Luxury sportswear growing faster than traditional high-end fashion, says Deloitte

By Dominique Muret - December 6, 2021

The established luxury giants that top the charts in terms of total revenue are not necessarily the fastest-growing companies, as shown by Deloitte's recently published "Global Powers of Luxury Goods 2021" ranking. In this year's report, the "Fastest 20" list, which brings together the brands with the strongest growth, was dominated by brands specializing in informal luxury, such as sportswear or urban fashion.

The Covid-19 pandemic has reshuffled the deck, with LVMH, Kering and Chanel all having been pushed out of the top 20 by new champions from the world of casual apparel. Canada Goose, Golden Goose and Sportswear Company (Stone Island), for example, took third, fourth and fifth place, respectively, while Barbour came in 11th, Tommy Hilfiger and Calvin Klein parent company PVH took 14th place, and Moncler slipped into 20th position.
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The Italian brand specialized in high-end down jackets is making an appearance in the top 20 for the sixth consecutive year, posting one of the highest net margins for 2020 to feature on Deloitte's ranking of the 100 most powerful luxury companies in the world. At 20.9%, the brand came in just behind Hermès, which recorded a net margin of 21.7%. Moncler accelerated its growth in 2021 thanks, in part, to its acquisition of Sportswear Company.

In order to draw up its ranking of the 20 fastest-growing companies, Deloitte considers their growth rate over three years, in this case 2017 through 2020. The average growth rate of these 20 companies was 10% for the period, five times higher than that of the top 100.

The leader of the pack was British e-commerce platform Farfetch, which also owns New Guards Group, the Italian parent company of some of the hottest streetwear labels around, such as Palm Angels and Heron Preston, as well as owner of the production and distribution license for Off-White. The e-tailer is making its debut on Deloitte’s ranking this year, alongside the likes of Golden Goose and Sportswear Company. Second place in the “Fastest 20” went to Swiss watchmaker Richard Mille.

This year, the top 20 fastest-growing companies has seen an influx of fashion brands thanks to the breakthrough made by sportswear specialists. The number of companies operating in this category which feature on the ranking has increased from six to 10 in one year. In parallel, the representation of the jewelry and watch sector has also increased, with six companies now featuring on the list. The number of beauty companies, on the other hand, has halved since last year, totaling three, while no accessories brands appear on this year’s ranking.

The balance has also shifted from a geographical perspective. The largest share of the fastest-growing luxury companies came from Italy and the UK, each of which was represented by four companies in the top 20. Next in line is the US, with three companies, and China with two. Notably, France only has one brand on the ranking: Zadig & Voltaire, in 10th place.

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