French luxury group Kering outlined plans to increase annual sales of its star label Gucci to 15 billion euros in the medium term in slides published on Thursday after an investor presentation.

Sales at Gucci, the group's main label and profit engine, totalled 9.73 billion euros in 2021.

The group expects to grow the brand's sales through a combination of increased traffic in stores, expanded store networks and higher prices.

It plans to raise prices periodically and continue increasing the proportion of higher end products in its collections. Examples given in the slides included handbags made of precious leathers, customised shoes and high jewellery — a product category introduced in 2019.

In China, the company said it would accelerate business through "stronger local execution," particularly at the high end, while a focus on the United States will include adding new stores while reducing wholesale distribution.

Gucci's profits increased nearly four-fold and its revenue almost trebled over the 2015-19 period, under CEO Marco Bizzarri and creative director Alessandro Michele.

While much of the brand's success until recently relied on young, well-heeled Chinese shoppers travelling to Europe's fashion capitals and snapping up Michele's quirky, flamboyant designs, since the pandemic, it has focused on reaching out to consumers locally.

Analysts on Wednesday said new targets for Kering's smaller, fast growing Yves Saint Laurent would likely prompt them to upgrade estimates.
Gucci is under market scrutiny as it has suffered more than rivals during a recent round of lockdowns in China.