

COMMERCE

Retail sales up 50pc at Miu Miu, driving Prada Group in H1 2023

July 27, 2023



Fashion house Miu Miu is proving to be the Group's shining star, with retail sales rising 50 percent at the brand alone. Image credit: Prada Group

By LUXURY DAILY NEWS SERVICE

Italy's Prada Group is reporting earnings for the period ending June 30, 2023.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

The company reveals that in the first half of the year and at constant exchange rates, gross profit increased by 21 percent year-over-year (y-o-y), while net revenues are up 17 percent, landing at 2.23 billion euros, or \$2.45 billion at current exchange. Italian fashion house Miu Miu is proving to be Prada Group's shining star, with retail sales attributed to the brand alone rising 50 percent, as retail sales from the Prada label saw an 18 percent increase. Leaders notably cited "like-for-like full-price sales" as the factor responsible for the increases.

"The semester ends with solid results for the Prada Group, thanks to the desirability of its brands and to disciplined execution," said Patrizio Bertelli, chairman and executive director at [Prada Group](#), in a statement.

"Our globally balanced distribution allows us to capture growth despite ever-evolving industry demand dynamics," Mr. Bertelli said. "We are pleased with the quality of Prada's continued growth and with the remarkable performance of Miu Miu.

"We will remain vigilant and nimble, ready to deal with different macroeconomic and demand scenarios that may materialize ahead."

Brand power

In H1 2023, Prada Group is pocketing 62 percent more in net income than the company did during the first six months of 2022.

Ready-to-wear is leading the way, with the category's sales up 36 percent overall y-o-y. On the same basis, footwear sales were boosted by 20 percent, while leather goods reported a growth rate of 12 percent.

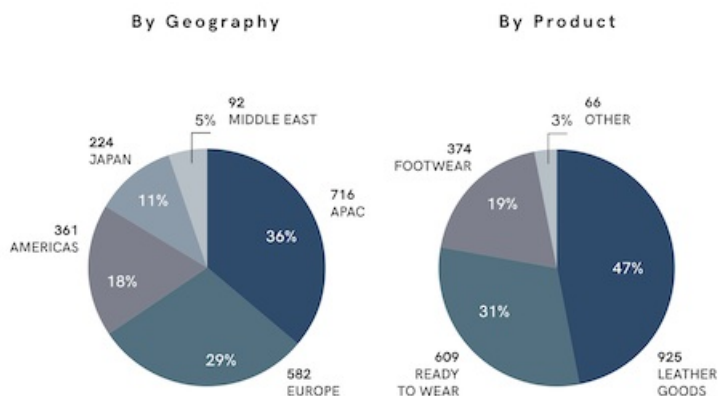
"Q2 was another positive quarter on top of a solid Q1," said Andrea Guerra, CEO of Prada Group, in a statement.

"Retail growth continued to be driven by like-for-like full-price sales, with Prada remaining on a sound trajectory and Miu Miu reporting a remarkably strong performance, thanks to a strengthened identity and increasing visibility," Mr.

Guerra said. "The Group's profitability further increased while we continued to consolidate our brands' desirability with higher investments.

"We are still at the beginning of our strategic journey: we need to act with a long-term perspective, continuing to invest behind our brands, maintaining maximum focus on retail execution and productivity."

At constant exchange rates, the company experienced double-digit retail sales growth across every market when compared to the same period last year.



Luxury sales across APAC are bouncing back following the easing of late-stage COVID-19 mobility restrictions. Image credit: Prada Group

Sales in Europe remained relatively strong, increased up 24 percent in the first half as tourism surged despite ongoing sociopolitical conflicts. The Middle East also experienced a jump in retail sales, growing 14 percent.

Asia Pacific shoppers, on the other hand, are showing up in-person and online, with retail sales increasing 25 percent, largely due to a post-restriction rebound in China. Excluded from the latter grouping, figures from Japan show the country turned out to be Prada Group's strongest standalone region for retail sales, up 49 percent.

The Americas are continuing to prove an anomaly. Here, sales dipped by 1 percent.

The Arcadie bag is characterized by signature matelass, enriched with iconic embellishments contrasting the clean shape.

Featuring Gigi Hadid.

Photographed by Steven Meisel.

Creative direction by Edward Quarmby.

Styled by Lotta Volkova. <https://t.co/l8z2HVkAkW> #MiuArcadie pic.twitter.com/v4BNElhLjd

Miu Miu (@MIUMIUofficial) July 14, 2023

The figures accompany Prada Group's investment in its retail network, as leaders implement upgrades worldwide. During the semester, 70 renovation projects were completed in an effort to bolster the on-site productivity of its retail teams, to the ultimate benefit of the client experience.

During the second quarter of 2023, the Prada brand's "revenue growth increased by 15 percent" y-o-y, says the company. When considering a Q1 2023 growth rate of 21 percent, it seems that conditions are cooling down at the group's namesake label.

Alternatively, Miu Miu's numbers are picking up, with retail sales not only growing 50 percent y-o-y in the first six months of 2023, but in the second quarter, accelerating 57 percent, compared to 42 percent in the first.

Prada Group attributes this to a heightened level of exposure across Asia, particularly in China. Additionally, heightening brand awareness, expanding its client base, interacting with its community worldwide, pushing contemporary looks and reinforcing brand codes are all credited as the forces behind Miu Miu's standout figures.

Broader scale, while the label came in second on the Lyst Index during the first quarter of 2023, for this period, it fell

to the third spot, echoing the trajectory of its dethroned parent company ([see story](#)).

© 2023 Reliance Relocation Services, Inc. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.