

APPAREL AND ACCESSORIES

Tapestry exceeds expectations for Q3 2021

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Stuart Weitzman saw y-o-y growth of 13 percent. Image credit: Stuart Weitzman

By LUXURY DAILY NEWS SERVICE

U.S. fashion group Tapestry Inc. recorded net sales of \$1.27 billion for the third quarter of fiscal year 2021, up 19 percent year-over-year.

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For the third quarter ended March 27, new customer acquisition propelled Tapestry's triple-digit growth in global digital sales. The group also achieved sequential improvement in year-over-year revenue trends compared to both fiscal years 2020 and 2019.

"Our third quarter results significantly outpaced expectations, underscoring the power of the acceleration program and enthusiasm for our brands," said Joanne Crevoiserat, CEO at Tapestry, in a statement. "Through a sharpened focus on the consumer, we fueled new customer acquisition at Coach, Kate Spade and Stuart Weitzman and delivered robust sales growth led by digital and China."

Recovery speeds up

Online, Tapestry added about 700,000 new shoppers through its North American ecommerce channels, primarily millennial and Generation Z consumers. Purchase frequency also increased.

In addition to strong digital momentum, Tapestry's in-store revenue trends also improved on a one- and two-year basis. However, the group is also optimizing its physical footprint and has seen 49 net store closures year-to-date.

tapestry

COACH | kate spade | STUART WEITZMAN

Tapestry owns Coach, Kate Spade and Stuart Weitzman. Image credit: Tapestry Inc.

Revenue also increased approximately 40 and 175 percent in mainland China from FY 2019 and 2020, respectively. In North America, a sales increase in the mid-teens returned the group to pre-pandemic levels for the market.

Tapestry's three brands all saw year-over-year increases in net sales during the third quarter.

Apparel and leather goods house Coach recorded \$964 million in net sales during Q3, up 25 percent from Q3 2020's \$772 million. Kate Spade saw quarterly net sales improve by 1 percent to \$252 million, while footwear label Stuart Weitzman saw 13 percent growth for \$57 million in net sales.

Looking ahead, Tapestry is hoping an improving climate amid vaccination efforts and increased consumer confidence will contribute to strong demand and boost in-store traffic. Data-driven and relevant brand messaging will also be a priority.

Tapestry also launched several initiatives to foster diversity and inclusion. The company's employee resource group, the Black Alliance, has launched a new partnership with seven Historically Black Colleges and Universities (HBCUs) to host talent and sourcing fairs ([see story](#)).

"We are confident that our clear, consumer-centric strategy, powerful brands and differentiated, scalable platform uniquely position us to capture market share at higher levels of profitability," Ms. Crevoiserat said.

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