

COMMERCE

Sales growth slows at LVMH in Q3 2023

October 11, 2023



In the third quarter, revenues grew just 1 percent year-over-year. Image credit: LVMH/Philippe Servent

By LUXURY DAILY NEWS SERVICE

New financial disclosures from French luxury conglomerate **LVMH** suggest that the pandemic-era luxury sales boom is officially over.

For the third quarter, the company's latest earnings report shows declining revenues among a majority of its product categories as compared to Q2 2023, with growth up just 1 percent year-over-year. Slight increases in revenue for perfumes and cosmetics carried LVMH's sales from July to September this year.

Return to the norm

The third quarter drop-offs come at a time of great economic instability and uncertainty around the globe, as some luxury brands struggle to restore record pandemic-era sales figures.

Though the group recorded a reported growth rate of 10 percent y-o-y in the first nine months of 2023, quarter-over-quarter, LVMH's overall revenue dipped by a margin of approximately 1.242 billion euros, or \$1.32 billion at current exchange.

The majority of the decline is due to its fashion and leather goods segment falling to the tune of 684 million euros during this period, by far the biggest slump of all business categories.

LVMH recorded organic revenue growth of 14% in the first nine months of 2023 compared with the same period in 2022.

Learn More: <https://t.co/vy5SMpOMWe#LVMH pic.twitter.com/khzGBQ4aW7>

LVMH (@LVMH) [October 10, 2023](#)

Its leaders note that headlining brands such as Louis Vuitton, Dior, Loewe, Loro Piana and Marc Jacobs were said to have performed excellently throughout the year, regardless of the third quarter's outcome for the segment.

Despite overall losses for the current period, the conglomerate seems hopeful for a future rebound, with nearly all of its categories growing by double-digit percentages on a first nine months basis with the exceptions of watches & jewelry, up a modest 5 percent during the period and wines & spirits, which has declined by 10 percent y-o-y.

Compared to 2022's third quarter, total revenues increased by 9 percent y-o-y. Since the Oct. 10 announcement, LVMH shares have fallen by as much as 8.5 percent, its largest dip in nearly two years, according to *Bloomberg*.

Regionally, North America continues to hold on spending at levels witnessed in recent years, as other markets such as Europe return to normal in terms of growth rebounds witnessed across APAC in previous quarters following the lifting of travel bans and other pandemic-related closures ([see story](#)) are also calming.

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