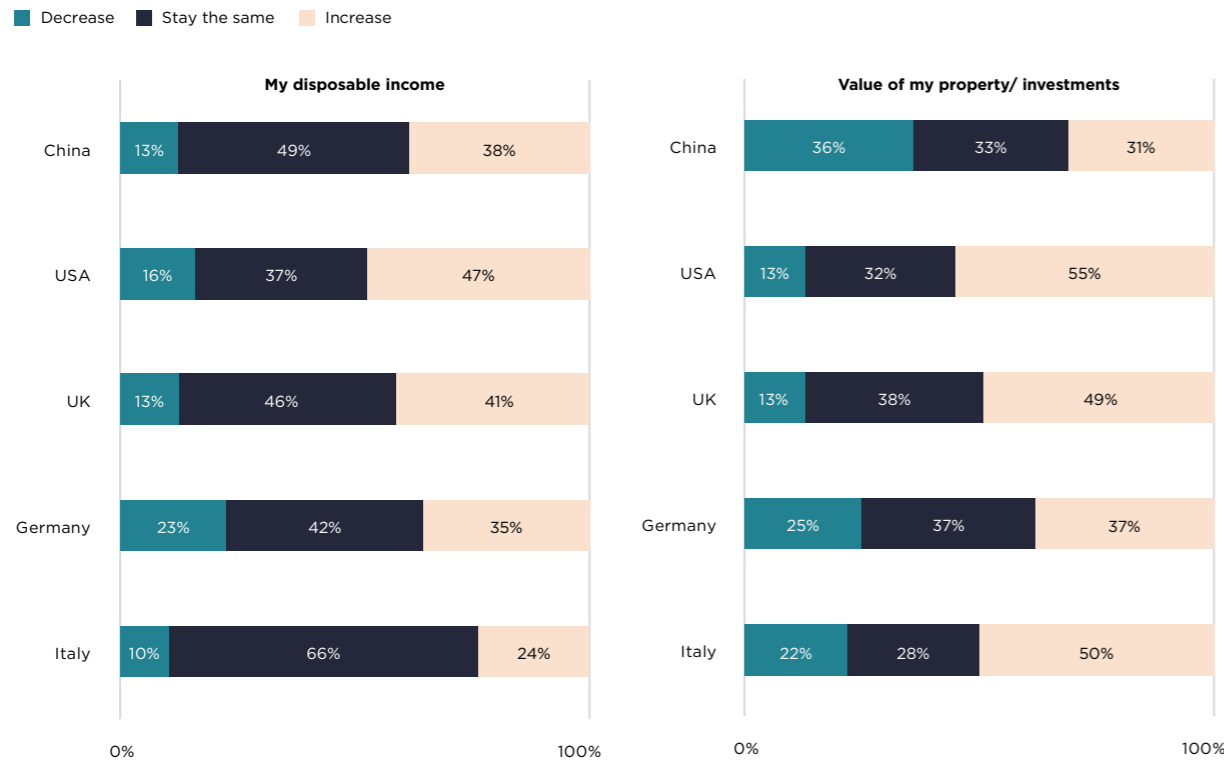
HNWI sentiment is positive, but remains *fragile*

The good news from a sentiment perspective is that HNWIs still feel relatively positive. Agility's latest TrendLens™ outlook shows optimism, with respondents reporting positive expectations for both disposable income and asset values in net balance terms (+22% and +23% respectively). US HNWIs are the most optimistic, while German respondents remain cautious. Chinese HNWIs expect income growth but are less confident about future investment values.

However, this positive sentiment is softer than what it was 12 months ago.

Recent geopolitical developments and equity market volatility will temper this further through 2026, although UHNWIs will be more insulated. Even so, US domestic luxury demand is expected to be the most resilient based on the latest survey, reinforcing occupier retail demand across key US luxury retail markets.

FIGURE 02: HNWI OUTLOOK FOR PERSONAL FINANCES



Source: 2026 Agility TrendLens™ OUTLOOK: How do you expect the following aspects of your life to change in the next 12 months, compared with the last 12 months?

Experiences expected to continue to *outperform*

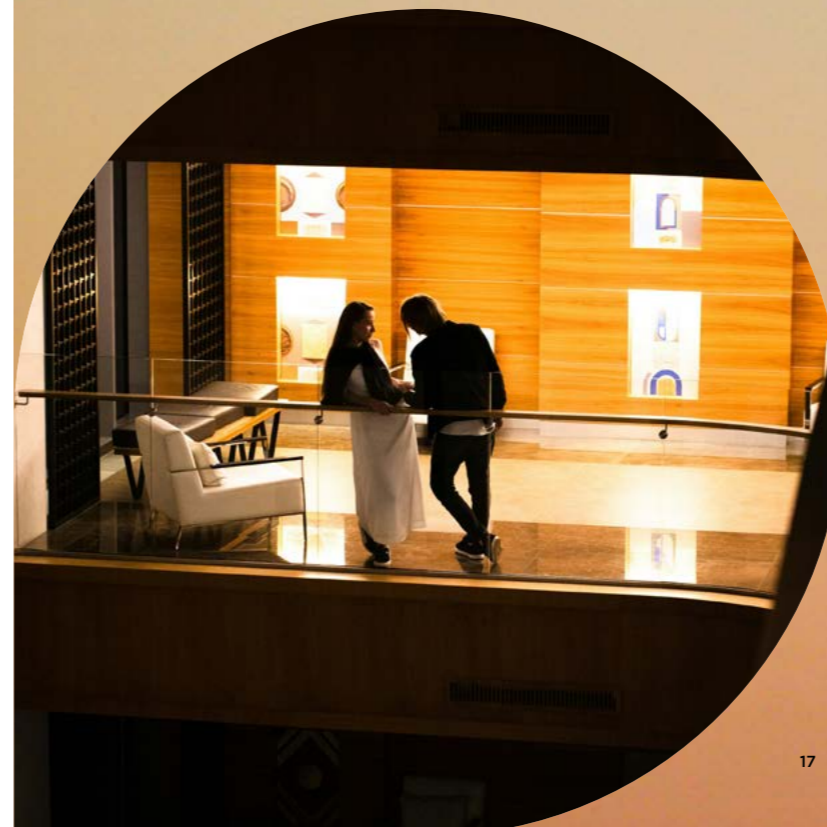
A structural shift towards experience-led spending is reshaping the luxury market. HNWIs increasingly prioritise travel, hospitality and dining, as exploration and memory creation becomes more valued. This has been somewhat exacerbated, in small part, by some frustrations around access to high value, limited edition luxury products and the opaque practices that secure that access.



HNWIs increasingly prioritise travel, hospitality and dining, as exploration and memory creation becomes more valued.

Bain-Altagamma estimate that luxury experiences (hospitality, cruises, travel and fine dining) grew by 3% in 2025 to total €260 billion against a backdrop of contracting personal luxury goods spend. Agility's TrendLens™ outlook suggests this momentum will continue; HNWIs across some of the largest global economies report a +25% net balance for increased leisure travel spend and +16% for number of trips. Italian and UK HNWIs are the most positive on hospitality spend, while US and UK respondents lead on trip volume. But, as with their personal financial outlook, this positive sentiment around travel is softer than that seen earlier.

At the point of writing the Iran war and impact this is having on air travel routes through the Middle East and air travel costs could mean this appetite for travel, at least long haul, may not be fully realised in 2026 subject to how events play out. This could release some pent-up spend back into luxury goods, although broader sentiment headwinds may limit any meaningful rebound.



Travel is reinforcing the world's luxury capitals, with Paris a top destination



Rising travel spend is strengthening the world's premier luxury retail destinations. France ranks as the most preferred luxury shopping destination among HNWIs across three of the five largest global economies, in particular for US HNWIs which have one of the highest densities globally, underpinned by cultural

appeal, brand density and the flagship quality of French stores, particularly those in Paris.

For brands, this reinforces the importance of best-in-class physical space in globally recognised luxury capitals and will continue to intensify competition for prime locations.

FIGURE 03: HNWI'S TOP 5 MOST PREFERRED LUXURY SHOPPING DESTINATIONS

	China	USA	UK	Germany	Italy
1	Hong Kong	France	USA	France	France
2	France	Europe (excluding UK, France, Italy)	France	Europe (excluding UK, France, Italy)	Europe (excluding UK, France, Italy)
3	USA	UK	Hong Kong	Italy	USA
4	Japan	Italy	Italy	Singapore	UK
5	Europe (excluding UK, France, Italy)	Singapore	Europe (excluding UK, France, Italy)	UK	Middle East

Source: 2026 Agility TrendLens™ SHOPDEST: which of the following destinations do you most prefer to travel to for luxury shopping?

