

APPAREL AND ACCESSORIES

LVMH's fashion and leather goods category achieves record revenue

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Louis Vuitton has expanded its product offerings. Image credit: Louis Vuitton

By LUXURY DAILY NEWS SERVICE

French luxury conglomerate LVMH Mot Hennessy Louis Vuitton saw its third quarter 2021 revenues grow 20 percent year-over-year on an organic basis, continuing its growth trajectory.

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LVMH's Q3 2021 revenues of 15.512 billion euro, or \$17.883 billion at current exchange, are also up 11 percent from the third quarter of 2019, based on organic growth. For the first nine months of 2021, the group's revenues total 44.177 billion euro, or \$50.918 billion, for organic growth of 40 percent from the same period in 2020 and up 11 percent from the first nine months of 2019.

Slow but steady

For the third quarter, all business groups contributed to LVMH's growth. However, the group's organic growth remained steady from the first half of 2021 when compared to 2019 figures.

The United States and Asia, excluding Japan, were the strongest performing regions with Q3 2021 revenues up 22 and 26 percent, respectively, from Q3 2019. For the first nine months of 2021, the U.S. alone accounted for a quarter of LVMH's total revenue.



Tiffany has been a strong performer for LVMH. Image courtesy of Tiffany & Co.

Revenues in Europe remain down 6 percent from Q3 2019, but have improved since the first half of 2021.

The fashion and leather goods group remains LVMH's strongest category, with organic growth of 24 percent y-o-y for revenues of 7.452 billion euro, or about \$8.589 billion a new quarterly record. Revenues are also up 38 percent on an organic basis from Q3 2019.

French fashion houses Louis Vuitton and Christian Dior drove the category's strong performance, while Fendi, Loewe and Celine also had solid showings. LVMH also recently announced new artistic directors at Kenzo and Pucci, ushering new chapters at both labels ([see story](#)).

Rapid growth in both in-store and online direct sales helped the perfumes and cosmetics group achieve revenue of 1.642 billion euro, or about \$1.893 billion, for organic growth of 30 percent from Q3 2020. Growth in the category was flat from Q3 2019, and is down 2 percent from the first nine months of 2019.

France's Parfums Christian Dior and Guerlain were the standout performers, with the former seeing several successful fragrance launches and the latter experiencing strong momentum for its skincare lines.

U.S. jeweler Tiffany & Co. is proving its worth by helping the watches and jewelry group achieve organic revenue growth of 49 percent in the first nine months of 2021 compared to the first three quarters of 2020. LVMH's acquisition of the brand was officially completed in early 2021 ([see story](#)).

In Q3 2021, watches and jewelry saw organic growth of 18 percent year-over-year for revenue of 2.137 billion euro, or about \$2.463 billion.



LVMH took a 50 percent stake in Amand de Brignac Champagne in early 2021. Image credit: Amand de Brignac

Organic revenue for wine and spirits was up 10 percent y-o-y in the third quarter to 1.546 billion euro, or about \$1.782 billion. Champagne and wines as well as Cognac and spirits saw growth in volume from the first nine months in 2019.

Selective retailing saw its organic growth improve by 15 percent y-o-y in the third quarter to 2.710 billion euro, or about \$3.124 billion. The category remains down 19 percent from Q3 2019, as DFS continues to be impacted by limited international air traffic hampering Sephora's solid performance.

While the COVID-19 pandemic continues to improve in key luxury markets, LVMH is on track to surpass 2019's record revenues ([see story](#)) if growth continues at the same rate.

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