

COMMERCE

# Tapestry closes 2023 with 3pc revenue increase

February 8, 2024



*The 3 percent year-over-year (y-o-y) climb is attributed to Tapestry's strong digital channels, where one-third of all sales were made. Image credit: Stuart Weitzman*

---

By LUXURY DAILY NEWS SERVICE

U.S. fashion group Tapestry gained 2.5 million new North American customers from October to December of last year.

The conglomerate's latest fiscal report shows that its current brands, which include Kate Spade, Stuart Weitzman and Coach, earned \$2.1 billion in revenue for the three months ended Dec. 30, 2023. The 3 percent year-over-year (y-o-y) climb is attributed to Tapestry's strong digital channels, through which one-third of all sales were fostered.

"Our second quarter results exceeded expectations, highlighting the power of brand building and disciplined execution," said Joanne Crevoiserat, CEO of **Tapestry**, in a statement.

"During the key holiday season, our passionate teams delivered for our customers, fueling brand magic through innovative product, engaging storytelling, and operational excellence," Ms. Crevoiserate said. "Importantly, we drove record revenue and EPS, while advancing our strategic agenda."

## **Digging the digital**

Of the new clients acquired by Tapestry during the final three months of 2023 the company's second quarter, according to its financial calendar half are millennials and Gen Zers.

This fact and leaders' focus on digital commerce in Q2 are likely linked. Customer engagement and direct-to-consumer opportunities have also grounded the group's strategies lately.



*Of the new clients acquired by Tapestry during the final three months of 2023, half are millennials and Gen Zers. Image credit: Tapestry*

The appeal of American luxury seemed to have won international consumers over in the final quarter of 2023. Outside of the U.S., Tapestry achieved a y-o-y revenue growth rate of 12 percent at constant currency during this period.

Sales spiked 11 percent in Europe and 9 percent in Asia, excluding Greater China and Japan revenue growth in the latter two regions is also up, increasing 19 percent and 6 percent, respectively.

Results indicate that Tapestry may be struggling to reach consumers in its home market. Withholding specifics, North America's sales totals are said to be in line with the year before, making a 2 percent y-o-y decline ([see story](#)) its basis of comparison.

By brand, net sales at Stuart Weitzman of its three, the footwear house aligns closest with luxury, in terms of price point saw the least growth during Q2. However, the maison still experienced a 4 percent leap y-o-y.

Tapestry's two businesses both had gains of 6 percent, as Coach's innovative assortments and celebrity endorsements captured consumers interested in entry-level options.

Get in touch with your soft side. [#CoachNY](#) [#JenniferLopez](#) wears the new Tabby 26 and the Heart Crossbody with Quilting. [pic.twitter.com/6jmLrhuL1S](https://pic.twitter.com/6jmLrhuL1S)

Coach (@Coach) [February 8, 2024](#)

At the start of its fiscal year in July 2023, Tapestry set its annual outlook to \$6.7 billion and is sticking to the projection, raising the amount of earnings per share it aims to deliver to stockholders.

Among other factors, this estimate is contingent on how smoothly the \$8.5 billion acquisition of U.S. fashion group Capri Holdings Limited ([see story](#)) goes, pending any further deal-related costs in the lead-up to regulatory approval.

The agreement, which would transfer ownership of Italian fashion house Versace, British footwear brand Jimmy Choo and U.S. fashion label Michael Kors to Tapestry, is expected to be completed later this year, and would bulk the parent company's true luxury offerings.

"Moving forward, we have an unwavering commitment to deliver sustainable growth and shareholder value," said Ms. Crevoiserat, in a statement.

"We will continue to put the consumer at the center of everything we do, building our brands for the future and harnessing our data-driven, customer engagement platform to enhance creativity, speed, and agility," she said. "We are confident in our vision and our ability to realize it, with significant runway for long-term growth."