Brands are redesigning the role of physical space

Luxury brands are already adapting. 70% of luxury leaders identify experience-led luxury as the defining trend for 2026, followed by wellness-focused luxury (59%).

This is already reshaping real estate strategies: larger, more immersive stores; integrated dining, cultural and wellness elements; and expanded private environments for very important clients (VICs).

Dior's upsized New York flagship, incorporating a Dior Spa, is emblematic of this shift.

But, it's not just permanent brand spaces that are responding to these shifts. Luxury brands are increasingly looking to super-sized experience focused activations to tap into evolving consumer preferences in order to strengthen and deepen customer connections. Louis Vuitton's 'St Louis', its cruise-ship-shaped installation in Shanghai — blending exhibition, hospitality and retail — speaks directly to the growing emotional pull of travel and unique experiences.

Share of luxury leaders who believe that experience-driven luxury will be the biggest trend shaping their business in 2026.

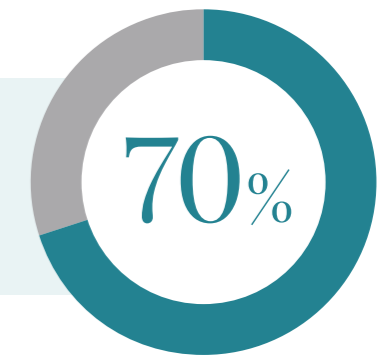


FIGURE 04: TOP 5 RESORT MARKETS BASED ON NUMBER OF VHNWI RESIDENTS VS LUXURY HOTEL PROVISION



Source: Savills Research using WealthX, Costar STR (VHNWI = individuals with net worth in excess of US\$5 million+)

FIGURE 05: TOP 6-20 RESORT MARKETS BASED ON NUMBER OF VHNWI RESIDENTS VS LUXURY HOTEL PROVISION



Source: Savills Research using WealthX, Costar STR (VHNWI = individuals with net worth in excess of US\$5 million+)

Resorts move from peripheral to strategic

Luxury travel is opening new routes to consumer engagement. Resort destinations are no longer just seasonal showcases — they are becoming strategic platforms for brand storytelling.

Luxury groups and brands are already capitalising on this; acquisition and expansion of luxury hotel brands and evolution of new hospitality concepts, as well as 'pop-ups' in resort markets is an already well recognised strategy. More recently there is a growing trend towards experience focused collaborations, or rather activations, in resort markets. These activations are not focused on selling goods but on deepening customer connections through unique experiences. Examples include Louis Vuitton's summer residency at the White 1921 Hotel in Saint-Tropez with their restaurant Arnaud Donckele & Maxime Frédéric. Beach club 'take overs', particularly across Europe in the summer months, have also become more prevalent, with brands such as Jacquemus, Loewe, Loro Piana and Prada all being active in this space.



The resort markets to watch

Resort markets where HNWI and luxury tourism overlap have moved up the agenda (see figures 04 and 05, which identifies the top 20 resort markets based on number of VHNWI residents benchmarked against luxury hotel provision). Markets such as The Hamptons in the US and France's Cote D'Azur saw the most summer brand activations in 2025, aligning with their concentration of wealthy residents and luxury hotels. But competition in these well established luxury resorts for seasonal and even permanent opportunities is intensifying.

As a result, brands are turning to 'emerging' luxury resort destinations. Looking forward, markets such as Mykonos and Phuket stand out, underpinned by a sizeable and growing

luxury hotel provision but also due to the presence, or soon arrival, of leading global ultra-luxury hotel brands such as Four Seasons, Rosewood and Aman.

What does this mean for luxury real estate?

Global cities where domestic wealth meets international tourism will remain central to luxury real estate strategies. But resort markets are moving from the margins to the mainstream.

As HNWI preferences continue to shift towards travel, wellness and experience, luxury real estate will increasingly be defined by the quality, flexibility and emotional resonance of the location and space itself.

Global cities where domestic wealth meets international tourism will remain central. But resort markets are moving from the margins to the mainstream.



About Agility Research

Agility Research & Strategy is a global leader in insights and consulting for the luxury and premium sectors. Specialising in the complex world of HNWI and UHNW consumers, Agility helps brands and institutions navigate the evolving behaviours and motivations of the world's most affluent audiences.

By combining deep consumer intelligence with strategic foresight across sectors - from fashion, watches and jewellery, beauty and fragrance, hospitality and travel, automotive to finance - Agility provides the data-driven clarity required to engage the global affluent and drive growth.



Opportunity emerging
through turbulence:

The search
for luxury's
next growth
markets

GLOBAL LUXURY RETAIL

GLOBAL LUXURY RETAIL



One of the key forces amplifying the slowdown in the global luxury goods market has been a contraction in the active customer base. Estimates from Bain & Altagamma suggest that around 20 million consumers exited the luxury market in 2025, resulting in a narrowing of the addressable buyer pool. Only 40–45% of potential luxury consumers purchased personal luxury goods during the year, down from around 60% in 2022. This retrenchment reflects a combination of aspirational consumers being priced out following successive product price increases, weakening customer satisfaction, and heightened macro-economic uncertainty, particularly in China.



In response, some luxury groups and brands are increasingly exploring opportunities beyond the established global luxury capitals in order to broaden their customer base. Attention is shifting towards destination markets that combine a growing, affluent domestic population with the potential to capture luxury tourist spend. These locations are typically less saturated, offering scope for selective expansion while still aligning with long term brand positioning.

Assessing destination cities across major global regions through the lens of the high net worth population, GDP per capita and outlook for economic growth highlights a number of markets with supportive underlying fundamentals.

In Central and Eastern Europe, cities such as Warsaw, Prague and Bucharest stand out.

GDP per capita levels in these markets have moved closer to pan European averages, while economic growth is forecast to be among the strongest in Europe over the next three years.

Elsewhere, cities such as Madrid and Lisbon benefit from relatively high concentrations of HNWIs alongside positive growth prospects, and are also set to see significant increases in luxury hotel supply, further strengthening their ability to capture high value spend.

A similar pattern is emerging across Asia Pacific. Kuala Lumpur, in particular, combines favourable domestic affluence and growth dynamics similar to more mature regional markets, alongside a strong pipeline of luxury hotel development. Based on schemes currently under construction, luxury room supply in the city is forecast to increase by 23%, enhancing its appeal to HNW travellers and reinforcing its longer term luxury credentials.

In North America, Miami continues to attract interest on the basis of comparable fundamentals, supported by strong international visitor demand and a growing affluent residential base.

Recent geopolitical tensions are having a clear and direct impact on Middle Eastern markets, particularly Dubai. However, the region remains compelling over the medium to long term, supported by strong domestic wealth and growth prospects. Emerging tourist hubs beyond Dubai, supported by new hotel development - Riyadh is forecast to see the strongest growth in luxury hotel supply (see figure 09)—will further enhance the appeal of key destinations in the region.

However, attractive economic and demographic fundamentals alone do not automatically translate into viable expansion targets. The availability of suitable real estate remains a critical constraint, often representing the single biggest barrier to entry. Larger luxury groups and brands are typically better positioned to unlock opportunities through catalysing new development and/or creation of new luxury pitches. This activity can in fact attract additional brands. In smaller or emerging markets, operational considerations can also be more pronounced, increasing the appeal of franchise or partnership models as a route to market entry.

