

APPAREL AND ACCESSORIES

Burberry remains confident despite restrictions in China

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Despite some slips in the China market, Burberry feels confident moving going forward. Image credit: Burberry

By LUXURY DAILY NEWS SERVICE

British fashion house Burberry has released its first quarter trading update, for the period ending July 2, 2022, posting decent growth despite regional obstacles.

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Despite a 35 percent decline in sales in mainland China due to COVID-related restrictions and store closures, the group saw sales outside this region increase by 16 percent. Comparable store sales advanced 1 percent in the period with significantly different performance in each region.

"Our performance in the quarter continued to be impacted by lockdowns in mainland China, but I was pleased to see our more localized approach drive recovery in EMEA, where spending by local clients was above pre-pandemic levels," said Jonathan Akeroyd, CEO of [Burberry](#), in a statement.

"Our focus categories, leather goods and outerwear, continued to perform well outside of mainland China and our program of brand activations boosted customer engagement," he said. "While the current macroeconomic environment creates some near-term uncertainty, we are confident we can build on our platform for growth."

Confidence moving forward

Asia Pacific fell 16 percent with mainland China down 35 percent. Disruption continued for the first two months, but all stores were fully reopened by the end of the period.



Gisele Bündchen starred in Burberry's summer monogram reveal. Image credit: Burberry

Declines in mainland China were partially offset by strong performances in the recovering markets of Japan and SAP.

EMEA grew 47 percent as the business annualized the lockdowns in Q1 FY22. Sales to local clients were strong, reaching above pre-pandemic levels and sales to American tourists rebounded.

Sales in the Americas decreased 4 percent, however, the group saw solid growth in outerwear and bags.

In total, reported retail sales grew 5 percent year-over-year.

A strong program of brand activations drove customer engagement, including the Lola campaign, pop-ups and pop-ins and TB Summer Monogram takeovers.

In May, Burberry revealed the next iteration of its TB summer monogram with a campaign starring renowned supermodel Gisele Bündchen.

Designed by Burberry creative director Riccardo Tisci, the summer collection unites the brand's classic Check motif with the TB monogram. In a dynamic campaign captured by fashion photography duo Luigi Murenu and Iango Henzi, Gisele modeled the new design in front of her own portraits captured by the duo 10 years ago, melding the past and the present as one ([see story](#)).

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