

APPAREL AND ACCESSORIES

Herms shows strong recovery, thanks to Asia

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Herms showed strong sales momentum, especially in the fourth quarter. Image credit: Herms

By LUXURY DAILY NEWS SERVICE

French fashion group Herms has demonstrated adaptability and agility despite the health and economic crisis brought on by the COVID-19 virus.

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In 2020, the company's consolidated revenue decreased only 6 percent, reaching 6.389 million euros (\$7.75 million), as the loyalty of local customers and increase in ecommerce successfully offset a reduction in tourist spending. Herms saw especially remarkable performance in Asia, as well as within its leather and saddlery business line.

"The solidity of our results reflects both the desirability of our collections and the agility of our craftsmanship model," said Axel Dumas, executive chairman of Herms, in a statement. "I am proud of the work accomplished by all Herms employees, who have shown courage, solidarity and commitment, and I thank our customers for their loyalty all over the world."

Coming out strong

Asia, excluding Japan, showed 14 percent positive growth driven by a 47 percent increase in the fourth quarter, in particular thanks to activity in Greater China, Korea and Australia. Despite new store closures in certain countries, sales were particularly sustained over the last six months of the year.

The American market showed a 21 percent decrease, with more positive growth in the second half of the year. Europe, excluding France, showed a 20 percent decrease as store closures and other restrictions impacted physical business.



Despite a 4 percent decrease, sales were especially strong on the hemes.jp platform. Image credit: Herms

Leather goods and saddlery saw an overall decrease by 5 percent, but saw positive growth in the fourth quarter. The company plans to open five new workshops throughout France in the next two years.

Ready-to-wear and accessories saw an overall decrease of 9 percent, with positive growth in the fourth quarter, while the silk and textile business was hurt by a drop in sales to travelers (-23 percent).

Perfumes and beauty recorded a decrease of 19 percent marked by the contraction of tourist flows. After the launch of the first lipstick collection in early February, the beauty business line continued its development.

In 2020, the group increased its workforce by 1,183 people, employing a total of 16,600 individuals at the end of the year. Despite the economic effect of the pandemic, Herms maintained the jobs and salaries of its employees worldwide without governmental support.

Herms remains optimistic for the future, and will continue to pursue its long-term development strategy based on creativity, maintaining control over know-how and singular communication.

The brand recently released an energetic and athletic campaign spotlighting its classic accessories. With the new collection and campaign, Herms invites its consumers to be everyday athletes with elegance and agility ([see story](#)).

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