FIGURE 06: EUROPEAN DESTINATION MARKETS BASED ON NUMBER OF VHNWI, GDP PER CAPITA AND FORECAST GDP

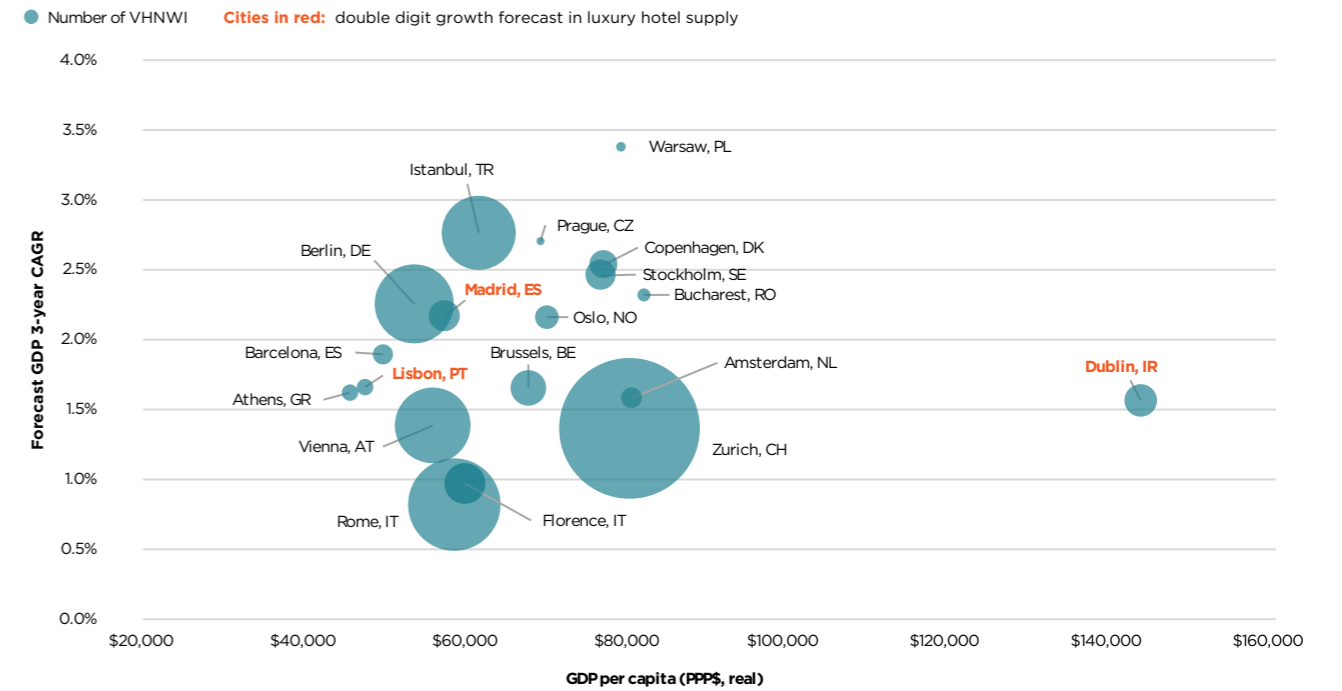
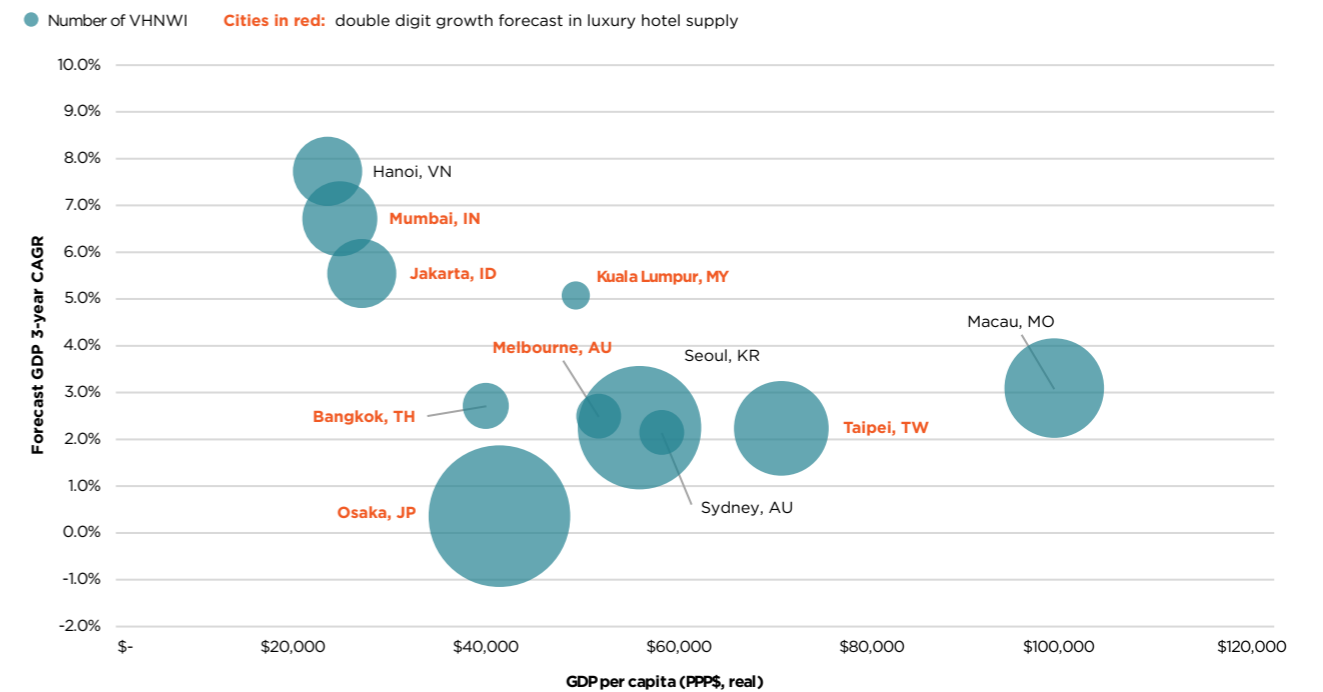


FIGURE 07: ASIA PACIFIC DESTINATION MARKETS BASED ON NUMBER OF VHNWI, GDP PER CAPITA AND FORECAST GDP



Source: Savills Research using WealthX, Oxford Economics, Costar STR (all data reflective of full year 2025)

FIGURE 08: NORTH AMERICA DESTINATION MARKETS BASED ON NUMBER OF VHNWI, GDP PER CAPITA AND FORECAST GDP

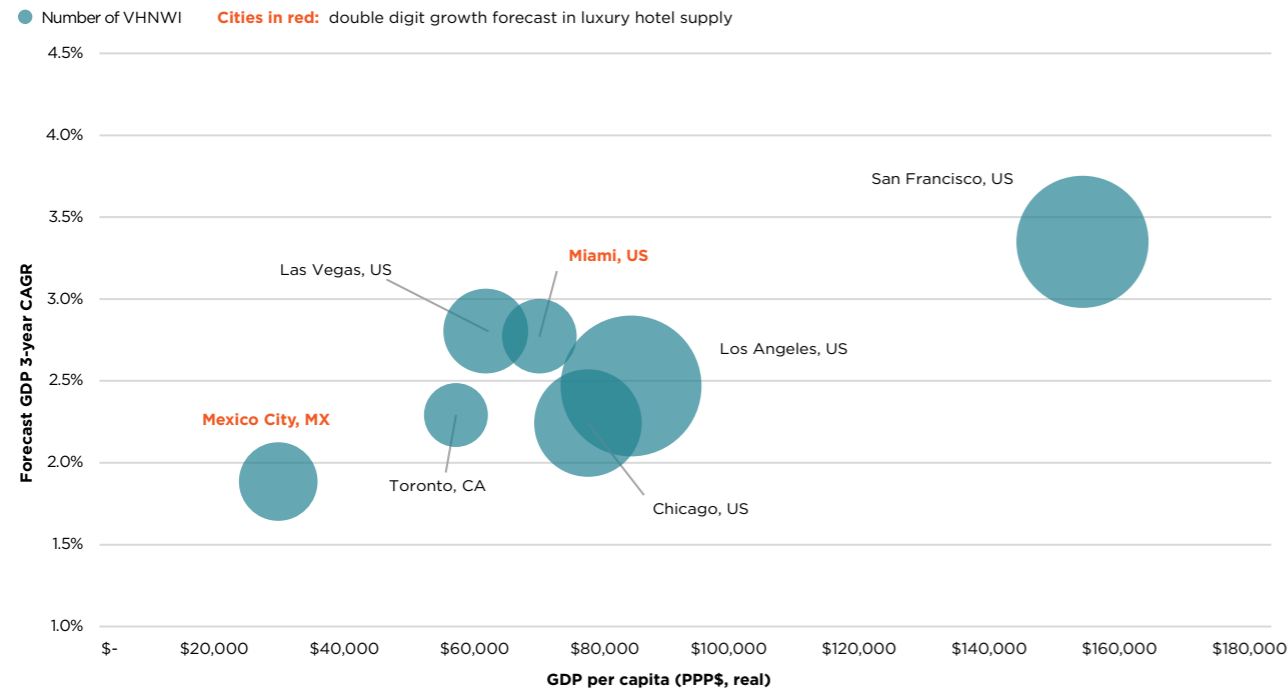


FIGURE 09: MIDDLE EAST DESTINATION MARKETS BASED ON NUMBER OF VHNWI, GDP PER CAPITA AND FORECAST GDP



Source: Savills Research using WealthX, Oxford Economics, Costar STR (all data reflective of full year 2025)

