

APPAREL AND ACCESSORIES

Hermès sales up 7.5pc in 2018

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Hermès' ready-to-wear saw significant growth in 2018. Image credit: Hermès

By STAFF REPORTS

During 2018, French fashion group Hermès saw its total sales rise to about 6 billion euros, or about \$6.8 billion.

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The group saw its store sales climb 11 percent throughout the year, with bricks-and-mortar growth across all regions. One of the key growth categories for Hermès during the year was ready-to-wear, which grew 14 percent, thanks in part to shoes and accessories.

Fashion focus

Hermès ended the year with sales up 10 percent at constant exchange rates, or 7.5 percent at actual exchange.

The group has been focused on expanding the presence for its namesake house, both through store openings and updates to its existing boutiques. In October, Hermès also debuted a new ecommerce platform for China and Europe.

For instance, in Asia, Hermès renovated its Shanghai IFC and Singapore Marina Bay Sands stores and opened locations at Landmark Prince's in Hong Kong, Changsha and Xi'an in China and Chadstone in Australia. These helped Hermès grow its sales in Asia by 14 percent.

The Americas also achieved double-digit growth, with sales up 12 percent. During the year, Hermès opened a store in Palo Alto, CA in Silicon Valley, marking its 34th United States boutique.



Hermès' Palo Alto store. Image credit: Hermès

Hermès also renovated its flagship store on avenue George V in Paris. The boutique reopened in November, and now spans three floors.

Despite the protests that disrupted Parisian retail during the holiday season, Hermès' sales were still up 6 percent in France during the year.

Meanwhile, Japan saw 8 percent year-over-year growth and Europe, excluding France, also saw sales rise 8 percent.

All of Hermès' divisions saw growth, with leather goods sales and perfume sales both up 9 percent. Watch sales were up 10 percent, and silk and textiles saw sales growth of 3 percent.

Hermès' other business lines, which include brands such as Puiforcat and John Lobb, were up 20 percent.

For 2019, Hermès is centering its efforts on the theme "In the pursuit of dreams."

"In an uncertain global context, I am very pleased with the success of Hermès which saw revenue rise to 6 billion euros," said Axel Dumas, executive chairman of Hermès, in a statement. "Such performance reflects the attractiveness of our collections, which are based on unfettered creativity and outstanding technical expertise, enabling us to maintain our model of sustainable and responsible growth, in line with our values of craftsmanship and entrepreneurial spirit."

Hermès is focusing on craftsmanship, as consumers look more towards transparency in the supply chain.

The brand is recruiting 250 artisans for a leather workshop in Normandy, France. Construction for a new product site, focusing on leather goods and saddlery collections, is set for 2021 ([see story](#)).