German sportswear company Puma expects the financial impact from coronavirus lockdowns to last well into the second quarter, but believes global growth in running should help to support a strong improvement after that.

“We clearly see a running boom in the whole world,” Chief Executive Bjorn Gulden told journalists, noting that yoga and other outdoor activities are also doing well. He expects the healthy living trend to continue even after the pandemic.

Gulden said his optimism is underlined by the fact that orders for 2021 are up almost 30% compared to a year ago, with bookings for running products particularly high.

However, there is still uncertainty about when lockdowns in Europe will end, with about half of the stores selling its products currently closed in its home region.

For the full year, Puma expects at least a moderate increase in sales in constant currency, with an upside potential, and a significant improvement for both its operating and net profit compared with 2020.

Shares in Puma were down 2.9% at 1100 GMT.

“The wording on outlook looks softer than we had anticipated, even by Puma’s cautious standards,” said Jefferies analyst James Grzinic.

Gulden noted that a shortage of shipping containers bringing products made in Asia would impact margins, with freight rates likely to double in the next 12 months.
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Puma will put a stronger focus on the women’s market in future, Gulden said, creating shoes better modelled to female feet for running and soccer and capitalising on partnerships with celebrities like singer Dua Lipa and model Cara Delevingne.

Gulden admitted Puma had been slow in creating its own app, but it plans to launch one towards the end of the year, further supporting online sales, which grew by 63% in 2020.

Rival Nike in December raised its full-year sales forecast after demand for outdoor sportswear drove an 84% surge in online sales.

Gulden said he is hopeful that the Olympics will go ahead in Japan and the European soccer championship will also take place after both were postponed from 2020.

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