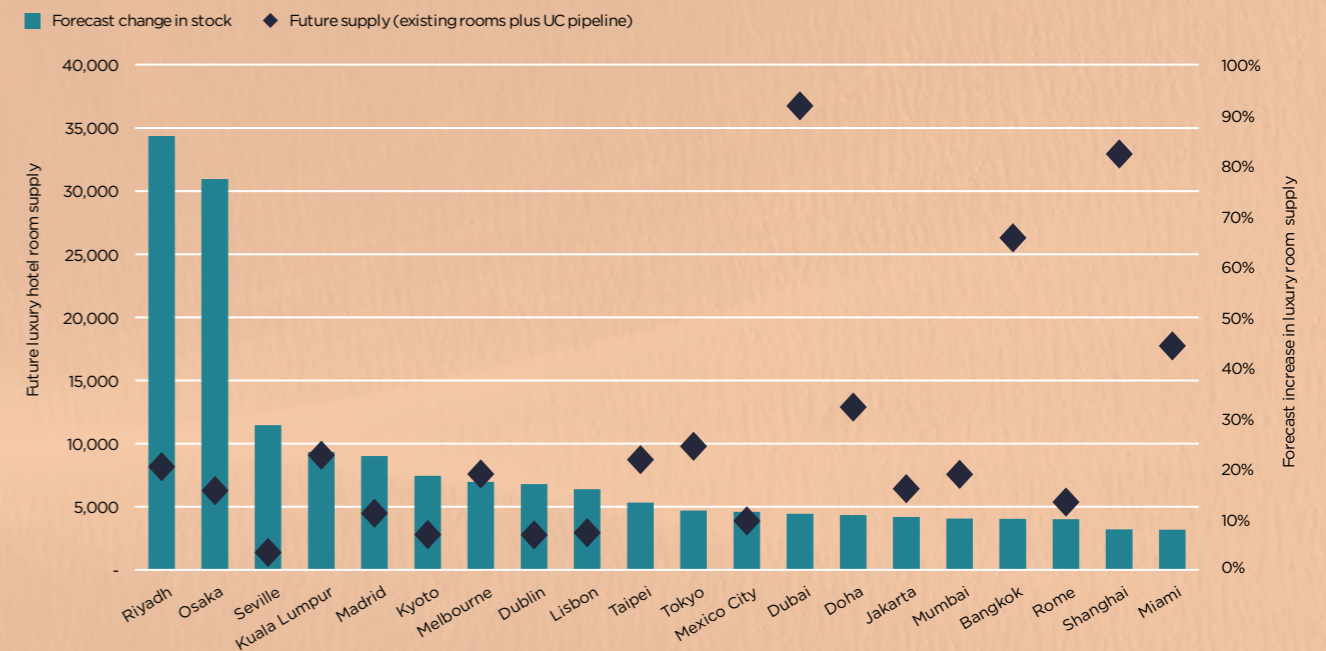
Luxury hospitality is re-shaping destination city *opportunities*

A growing pipeline of ultra-luxury hotel development is reinforcing the appeal of destination cities beyond the traditional global capitals. While established markets such as London, Paris, Milan and New York continue to benefit from depth of luxury accommodation and sustained HNWI travel demand, evolving travel preferences and accelerated expansion by leading hotel brands are elevating a wider set of cities.

Markets such as Madrid and Lisbon, which have seen global leading hotel brands such as Four Seasons, Rosewood and Six Senses enter,

illustrate how new luxury hospitality supply can act as a catalyst for retail momentum, strengthening international visibility and supporting upsizing and first entry strategies by luxury retail brands. Similar dynamics are emerging across parts of Asia Pacific and the Middle East, where substantial hotel pipelines, often aligned with wider regeneration or resort led development, are expected to enhance long term luxury credentials. As luxury travel and retail strategies become increasingly intertwined, hospitality led growth is broadening the global map of viable luxury destinations.

FIGURE 10: TOP 20 GLOBAL AND DESTINATION CITIES IN TERMS OF FUTURE CHANGE IN LUXURY HOTEL ROOM SUPPLY



Source: Savills Research using Costar STR (change in future supply is based on what is currently under construction).

Savills Private Office

The geography of global *wealth*

Rory McMullen from Savills Private Office and Kelcie Sellers from Savills World Research explore the global mobility trends of HNWI and UHNWIs, the locations that continue to appeal and the locational factors driving those choices.





Global mobility is experiencing a new peak, driven by individuals looking for the right blend of lifestyle, work opportunities and long term wealth protection. While established centres such as New York, London, Monaco, Singapore and Hong Kong continue to anchor global wealth, a new cohort of destinations is rising in prominence, shaped by lifestyle appeal, favourable tax frameworks and the attraction of well connected, like-minded communities.

Among traditional strongholds, Monaco remains a firm favourite for international buyers, many of whom are upgrading existing holdings rather than entering the market for

the first time. Switzerland and Singapore are also registering increased activity, reinforcing their reputations as stable, high demand environments.

Property continues to play a central role in wealth portfolios, reflecting both practical needs and evolving personal preferences. While tax considerations remain a key driver, motivations vary widely depending on individual objectives. In established global cities, real estate purchases are often linked to education planning, capital preservation or the acquisition of a landmark asset that signals long term confidence.

Although global property holdings remain geographically diverse, we are seeing a clear pattern of consolidation. Rising holding costs, regulatory tightening and broader economic caution are prompting many HNWI's to streamline their portfolios. For older owners, the shift is often about simplifying their assets with age; for others, it is a response to inflation, increased local taxation and greater scrutiny of second home ownership.

Looking ahead, the concept of a "second home" is becoming increasingly fluid, shaped by more mobile living and working patterns. Rather than simply visiting for leisure, families are spending extended periods across multiple jurisdictions, living, working and embedding themselves within several communities throughout the year.

The geography of global wealth is evolving rapidly. Changing business environments, shifting family priorities and new approaches to legacy planning are directing capital toward dynamic, innovation led cities.

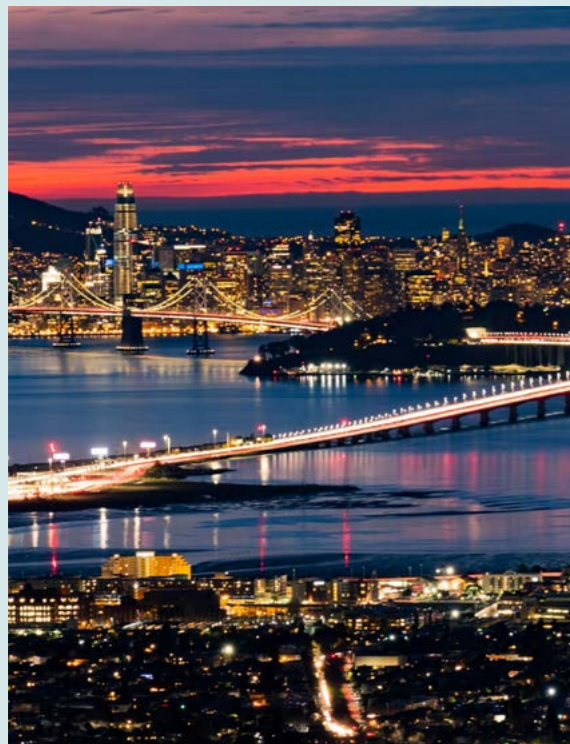
Rory McMullen, Savills Private Office



Global growth

Today's preferred destinations span global cities, coastal enclaves, alpine resorts and rural retreats. This breadth reflects a move away from seasonal lifestyle choices toward locations that support year round living. The challenge now lies in interpreting shifts in flows of wealth and buyer priorities in real time. This requires not only identifying emerging hotspots, but understanding the deeper drivers behind them, including business conditions, lifestyle appeal, family needs and the broader security landscape that underpin their attractiveness.

The geography of global wealth is evolving rapidly. Changing business environments, shifting family priorities and new approaches to legacy planning are directing capital toward dynamic, innovation led cities. Shenzhen and Bengaluru illustrate this trend clearly, with both recording triple digit growth in millionaire populations over the past decade. These centres highlight the rise of technology driven economies where entrepreneurial momentum is translating swiftly into wealth creation.



