



## How Burberry is rebuilding its future around timeless British luxury

In a market environment dominated by short-term gains, Burberry is taking a long-term view — returning to its roots and redefining its future through the lens of ‘timeless British luxury.’ Published June 04, 2025

Today, the global high-end market faces a rare confluence of pressures. Macroeconomic uncertainty has dampened consumer confidence, and younger consumers are redefining luxury with a focus on practicality, cultural relevance, and long-term value. Growth across the sector has slowed, if not reversed. The boom years are fading.

It's against this backdrop that Burberry is attempting a reset. The British heritage brand, now nearly 170 years old, reported a 17% YoY drop in revenue to 2.46 billion British pounds (\$3.3 billion) in FY2025 . Yet, CEO Joshua Schulman remains notably upbeat: “While we are operating against a difficult macroeconomic backdrop and are still in the early stages of our turnaround, I am more optimistic than ever that Burberry's best days are ahead.”

To understand the basis for that optimism, Jing Daily breaks down how Burberry is navigating today's complex market — from brand strategy to product, marketing, distribution, and cost structure — as it seeks not just recovery, but relevance.

Rediscovering identity to cement British luxury leadership

Burberry 's reset is closely tied to the arrival of CEO Joshua Schulman . Appointed in July 2024, Schulman brought with him a track record in brand turnarounds, having led transformations at Michael Kors and Coach , where he repositioned the brand for a younger, more digitally native audience.

In a candid earnings call on November 14, he acknowledged Burberry's recent missteps. The brand, in his view, had strayed too far from its heritage in an attempt to modernize — chasing trends and marketing hype at the cost of its core identity. Iconic categories like outerwear had been sidelined, while price hikes in leather goods outpaced improvements in product quality and brand authority. The result: a disconnect with consumers and a failure to justify luxury pricing.

That admission marked a turning point. On the same day, Schulman introduced “Burberry Forward,” a new strategic blueprint aimed at restoring brand coherence and reaffirming Burberry's status as a pillar of British luxury. The market response was immediate — the label's share price jumped 22.4%, signaling renewed investor confidence in its long-term vision.

Schulman stated in the 2025 financial report: “In November, we set out ‘ Burberry Forward , ’ our strategic plan to reignite brand desire, improve our performance and drive long-term value creation. We have made immediate interventions to reset brand storytelling, enhance visual merchandising in stores and online and to align our product focus to our core categories. This has resulted in a significant improvement in our comparable retail sales in the second half relative to the first half. While it is still early in our turnaround, I am more optimistic than ever that Burberry's best days are ahead.”

Return to classics, rekindling brand desire

According to Bain & Company's 2024 Global Luxury Report, Chinese consumers increasingly favor classic designs that embody a brand's DNA, signaling a clear shift toward “returning to the classics.” Burberry's “Burberry Forward” strategy places this return to brand fundamentals at its core — precisely addressing current market



sentiment while reinforcing the brand's cultural identity and long-term value perception.

This strategic focus quickly translated into product development, with renewed emphasis on classic core pieces. Among them, the Trench coat stands out, not only as Burberry's traditional signature item, but also as one of its most recognizable symbols, encapsulating a century of British heritage and pragmatic elegance.

To reinforce the trench coat's pillar status within the brand, Burberry continues to focus on its classic Gabardine-based trench collection, updating cuts, structure, and functionality to emphasize a blend of practicality and aesthetics.

The scarf, a signature star product for Burberry, has long been a core category for the brand. Since Creative Director Daniel Lee took the helm, his team's redesigned check scarves have gained widespread market acclaim. To further strengthen this advantage, Burberry has established dedicated scarf displays in stores, showcasing the key item in a more prominent and engaging way.

Schulman revealed that to boost scarf sales, Burberry plans to roll out new dedicated scarf displays in over 200 stores worldwide by the end of 2025, alongside launching personalized customization services during the holiday season.

While some outsiders view the return to classics as a “safe retreat,” internally it represents a deliberate strategic focus.

As Schulman told investors, “We've seen a marked improvement in brand favorability in the second half, with core scarf and trench categories showing strong resilience.”

This return to heritage is not just a nod to the past, but a strategic move to deepen core brand value and drive future growth. True opportunity, he says, often comes from the most profound understanding and embrace of one's identity.

Interestingly, Euromonitor data shows China's outdoor sports market reached \$44.1 billion (315 billion RMB) in 2020, growing at a compound annual rate of 13.5% over the preceding five years, with projections nearing \$87 billion (600 billion RMB) by 2025. Outdoor spirit has long been integral to Burberry's DNA. As the only luxury brand founded on protecting people from the elements, Burberry uniquely blends fashion with function — a quality that perfectly meets today's consumer demand for style with practicality, positioning the brand well to capitalize on the growing outdoor market.

Reinventing luxury marketing with British wit

Today's shoppers, especially younger generations, seek brands that resonate culturally, connect emotionally, and express authenticity.

Against this backdrop, Burberry has embraced a more inclusive and contemporary British narrative. By blending iconic London landmarks with pastoral countryside imagery and featuring culturally influential figures and stories worldwide, the brand has crafted a British identity that invites everyone in. It preserves its heritage while engaging consumers with humor and approachability.

