

Chalhoub Group records '8-10 percent growth' in 2015

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Anthony Chalhoub

Middle Eastern leading luxury distributor Chalhoub Group witnessed growth of up to 10 percent last year, despite changes in consumer behaviour.

Anthony Chalhoub, joint CEO of Chalhoub Group, said changes in consumer behaviour during last year included decreased consumer spending.

"We have been experiencing a growth of almost two digits between 8 to 10 percent [in comparison] to previous years. And now we have a growth which is more like a mature market growth, a bit like in Europe," Chalhoub said.

"There was a kind of change in the customers' attitudes and the customers' profile. So we lost some customers who are not coming as often as before. Some customers have a different spending power so they are decreasing the purchases or portions of the purchases. But we think that it is kind of temporary," he added.

Co-CEO Patrick Chalhoub said that while the company's growth in 2015 was lower than expected, it was still ahead of the market in the Middle East region.

"We have had a little growth in 2015, lower than our budget. It started well in the first quarter and then it slowed down particularly in the third and fourth quarter but altogether it has been a small growth," he said.

"Our estimation is that the luxury market in the Middle East is growing about one to two percent according to the latest study we had from Bain and Co, and we as a group grow faster than this which means that we feel that we can market share and at the same time we are not pushed for turnover or for profit like many of the other public companies where they have to deliver financial figures and results."