The United States continues to hold the largest population of dollar denominated millionaires, exceeding the combined totals of Western Europe and China. On a per capita basis, Switzerland and Luxembourg maintain the highest concentrations. However, wealth is also becoming more geographically dispersed. Emerging markets now account for approximately 30% of global wealth according to UBS, underlining their growing importance. Latin America, Eastern Europe and the Middle East and Africa each represent around 1.5% of the world's millionaires, a proportion expected to increase in the years ahead.

Intergenerational wealth transfer to shape future hotspots

Over the coming decade, generational change and rising cross border mobility will play a central role in shaping where wealth concentrates. Millennials and Generation Z are set to inherit nearly \$124 trillion in assets through 2048, according to estimates by the consulting firm Cerulli Associates. This transfer represents the largest intergenerational transfer of wealth in history. The next generation of wealth tend to favour sustainability focused cities, strong digital infrastructure, ease of travel and high quality of life, suggesting that the wealth centres of the future may look very different from those of the past.

The global wealth map is becoming more fluid, decentralised and widely distributed. As talent and capital move with increasing freedom, wealth follows. In this environment, tomorrow's leading destinations will be defined less by legacy status and more by vision, adaptability and their ability to attract the globally mobile elite.



Savills Private Office

The Private Office serves as a dedicated, trusted point of contact for ultra-high-net-worth individuals, family offices, and their advisors, simplifying access to the full breadth of Savills global real estate expertise. We take a proactive, discreet, and highly personalised approach to supporting our clients across all aspects of their real estate interests worldwide.

By leveraging deep relationships across the Savills global network, we connect clients with the most relevant opportunities, insights, and specialists, ensuring a seamless and efficient experience across markets and sectors. We continuously strengthen our understanding of global capital flows, emerging opportunities, and evolving client requirements across key wealth hubs, enabling us to provide informed, timely, and strategic advice.

The US; *scale* and *resilience* brings it back into focus

GLOBAL LUXURY RETAIL



The US remains the world's largest single luxury market. GlobalData estimates the US luxury goods market at \$143bn in 2025, more than twice the size of China.



While growth will trail less mature markets, fundamentals remain robust, with a five-year CAGR of 3.2% to 2030 (in local currency terms).

This scale has translated into relative resilience. Bain & Altagamma reported flat to 2% growth in the Americas' personal luxury goods market in 2025, contrasting with contractions in China and Europe.

Recent trading updates reinforce this position, with LVMH reporting +3% organic growth in the US in Q1 2026.

Underpinning performance is the depth of domestic wealth. The US is home to almost 24 million dollar millionaires, more than three times the number in China (UBS Global Wealth Report 2025), sustaining demand even amid macro and geopolitical uncertainty.

Success now hinges on the mastery of local consumer nuances and the identification of rare, high-conviction micro-locations.

Todd Siegel, President of US Retail, Savills

GLOBAL LUXURY RETAIL

Store openings regain momentum, with a more selective *focus*

Heightened discourse regarding trade tariffs has done little to disrupt long-term real estate strategies. The US re-emerged as the leading destination for new luxury store openings in 2025, capturing 26% of global openings, only marginally lower than the previous year.

However, the strategy has shifted from post-pandemic domestic expansion back to the high-velocity intersection of affluence and tourism.

New York ascended to the top of global rankings for new store openings in 2025 for the first time since 2019, with activity up 23% year-on-year, supported by improved inventory availability and a rebalancing of rents. Miami continues to thrive as a dual-pylon destination also recording an uplift in new store activity in 2025. Looking ahead, as availability on prime luxury corridors tightens and competition for best-in-class real estate intensifies we expect a more disciplined cadence of openings through 2026.



Mapping future opportunities: from *gateways* to *modern enclaves*

While the triumvirate of New York, Los Angeles, and Miami remains the bedrock of any U.S. strategy, the aperture is widening. As Todd Siegel, President of U.S. Retail at Savills, observes: “Success now hinges on the mastery of local consumer nuances and the identification of rare, high-conviction micro-locations.”

Beyond this triumvirate, centres of wealth in the west coast and interior will offer attractive opportunities. San Francisco is re-emerging as a

focal point, the city is benefiting from a “return-to-office” corporate mandates and a revitalised influx of Asia-Pacific visitors. Yet the recovery is surgical; micro-location analysis is paramount and in part drawing off the massive investment around AI development and its grounding in Silicon Valley.

Elsewhere, Chicago & Dallas demand attention for their density of established wealth, serving as critical hubs for domestically driven consumption.

Wealth transfer to bring younger cities to the fore

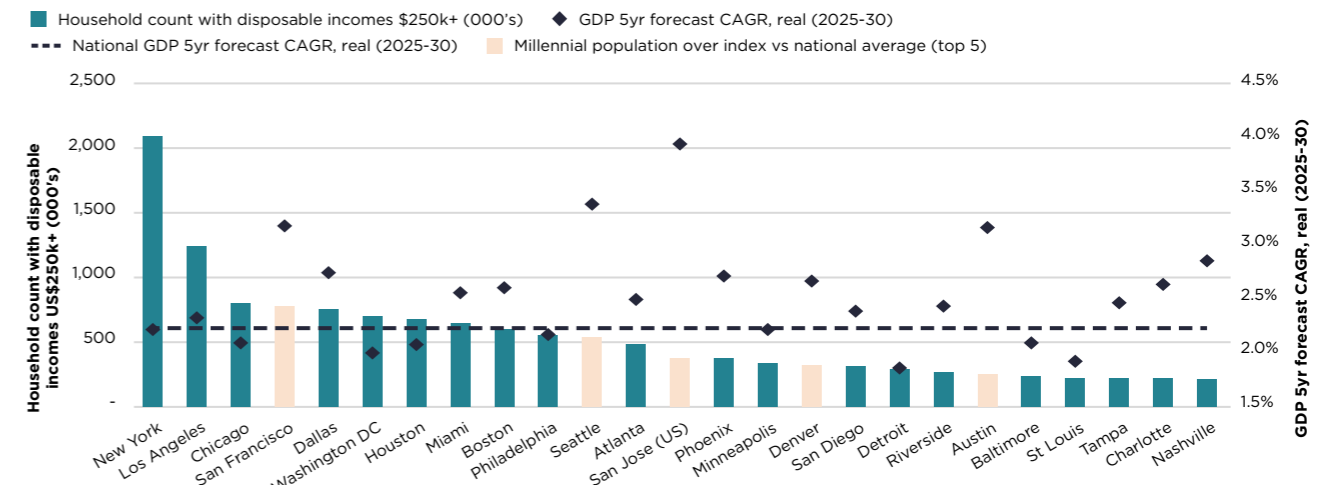
Longer-term opportunity is emerging in markets where affluence, growth prospects and younger demographics intersect.

This dynamic is particularly relevant given the scale of intergenerational wealth transfer underway in the US. UBS estimates US\$26 trillion of wealth will be transferred over the next 20 years nationally, the largest volume globally. Cities such as San Francisco, Seattle and San Jose are well positioned, as they boast high concentrations of millennial and Gen Z affluence.

The resort frontier

The luxury map is expanding with resort markets rising up the agenda. Established destinations such as the Hamptons, Palm Beach and Aspen remain key, but momentum is building in “new-guard” retreats such as Park City, Montecito and Jackson Hole, where several major luxury brands have already secured space. In these exclusive enclaves, the primary barrier to entry is not demand, but the scarcity of suitable real estate. For the world’s leading brands, the challenge is no longer just finding space, but creating it.

