

COMMERCE

Richemont records strong performance due to online sales, jewelry

May 21, 2021



Richemont owns French jeweler Cartier. Image credit: Cartier

By LUXURY DAILY NEWS SERVICE

Swiss luxury group Richemont has reported a strong financial **performance** in its fiscal year ending March 31, 2021.

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As initial COVID-19 lockdown measures were progressively eased, sales for the group grew by 17 percent and 12 percent at constant and actual exchange rates, respectively. The group also recorded fourth-quarter sales growth of 36 percent and 30 percent at constant and exchange rates, respectively.

"During this unprecedented level of global disruption, all of our colleagues have demonstrated remarkable agility and discipline, adapting rapidly in the face of repeated closures, a halt in international tourism and an overall lack of visibility," said Johann Rupert, chairman of Richemont, in a statement. "As a result, our maisons and businesses delivered a resilient performance and made good progress on Richemont's transformation agenda."

Fourth quarter and beyond

The strong performance was led by its jewelry maisons, online retail and Asia Pacific. The group Maisons saw triple-digit growth with online retail sales, reflecting the efficiency of the group's focus on digital.

Overall online retail sales grew by 6 percent at actual exchange rates, accounting for 21 percent of group sales.

The group saw continued strong performance in mainland China, contributing to 19 percent sales growth in Asia Pacific, where year-on-year sales increased by triple digits in the fourth quarter.

Fourth-quarter sales contained the decline of full-year sales to 5 percent at constant exchange rates and 8 percent at actual exchange rates.

Jewelry accelerated sales beyond pre-COVID levels and increased operating margin to 31.0percent, supported by strong double-digit sales growth in the second half of the year.

"As our maisons and businesses adapted rapidly to changing levels of demand and the differing ways customers wanted to interact, our transformation accelerated, and we advanced our understanding of the customer journey and client preferences via digital tools," Mr. Rupert said. "Online, mobile and distant shopping have proven to be key

growth drivers, and we have seen a sharp increase in clients favoring those channels."



Richemont's jewelry maisons, including Cartier, saw strong sales growth. Image credit: Cartier

Richemont is also noting a strong start into the new financial year, with accelerating trends across all sectors.

In March, Richemont saw a spike in shares after reports surfaced that the company had been approached by French conglomerate Kering with an acquisition offer ([see story](#)).

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