Saint Laurent’s comp sales up 37% in Q1

By Olivier Guyot - 27 April 2022

A few days ago, French luxury label Saint Laurent released the first podcast in a series called Saint-Laurent Smoking. The podcast featured a conversation between artist Catherine Deneuve and journalist Pascale Clark, hosted at the Saint-Laurent Rive Droite store at 213 rue Saint Honoré in Paris, where art events and exhibitions are regularly staged. Names like Charlotte Gainsbourg, Gaspar Noé, Laetitia Casta and Félix Maritaud will star in later podcasts.

The initiative is aimed at strengthening the connection between Saint Laurent and its French and Parisian customers, a localised marketing strategy that the label has also deployed at its stores in Miami, during the Art Basel show, and at 469 Rodeo Drive, Los Angeles.
Strong local links are one of the assets of Saint Laurent, led by Anthony Vaccarello as creative director and Francesca Bellettini as CEO. The label’s impressive Q1 performance was emphasised during the recent presentation of the Kering group’s quarterly results.

“Saint Laurent enjoyed an impressive quarter with a comparable growth of 37%, driven by spectacular increases in western markets, where its performance is shaped by the local customers’ strong appetite for iconic products,” said Jean-Marc Duplaix, CFO of Kering, during the presentation of the group’s quarterly results. In Q1, Kering’s total sales increased by 21% in like-for-like terms, to €4.96 billion. “Saint Laurent has always been strong with local customers, and isn’t hugely reliant on tourist flows. Having such a strong connection with the local clientèle in all key markets is a genuine asset,” he added.

And while Gucci, the group’s driving force, has disappointed financial analysts, accustomed to the label’s sparkling performances of recent years, Saint Laurent has shown consistent good form. Although to some extent affected by China’s lockdown policies, the label is less exposed to the shut-down of a large slice of the Chinese market, which instead is having a very significant impact on Gucci.

In Q1, Saint Laurent generated a revenue of €739 million, driven by direct-to-consumer sales which increased by 49% over Q1 2021 - they doubled in Western Europe and grew by 77% in North America - and now account for 72% of the label’s total business. Wholesale revenue instead grew by 10%, while the revenue from product licenses rose by 40%.

**REVENUE BREAKDOWN BY REGION**

- **RoW**: 7%
- **Asia Pacific**: 27%
- **Japan**: 5%
- **North America**: 34%
- **Western Europe**: 27%

Regional breakdown of Saint Laurent’s Q1 2022 revenue - Kering

“Sales grew in the high two-digit range in North America and Western Europe, but also posted comfortable increases in Asia-Pacific and Japan. All product categories are growing, and ready-to-wear sales in particular showed great impetus over the period,” said Duplaix, underlining that Saint Laurent’s comp sales were decidedly up. “Growth is well-balanced, between expanding retail area, boosted in-store traffic and increased prices. We are moving in the right direction. We have introduced new ready-to-wear items at the appropriate price, but we have also increased the average selling price for the handbags segment, and our strategic intention is to feature products across the entire price spectrum.

We are delivering the plan for Saint Laurent that was presented in 2017. Every year we are delivering growth of at least 20%. We are building this performance brick by brick, with a clear strategy in terms of merchandising, assortment and retail distribution, the latter becoming increasingly exclusive. [Saint Laurent] was very strong in the leather goods segment, and is accelerating in other categories, especially ready-to-wear, where the label is one of the market's benchmarks, with a highly targeted, clear product range. And the retail rationalisation we carried out at Gucci is also being implemented at Saint Laurent,” concluded Duplaix.

Saint Laurent currently has 268 directly operated monobrand stores worldwide. It has been opening new stores and concessions at a rate of 20 to 30 per year, but will step off the gas a little in 2022, focusing instead on enhancing its product range. The label’s current momentum should help manage its growth. In Q1 2021, Saint Laurent’s results were already above pre-Covid levels, and at the end of Q1 2022 the label posted an increase in
Laurent's results were already above pre-Covid levels, and at the end of Q1 2022 the label posted an increase in revenue of no less than €240 million over Q1 2019.

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