FIGURE 11: TOP 25 US CITIES BASED ON DENSITY OF AFFLUENT HOUSEHOLDS



Source: Savills Research using Oxford Economics

US\$ 212,000

San Jose GDP per capita (PPP real), highest across all major urban locations in the US

25%

Share of Seattle’s population classed as millennial; second highest density behind Austin



OCCUPATIONAL TRENDS



Scarce supply pushes Europe's prime luxury streets further up the global rent rankings

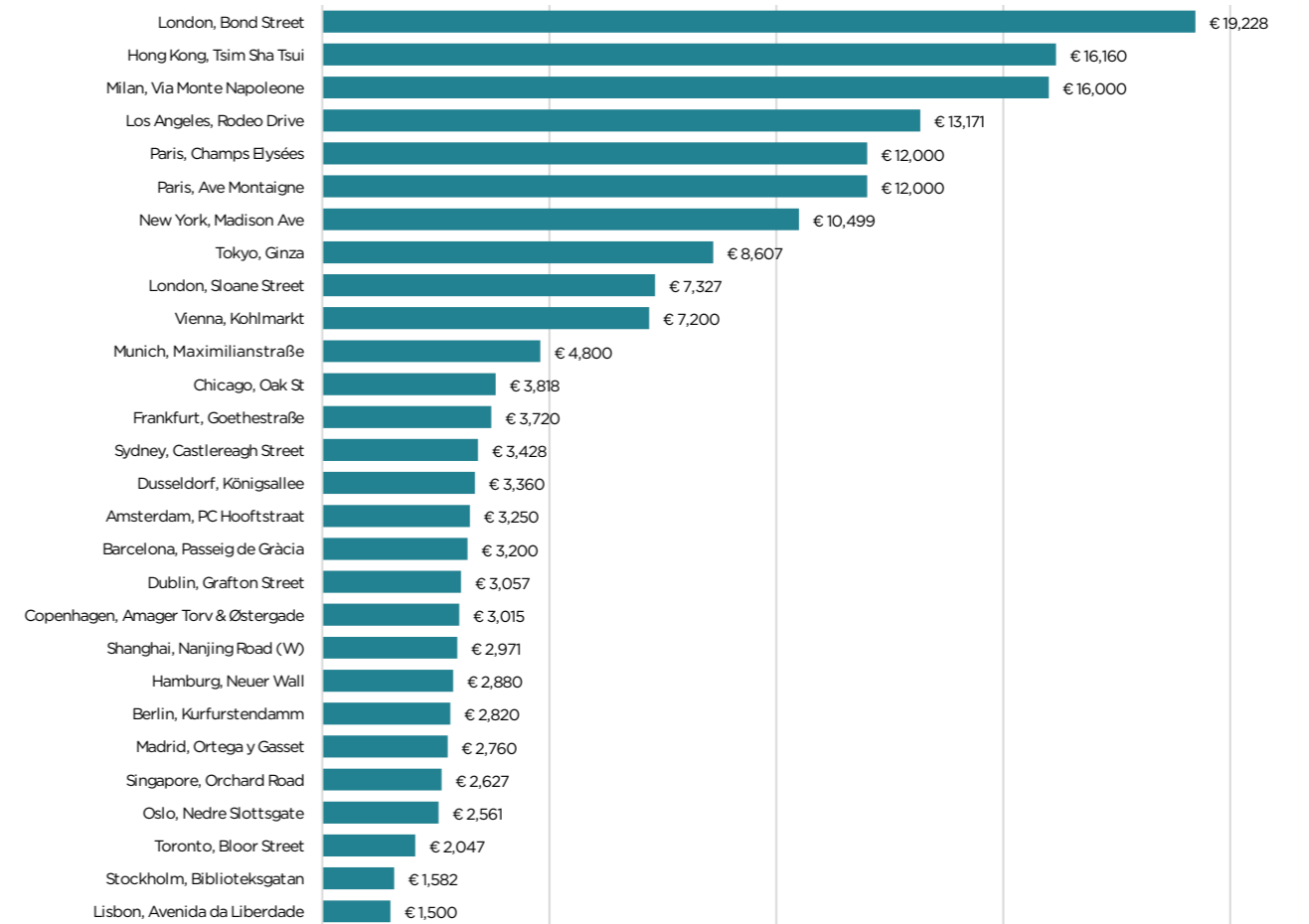
London's Bond Street reclaimed its position at the top of the global prime luxury retail rankings at the end of 2025, with headline rents reaching around €19,000 per sqm per annum. This marked a shift from 2024, when Hong Kong's Tsim Sha Tsui led the rankings. Milan's Via Monte Napoleone and Paris' Avenue Montaigne also moved higher, reinforcing the renewed dominance of a small group of established European luxury streets within the global hierarchy.

This upward movement reflects increasingly acute supply constraints, compounded by a strategic re-focus by luxury brands on these premier destinations in Europe. Limited availability, combined with intense competition for best-in-class units, has sustained rental growth,

widening the gap between these streets and the broader luxury retail market. In some cases, depth of demand has been sufficient for the most desirable units to transact at levels materially above these indicative prime headline rents.

These supply pressures have also driven an increased frequency of "key money", as brands seek to secure rare opportunities on the most established luxury pitches. While such agreements remain relatively uncommon and highly targeted, increased instances of its use underlines the strength of occupier conviction and the premium attached to truly irreplaceable global luxury addresses.

FIGURE 12: RANKING OF CORE LUXURY RETAIL DESTINATIONS GLOBALLY (Q4 2025)



Source: Savills Research (Zone A rents in London, Dublin and Paris have been normalised to reflect rental tone on a per sqm basis and not Zone A)

Divergence in rental performance across core luxury destinations is starting to *stabilise*



While a select group of core luxury destinations continued to record rental growth in 2025, performance became increasingly uneven across markets. Against softer luxury goods spending and heightened macro-economic uncertainty, the overall pace of rental growth slowed further.

Across the 27 core luxury destinations tracked globally, prime headline rents rose by an average of 0.9% in 2025, a sharp deceleration from the 6.6% uplift recorded in 2024. This moderation highlights how rental momentum has increasingly narrowed to a smaller group of tightly supplied, high-conviction markets.

Europe once again stood out as a relative bright spot, with average rental growth of 1.2%. Importantly, gains were not confined to the leading luxury streets of London, Paris and Milan. A number of destination markets, including Amsterdam, Vienna and Copenhagen, also recorded positive movement. However, stability remained the dominant theme, with over half of European luxury streets reporting unchanged rents, reinforcing the selective nature of current occupier strategies.

Elsewhere in the region, more challenging trading conditions weighed on parts of Germany, where several markets experienced modest softening. Munich proved the most resilient, supported by ongoing availability constraints and robust domestic spend.



Market sentiment now suggests that rents across Germany's key luxury locations have broadly stabilised, with upward pressure on prime rents on Munich's Maximilianstraße to materialise in 2026 subject to wider macro-economic momentum.

Divergence was also evident across Asia Pacific. Prime headline rents edged down by an average of 0.2% in 2025, largely driven by declines on Shanghai's Nanjing Road West. Elsewhere, rents were broadly stable, with Singapore standing out as an outlier, recording growth of 2.0%

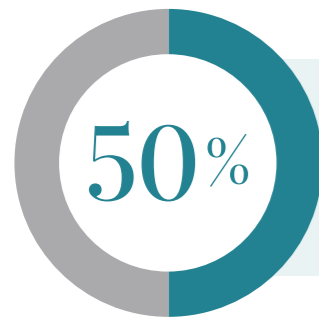
Encouragingly, these divergences are beginning to narrow. In Shanghai, the 2025 decline marks a moderation from the steeper correction seen in 2024, pointing to early signs of stabilisation, states Kelly Cheng, Cross Border lead in Asia Pacific.

While international brand sentiment has yet to fully recover in China, confidence is gradually improving, particularly for best-in-class locations. At the same time, a growing cohort of domestic Chinese luxury brands is expanding, with increasing willingness to invest in flagship and image-led stores in top-tier locations. This activity is helping to support demand for prime luxury space. Looking ahead, rents in Shanghai's prime luxury locations are expected to remain broadly stable through 2026, barring any significant macro-economic disruption.

In Shanghai, the 2025 decline represents a slowing compared with the sharper correction seen in 2024, and the market appears to be stabilising.

Kelly Cheng, APAC Cross Border Lead

Upward rental *pressure* on select European luxury streets to continue in 2026



Share of European luxury streets where rental growth in 2026 is anticipated

Insights from Savills global network of retail experts indicate that rental performance across prime luxury destinations is expected to stabilise further in 2026. Close to 60% of global markets tracked anticipate rents holding over the next 12 months, reflecting positive, albeit cautious, occupier demand.



That said, signs of renewed upward pressure are emerging in a select number of European locations. Half of European prime luxury streets indicate a likelihood of rental growth over the coming year, underpinned by persistent supply constraints and sustained demand for core locations. However, global macro-economic headwinds and challenges to global travel patterns could dampen this.



Engineering *opportunities* in structurally constrained markets

An increasingly common question from luxury brands, particularly across Europe, is how to secure space in markets where availability is structurally constrained. While the payment of key money to access occupied space on prime pitches remains one route, it is far from the only solution.

A more nuanced pattern is emerging, characterised by the extension of established prime pitches and, in some cases, the emergence of adjacent luxury clusters” adds Amanda Vissia, Savills Global Luxury Brand Lead.

