Danish fashion retail giant Bestseller released its full-year results on Monday and the numbers showed a business that’s continuing to drive sales upwards but is still facing the same challenges that are affecting the rest of the mainstream retail sector worldwide.

The company’s turnover rose by 7% to €3.5 billion in its 2018/19 financial year but pre-tax profit of €372 million was down 3%. The company gave no direct explanation for this dip, although it did say that it has continued to make “substantial investments” in the future.

The group, which owns its eponymous chain, plus Vero Moda and Jack & Jones among other labels, also hinted that conditions are tough in the market, even though its sales are up. It said the current financial year shows that “we still have work to do… it’s important that we remain innovative”.

Innovative tends to mean digital, but the firm is also clearly looking at the impact of other consumer trends on shopping behaviour. It added that “the importance of digitalisation and sustainability are becoming increasingly clear in all parts of society. Now, more than ever, we need to accelerate our journey towards a sustainable reality and a truly digital future. This is key to the continued development of our company”.

That view underlines survey after survey that show consumers have raised expectations about the eco/ethical approach of the companies they buy from across the price scale.

It was interesting too that in a fashion sector where wholesale is often seen as a second best option to owned stores, CEO and owner Anders Holch Povlsen said the firm’s approach to creating “close partnerships with our wholesale customers has paid off in a market affected by changes and new realities”.

The focus on wholesale is perhaps no surprise given that the company’s 2,750 stores in 38 markets worldwide are complemented by its products also being in as many as 20,000 multi-brand and department stores.

But Povlsen added that it’s also “necessary” to continue to “put a strong focus on our retail and online business, where consumer expectations are higher than ever”. 
where consumer expectations are higher than ever.

He didn’t share any details about the individual performances of the company’s brands.

By Sandra Halliday

Copyright © 2020 FashionNetwork.com All rights reserved.