

APPAREL AND ACCESSORIES

Kering's luxury activities soar in Q1 2017 thanks to Gucci

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Kering-owned Gucci's spring/summer 2017 eyewear campaign

By STAFF REPORTS

Led by Gucci's "creative universe," French conglomerate Kering Group saw its luxury business activities increase by 34 percent for the first quarter of 2017.

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Kering, who is the parent company of brands including Saint Laurent, Bottega Veneta and Puma, saw its first-quarter 2017 revenues total 3.57 billion euros, or \$3.81 billion. As a whole the group saw double-digit growth across all its activities in all its geographic regions, but excluding the Japanese market.

Stay golden, Gucci

Kering-owned luxury houses saw remarkable performances for the first quarter of 2017.

Italian fashion house Gucci had record growth for the quarter due to the growing enthusiasm for its revived aesthetic under the creative direction of Alessandro Michele. Interest in Gucci resulted in revenue increases of 54 percent, within all regions and product categories, including ready-to-wear and leather goods.

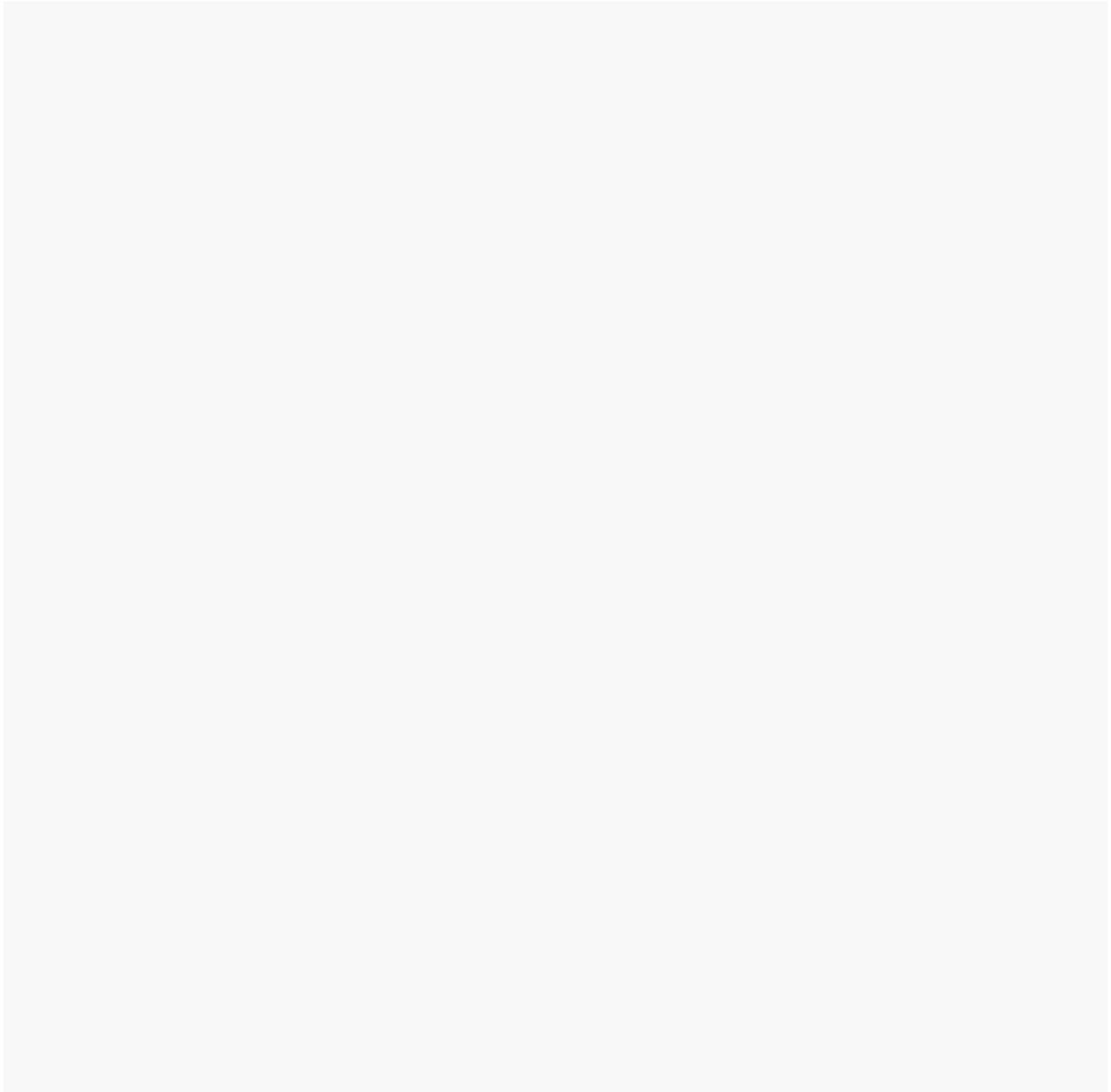
Gucci's directly operated stores saw sales grow by more than 50 percent. Markets such as Western Europe and Asia Pacific recorded strong growth with 66.4 percent and 63.1 percent sales increases, respectively.

Kering's Bottega Veneta saw improving trends with revenues rising 4.7 percent. Western Europe, Asia Pacific and "the rest of the world" experienced positive momentum, driven by returning and new consumer sales.

Bottega Veneta's direct operated stores year-on-year sales climbed by 3.6 percent.

Yves Saint Laurent sustained robust growth in the first quarter of 2017. Revenues at the French house increased by 35.4 percent.

The brand also experienced double-digit sales growth at its direct operated stores in all regions, excluding Japan. Online sales continued to drive growth for Yves Saint Laurent also, especially in Western Europe and North America.



VITTORIA - FITTING GRAND PALAIS - PARIS WINTER 17 by @anthonyvaccarello POLAROID'S by ARNAUD MICHAUX
#YSL #SaintLaurent #YvesSaintLaurent #Winter17 #PFW

A post shared by SAINT LAURENT (@ysl) on Mar 14, 2017 at 11:03am PDT

Kering's Other Luxury brands – Couture & Leather Goods Maisons, which includes Alexander McQueen, Stella McCartney and Watches & Jewelry Houses such as Boucheron and Pomellato, saw revenues increase by 12.3 percent. All distribution channels contributed to revenue growth.

The first quarter of 2017 also saw Kering ink a partnership between its Kering Eyewear division and Richemont-owned Cartier. The agreement will see the development of Cartier eyewear by combining both Kering and Richemont operations ([see story](#)).

"Kering achieved a record performance in the first three months of the year, posting a sharp acceleration in sales growth," said Francois-Henri Pinault, chairman and CEO of Kering in a statement. "Benefiting from somewhat more favorable market conditions, our strong delivery primarily stems from meticulous execution of our strategy and the creative audacity of our houses.

"In a climate of persistent geopolitical and macroeconomic uncertainties, our first quarter puts us in a particularly

good position for the balance of the year," he said. "The group will continue to focus on organic growth and market share gains, on value creation and ongoing operational and financial discipline."

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