This trend is already well embedded in leading markets such as London, Paris and Milan. On London’s Bond Street, for example, the luxury pitch has been extending north for a number of years and is set to be strengthened by the delivery of Royal London’s Mayfair Quarter scheme and the redevelopment of the Lazari Building opposite, both of which will introduce new, best-in-class retail space to this section of the street between Grosvenor Street and Brook Street. Similarly, the southern section of Sloane Street is “experiencing a resurgence as

a contemporary luxury destination, with brands such as Zimmermann, TOTEME and Ulla Johnson securing new locations” adds Cameron Scott, Chair of Savills Central London retail team.

In Milan, persistent supply constraints on Via Monte Napoleone have supported new activity along nearby streets including Via Sant’Andrea and Via Spiga, further extending the city’s established luxury circuit.

This pattern is now beginning to appear in a number of smaller destination cities, although largely through incremental extensions to existing prime pitches rather than the creation of entirely new luxury destinations. In our view, this pioneering activity is best suited to larger luxury groups, which are typically better placed to take calculated risks and act as catalysts in redefining or extending prime locations. For smaller brands, fundamentals remain paramount: visibility, adjacencies and established footfall are often critical to success, reinforcing the continued importance of traditional prime luxury pitches, subject to brand positioning and scale.

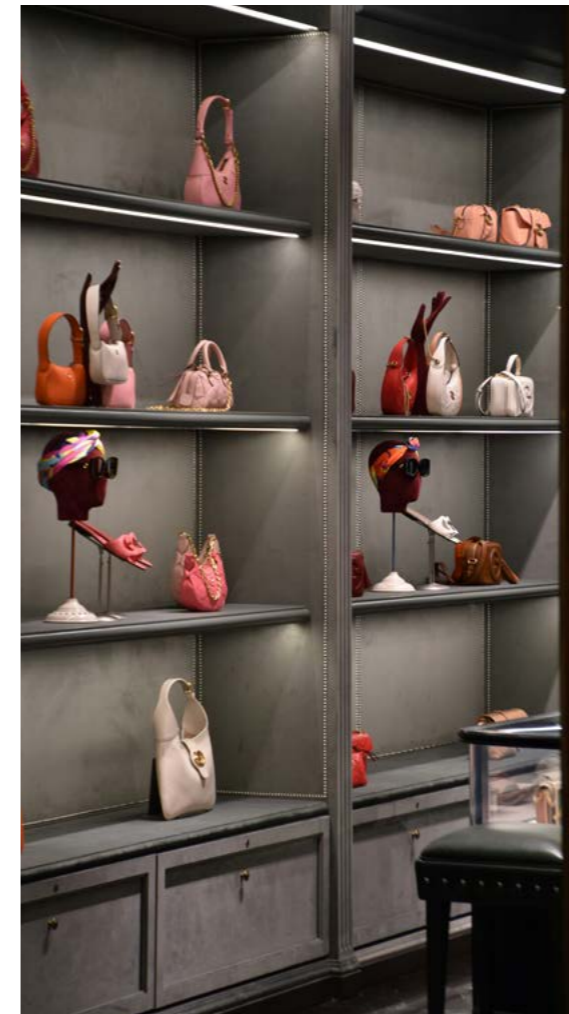


*Agility, focus
and speed: what
matters most
in real estate
decisions today*

Phoebe Bohana
chats with Savills
Global Luxury
Brand Lead Amanda
Vissia about the new
dynamics shaping
luxury retail.

The past 18 months have reshaped the luxury landscape. Global performance has softened, geopolitics continue to shift, and consumers themselves have become more discerning — gravitating toward craftsmanship, creativity and experiences that feel meaningful. Yet in the middle of all this turbulence, luxury retail hasn't stalled. In fact, many brands are doubling down on their physical footprint, refining their presence and seeking out new markets.

Alongside the brands, few people see the reality of this moment more clearly than **Amanda Vissia**, Savills Global Luxury brand lead who works closely with some of the world's most influential luxury groups. Her perspective, shaped by daily conversations with international clients, helps illuminate where the opportunities, and challenges, lie ahead, and the key considerations that should be shaping real estate decisions in today's environment.



Q: Prime luxury markets have faced notable turbulence recently. As brands continue to refine or expand their global footprints, what remains the biggest challenge?

A: Availability. Quite simply, there isn't enough of it. Despite the global softening in luxury goods spend brands are refocusing on prime locations in key markets. In every major luxury city the same issue comes up: extremely limited prime stock, from Ginza in Tokyo to Avenue Montaigne to Via Montenapoleone, units rarely become openly available. Demand for well-located flagship formats continues to outpace supply, particularly as brands seek larger footprints capable of supporting experiential and maison-led retail.

As a result, entry into the most competitive markets increasingly requires new approaches. In several European capitals, key money continues to play a part, reflecting both the scarcity of stock and the strategic value attached to holding a presence on globally recognised streets.

Q: Against this backdrop, where are the near-term opportunities? Which cities should be on the radar?

A: Southern Europe continues to appeal. Lisbon, Madrid and Barcelona remain exceptionally active, driven by strong domestic spending, boosted by the arrival of new high-net-worth (HNWI) residents largely from South America, tourism recovery and an appetite among brands to upsize or reposition into more prominent locations. Greece, or rather Athens, has also moved up the agenda as have a number of sun and snow resorts. In some cases, demand for larger units is far exceeding what local markets can currently provide.



Beyond this, brands are also looking to new markets, such as the Nordics. While they are not explosive growth markets, they offer a dependable, domestically driven luxury customer, with new luxury hotel development attracting a more varied tourist customer.

Meanwhile, markets in Eastern Europe, such as Warsaw, are emerging as interesting medium term opportunities. Significant development activity, robust economic fundamentals and limited existing luxury provision position them with notable long term potential.

Q: What typically propels these smaller or emerging cities further up the priority list for luxury brands?

A: A key driver is the shift towards capturing new customers. We have learnt that the industry can no longer rely solely on traditional tourist flows; brands are now scrutinising local domestic wealth patterns, influx of new HNWI residents from other global markets, the performance of existing retailers and the overall depth of affluent neighbourhoods.

In cities such as Madrid, this has led to growing interest in areas where HNWI residents live, dine and shop daily. As domestic spending becomes more central to long-term strategy, these neighbourhoods carry increasing weight.

Q: How should brands approach their real estate strategy when entering or expanding within these markets? Are there regional nuances to consider?

A: Speed has become a strategic differentiator. Brands that act decisively are the ones capturing the strongest sites. In a market defined by scarcity, acting fast is no longer tactical; it is essential.

European retail environments also require a greater degree of flexibility and pragmatism, a consideration that is more relevant to new entrant brands to the region. Historic buildings, protected facades and irregular floorplates are common, and brands often need to adapt their concepts accordingly. Overly rigid formats can limit opportunities in markets where the perfect rectangular box simply does not exist.



The most critical consideration remains securing the right pitch at the outset. Brands that previously opted for secondary locations — often for reasons cited to availability or affordability — are now seeking to relocate into prime locations, frequently at much higher cost. In today's supply-constrained environment, the chance to correct a compromised decision is becoming increasingly rare.

As a result, securing the right space in the best location will take time and our advice to any brand new to a region/market is to be prepared to wait for the best opportunity.

On the flip side we're seeing some of the bigger brands and groups look to actively create opportunities on new luxury pitches, allowing brands to realise store aspirations that were perhaps unattainable within the core pitch. The creation and/or extension of luxury pitches can also provide opportunities for other brands. But I would add that only a few brands can do this successfully.

Also, don't assume anything. There are often perceptions on what is potentially available, I never take these at face value and always ask the question direct as you can be surprised by the response even where an existing tenant has just taken occupation.

Q: Any final advice for brands looking to expand into a new market or location?

A: Do the due diligence early. Brands that deeply understand a location—not just retail fundamentals, but the wider ecosystem of residents, workers, visitors, offices, leisure and hotels—are best placed to act quickly when opportunities arise. Increasingly, brands are asking us to support this broader analysis, and as a multi disciplinary business, with deep insight into global HNWI flows through our Private Office, Savills is well positioned to help brands make faster, better informed decisions.

Q: There are a number of markets where trade is currently more challenged, what options do brands have to mitigate these challenges via their real estate?

A: For most brands withdrawing from prime streets where they already have stores is not a viable strategy; the risk of being unable to re-enter at a later stage is too high.

