

APPAREL AND ACCESSORIES

Mulberry eyes further global ambitions as international sales rise

December 6, 2017



Mulberry is growing its Asian presence. Image credit: Mulberry

By STAFF REPORTS

British fashion label Mulberry's retail sales grew 2 percent in the six months ended Sept. 30, driven partly by an increase in full-price transactions.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

Mulberry's total revenues for the first half of the fiscal year were largely flat, growing to 74.6 million pounds, or about \$99.8 million at current exchange, from 74.5 million pounds in 2016. However, the company saw growth in areas such as digital and gross margin.

International investment

While the company's retail sales overall grew during the first six months of the year, Mulberry saw its wholesale business decrease 6 percent in the same period. Digital sales globally were up 3 percent, and today account for 14 percent of total revenues.

Due to less markdown sales, the label's gross margin increased by 248 basis points.

Mulberry's U.K. retail sales grew slightly by 1 percent, with increased tourist spending in London.

Meanwhile, the company's international sales rose by 8 percent. It has recently looked to grow its global presence through deals.

On Dec. 4, Mulberry signed a shareholder agreement with OGF for its business in Tokyo. Together, they have established five stores and launched marketing efforts tailored to the Japanese customer ([see story](#)).



Mulberry recently opened in Tokyo's Ginza Six. Image credit: Mulberry

As of Sept. 30, Mulberry had 121 stores around the world, including partner locations. The brand is planning to roll out a new retail concept next summer, unveiling it first in its Regent Street store in London.

Mulberry has also looked to raise its profile in and outside of its native U.K. through multichannel marketing, hosting customer events in places such as New York and China and turning to digital and influencers for added engagement.

Today Mulberry's two factories in Somerset, Britain produce about half of its handbags. The company is committed to keeping its U.K. production for bags at about 50 percent, and has opened an Artisan Studio in one of its production facilities, which will work on special and limited-edition products.

"We are delivering on our strategy to grow Mulberry as a global luxury brand," said Thierry Andretta, CEO of Mulberry, in a statement. "Our international platform is taking shape and we have seen a successful initial trading period in Japan through our collaboration with OGF.

"Our focus on full price sales growth has delivered good results with new designs proving popular with customers," he said. "The Amberley bag, launched during June 2017, has already become a bestseller.

"We continue to invest in our Somerset factories and have created an Artisan Studio that showcases our distinctive British craftsmanship on special and limited edition products. We continue to see strong demand from tourists in London and whilst the U.K. remains uncertain, the group remains in a strong position to invest in further developing the customer experience in key international markets and enhancing its unique U.K. design and manufacturing base."

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.