

APPAREL AND ACCESSORIES

Men's products fastest growing-category for Jimmy Choo

August 31, 2017



Jimmy Choo's men's collections are a growing share of its revenues. Image credit: Jimmy Choo

By STAFF REPORTS

Footwear label Jimmy Choo says its investment in its store network and omnichannel services helped its revenues rise 16.5 percent in the first half of 2017.

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Despite challenges such as reduced tourist traffic in Europe and softened demand in the United States, Jimmy Choo recorded growth in retail revenue and profit before tax. Ahead of Jimmy Choo's acquisition by Michael Kors ([see story](#)), which is expected to close in the fourth quarter, the brand is projecting continued growth for the rest of the year.

Growth plan

Jimmy Choo's plan is working toward its goal of 200 direct-operated stores with plans to open 10 to 15 boutiques per year. In the first half of 2017, it opened six new stores, with the total store amount as of June 30 at 151.

Later this year, the brand plans to open three stores in Asia to complete its presence in what it has deemed 10 key target locations.

Along with its expansion, the brand also closed five underperforming stores, and it has plans to shutter five more in the second half of the year.

In addition to its direct-operated stores, Jimmy Choo has sought out franchise partnerships in certain markets to grow its presence with less risk. During the first half of the year, it linked with local partners to open stores in South Korea, Brazil and Russia.

Jimmy Choo also inked a joint venture with Al-Tayer Group, which turned six locations in the United Arab Emirates from franchises to brand-operated stores.

In addition to openings and closings, the label is undergoing renovations and relocations in an effort to transform more of its boutiques into its new store concept. Due to this initiative, more than half of its boutiques now feature this design.

Beyond physical boutiques, Jimmy Choo is also investing in its ecommerce operations. After launching omnichannel services in the U.K. last year, these features are now available in the U.S. as of the first half of the year.



Jimmy Choo Romy shoes, pre-fall 2016. Image credit: Jimmy Choo

The brand has also taken its fulfillment in-house, taking control of this aspect of its ecommerce experience that was previously outsourced.

Digital marketing is helping to attract new clients and engage existing customers, with Jimmy Choo seeing increased YouTube views and Instagram followers in the half year.

Thanks partly to an increased editorial presence, Jimmy Choo's men's collections now represent 9 percent of its total revenue. Responding to this interest in this category, the label has expanded the number of boutiques that retail both men's and women's products by 15 this half.

Jimmy Choo's retail revenue rose 18.5 percent to 127.1 million pounds, or \$163.8 million at current exchange.

In addition to sales through its retail channels, Jimmy Choo's wholesale business was up 10.4 percent, despite reduced buys from U.S. department stores. The brand's licensing partnerships with Safilo and Interparfums were also up by 40.3 percent.

"We are delighted with our performance during the period, having delivered growth in revenue and margins, despite challenging market conditions," said Pierre Denis, CEO of Jimmy Choo, in a statement. "Strong underlying cash conversion has also allowed us to deleverage, providing us with a stable platform to deliver further strong growth.

"Our long-term growth strategy is to nurture the brand's unique DNA, to strive for excellence in business execution and to enhance client experience, in order to deliver superior growth and profitability, as well as leveraging the significant investments we have made in the business to date," he said. "We have continued to make good progress through the first half and are well positioned to deliver over the remainder of the year."