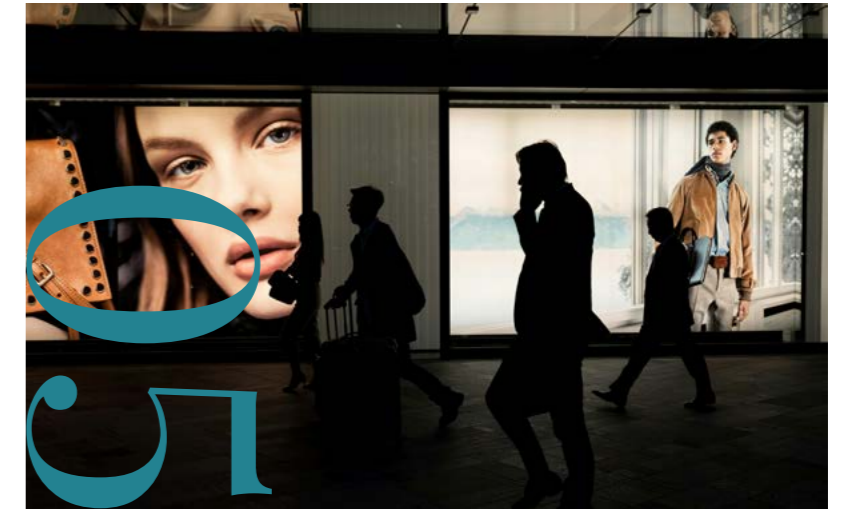
There will be nuances to this subject to the specific location and the existing scale of store portfolios at a city level. In some cases it may be suitable to rationalise stores and channel investment into flagship formats that elevate service and experience. These stores not only defend brand equity during softer periods but also justify premium rents by delivering greater long-term value. However, these decisions should be taken in the context of the potential future evolution of a location's ecosystem as flagged earlier and not just on current dynamics as the ability to return in future may be challenged.

Depending on location and the brand there may be an option to seek a rent reduction and/or restructure of existing leases with landlords. But, this is highly unlikely to be realised on prime pitches where demand remains super robust. It does mean, however, in a worst case scenario the ability to assign leases, potentially with key money, will be much stronger subject to the considerations already mentioned.

Ultimately, however, resilience is shaped by decisions made early in the expansion cycle. Choosing the right location — and moving quickly when opportunities arise — remains the most effective hedge against future volatility.

Looking to the *future*

Luxury real estate's clear strategy; 2026 and beyond



Space competition shifts from “where” to “how”

With availability constrained, brands will increasingly engineer solutions — upsizing, relocations, pitch extensions and selective key money.

Prime locations stay in power

Expect continued polarisation — capital and creativity concentrate in global luxury capitals and their premier luxury locations.

01

Destination and resort markets to rise, selectively

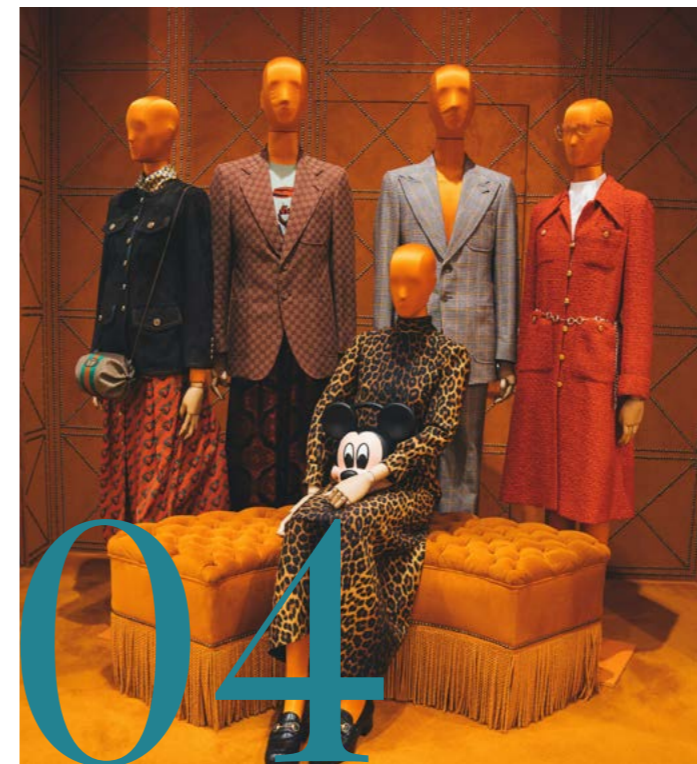
Luxury travel momentum and hotel development will keep expanding the map of viable markets, but entry will depend on the right real estate, partnerships and the ability to protect brand equity.

03

New store activity to remain relatively restrained

The laser focus on key global luxury destination combined with constrained availability and increased occupier caution will constrain new store activity.

02



Rental stabilisation to become more widespread in 2026, with upward pressure on select European markets to continue

Half of European luxury streets expect growth, driven by persistent scarcity and sustained demand for best-in-class units.

06 Experiences become the growth engine

Retail strategy will further converge with hospitality, wellness and culture, favouring flexible, immersive formats (and high-impact activations) that deepen client relationships.

07

Watch the macro and travel backdrop

Geopolitical disruption and broader consumer sentiment headwinds could redirect spend between travel and goods and affect international footfall, reinforcing locations with diversified demand fundamentals (domestic wealth + tourism).

Key contacts

Global *luxury* team

Our dedicated Global Luxury Retail team has a wealth of experience and a comprehensive understanding of the luxury retail sector, enabling us to regularly advise and transact on behalf of our clients within this highly specialist market.

If you would like further information on how our Global Luxury Retail team can help you, please do not hesitate to contact one of our experts across the globe:

Global & cross border team

Anthony Selwyn

Co-head of Global Retail
aselwyn@savills.com

Sam Foyle

Co-Head of Global Retail
sfoyle@savills.com

Marie Hickey

Director, Global Retail Research
mlhickey@savills.com

Amanda Vissia

Global Luxury Retail Lead, Italy
amanda.vissia@savills.it

Larry Brennan

Head of European Retail
larry.brennan@savills.ie

Laura Clowes

Director, Global Cross Border Retail
laura.clowes@savills.com

Alexa Choynowski

Surveyor, Cross Border, Europe
alexa.choynowski@savills.com

Kelly Cheng

Associate Director, Cross Border, APAC
kelly.cheng@savills.com.cn

Thea Rowe

Associate Director,
Middle East & Cross Border
thea.rowe@savills.me

Jorge Alonso-Allende Osborne

Cross Border Senior Consultant, Madrid
jorge.alonso-allende@savills.es

Katie Savill

Global Retail Coordinator, London
katie.savill@savills.com

Phoebe Bohana

PR Manager, UK
phoebe.bohana@savills.com

Regional & local market specialists

Nick Bradstreet

Head of Asia Pacific Retail
nbradstreet@savills.com.hk

Todd Siegel

President U.S. Retail
tsiegel@savills.us

Jordan Karp

Head of Canadian Retail Services
jkarp@savills.ca

Cameron Scott

Director, Central London Retail
cameron.scott@savills.com

Richard Scott

Director, Central London Retail
richard.g.scott@savills.com

Francesca Cattagni

Head of High Street Leasing, Milan
francesca.cattagni@savills.it

Germana Ascione

High Street Leasing Manager, Milan
germana.ascione@savills.it

Thomas Nandzik

Director, Retail Agency Germany
tnandzik@savills.de

Andrés Martín Rico

Director, Madrid
andres.martin@savills.es

Jose Galvao

Portugal, Director
jose.galvao@savills.pt

Fabian Derungs

Switzerland, Director
fabian.derungs@hbre.ch

Joey Chio

Head of Transaction and Advisory, China
joey.chio@savills.com.cn

Thomas Waterhouse

Director, Retail, Hong Kong
twaterhouse@savills.com.hk

Philip Lam

Associate Director,
Retail, Hong Kong
phplam@savills.com.hk

Murli Menon

Director, Retail Services, Malaysia
murli.menon@savills.com.my

Sulian Tan-Wijay

Executive Director,
Retail & Lifestyle, Singapore
stwijaya@savills.com.sg

Matthew Powell

Director, Savills Hanoi, Vietnam
mpowell@savills.com.vn

Leighton Hunziker

Australia, Director
lhunziker@savills.com.au

Marina Lavrov

European Retail Director
marina.lavrov@savills.com

Antoine Vandamme

High Street Retail Director, Paris
antoine.vandamme@savills.fr

