

COMMERCE

LVMH subsidiaries Sephora, DFS help grow selective retailing by 30pc in Q1

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French fashion house Christian Dior presented refreshed fall styles in Mumbai as part of a tributary effort, adding to the list of notable first quarter activations. Image credit: LVMH

By LUXURY DAILY NEWS SERVICE

Revenues at French luxury conglomerate LVMH Mot Hennessy Louis Vuitton are racing ahead in the face of economic uncertainty.

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Per a newly-published report, brands under the company's portfolio have yielded a year-over-year earnings increase of 17 percent for the period ending March 31, 2023. While fashion and leather goods led the pack in sales, selective retailing saw the greatest percent change, being up 30 percent as compared to the first quarter of last year thanks to outstanding performances on the part of labels such as upscale beauty subsidiary Sephora and luxury travel retailer DFS.

Major marketing moves

A sequence of large investments, store openings and blockbuster campaigns that dominated the first few months of the year appear to have paid off for LVMH.

In total, the Group recorded first-quarter revenues of 21 billion euros, roughly \$23 billion at current exchange.

Regionally, Japan leads the pack in year-over-year revenue growth, up 34 percent, followed by Europe, which displays a 24 percent increase. Excluding Japan, Asian markets are not far behind at 14 percent.

Balanced geographic revenue mix

Q1 2023 revenue breakdown by region (in % of total revenue)



Image credit: LVMH

By sector, the resurgence of international travel fueled sales at DFS, particularly those passing through the company's Hong Kong and Macao flagships ([see story](#)).

Meanwhile, North America, the Middle East and especially Europe the brand returned to London this year with its first bricks-and-mortar presence since 2005 ([see story](#)) allowed Sephora to advance its market share.

An investor presentation makes special mention of two French fashion houses in particular – the first three months of the new year buzzed with blockbuster marketing initiatives from both brands that aided sales substantially for the period.

Tributing Indian textiles and a rich history of embroidery, Dior made waves with a restaged Fall 2023 show in Mumbai.

Louis Vuitton used the first few months of 2023 to name a new creative director ([see story](#)) and push a global collaboration of epic proportion alongside Japanese artist Yayoi Kusama ([see story](#)).

LVMH also mentions Italian fashion house Fendi's first South Korean flagship and largest Japanese footprint to date, both opened in Q1, and while uber-exclusive Italian apparel and accessories label Loro Piana's ready-to-wear and shoe offerings found an audience as consumers honed in on quiet luxury, luxury luggage label Rimowa's German Football Association partnership ([see story](#)) satisfied dapper sports fans across markets.

Excellent start to the year for LVMH.

LVMH recorded revenue of 21 billion euros in the first quarter of 2023, up 17% compared to the same period of 2022.

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LVMH (@LVMH) [April 12, 2023](#)

Perfume & Cosmetics, as well as Watches & Jewelry, each displayed growth rates of 11 percent, supported by new launches that included Givenchy's Gentleman Society fragrance for men ([see story](#)).

LVMH made sure to note that a historic halftime performance at this year's Super Bowl showcase gave Kenzo's Fenty Beauty a boost ([see story](#)).

Tiffany & Co.'s Lock Collection debut carried its accompanying subgroup, as high jewelry-wise, Bulgari's 75th-anniversary celebration of the Serpenti line added strong heritage storytelling into the equation. Innovative unveilings at this year's Watches and Wonders event also factored in ([see story](#)).

Of all involved, Wine & Spirits is LVMH's only category lacking double-digit revenue growth figures to show for the first quarter, up just 3 percent year-over-year. Here, LVMH points to a rocky U.S. environment and high inventory levels.