Take Burberry's “It's Always Burberry Weather” campaign, launched in October last year. Framed through a fresh lens, the series of seven short films reimagines the brand's iconic trench coat not just as a heritage symbol, but as a resilient companion to Britain's famously fickle weather. Shot across London and the English countryside, the vignettes blend warmth and humor, drawing on intimate portraits and day-to-day moments to underscore Burberry's deep-rooted connection to the outdoors.

Dramatic weather sequences — gale-force winds, torrential rain, and persistent drizzle — are pushed to the edge of absurdity, amplifying the idea that “any weather is Burberry weather.” The over-the-top meteorological chaos, paired with the trench coat's practicality, brings both charm and levity to the brand's image.



At the heart of it all is a distinctly British irony: characters, stone-faced and impeccably dressed, remain unfazed by the onslaught of weather, their stoicism bordering on comedic. This deadpan contrast to the surrounding chaos captures not just the utility of Burberry's outerwear, but the brand's enduring sense of Britishness, with all its understated confidence and dry wit.

The campaign's cast spans a culturally fluid spectrum, BAFTA winner Barry Keoghan, Chinese actress Zhang Jingyi, and supermodel Cara Delevingne among them. Their presence broadens the brand's visual vocabulary while signaling Burberry's commitment to inclusivity and cross-cultural dialogue. More than just casting choices, these faces reflect a strategic worldview, one that positions Burberry not only as a British heritage house, but as a global luxury player attuned to the shifting codes of identity.

As Schulman says, both the launch of the "It's Always Burberry Weather" campaign and the brand's holiday push in the third quarter drove meaningful gains in terms of brand affinity and top-of-mind awareness. That momentum, he adds, carried through New Year and Valentine's Day, with the "London in Love" activation building on the same narrative strength.

While captivating a global audience, Burberry remains acutely attuned to local nuance, tailoring its approach to resonate within specific cultural contexts. In China — a long-standing strategic priority — the brand has doubled down on relevance through a blend of retail expansion and culturally rooted storytelling.

As Schulman notes, "China is a very important market for Burberry. For over 30 years, we have proudly brought our unique British heritage to local consumers. Through new store openings, including in Wuhan and Beijing, we are enhancing our presence in the market, complemented by immersive brand moments and collaborations with vibrant local talent. We are focused on continuing to create culturally resonant experiences that reflect the dynamic spirit of China."

On the ground, Burberry has reinforced its presence by opening flagships in key commercial hubs such as Beijing's Sanlitun and Wuhan SKP, sharpening its visibility in critical luxury corridors. But reach alone isn't enough. To build emotional connection, Burberry has embraced a more localized creative language.

For New Year, the brand unveiled a red-hued capsule collection and collaborated with renowned bamboo artisan Qian Lihuai. The result: a striking fusion of modern design and traditional craftsmanship, including a signature B-shaped snake check pattern and a series of nine bamboo sculptures — an homage to cultural heritage through a contemporary lens.

#### Multi-dimensional renewal, long-term commitment

Beyond product and marketing, Burberry is recalibrating its distribution strategy as part of a broader commitment to long-term value creation. On the retail front, the brand continues to refine its store network, enhancing the direct-to-consumer experience. At the same time, efforts to streamline wholesale and outlet channels are underway, preserving brand exclusivity and margin integrity. As of March 2025, inventory levels were down 7% year-on-year at constant currency, outperforming market expectations.

Financial discipline is another pillar of the turnaround. Burberry is targeting £100 million in total cost savings, with 60 million British pounds expected over the next two years through reduced operating expenses. This isn't just about short-term stability — it's a foundational move designed to support the company's path toward reaching 3 billion British pounds in revenue.

Since launching the "Burberry Forward" strategy, the brand has seen a marked improvement in second-half performance. Comparable retail sales fell just 5%, a



significant recovery from the 20% decline in the first half, bringing the full-year drop to 12%. Second-half profits offset earlier losses, generating 65 million British pounds in free cash flow. Strong working capital management helped ease pressure from lower operating profit. On the day of the earnings release, Burberry shares rose as much as 9% — a sign that markets responded positively to its early turnaround progress.

In the latest earnings report, Schulman also praised the brand's Winter 2025 runway show at London's Tate Britain, calling it “a moment that not only garnered widespread acclaim across media and social platforms, but also showcased Daniel's exceptional creative vision and the team's remarkable ability to bring the Burberry spirit to life.” The endorsement reflects not only confidence in the brand's creative direction, but also its growing strength in cultural relevance and storytelling.

The show marked the first time Burberry introduced “timeless British luxury” as a unified design vision, presenting a fully integrated collection that bridged top-tier runway looks with commercial styles. The strategy ensured visual and stylistic coherence between what appeared on the runway and what arrived in stores, aligning the brand's presentation with what ultimately lives in the consumer's wardrobe. A tiered “good-better-best” pricing model further allowed Burberry to diversify product functionality within the luxury space, appealing to varying customer expectations.

While early signs of progress are visible, the harder work is just beginning. Repositioning the brand, restructuring internally, and rebuilding consumer confidence in key markets will take time. Burberry has chosen a long-term path with no shortcuts — an approach that, in today's market obsessed with quick returns, demands both patience and conviction.

In an industry where creative directors frequently come and go, Burberry's decision to keep Daniel Lee at the helm underscores its commitment to long-term value and consistent vision. Where Burberry once appeared uncertain and scattered in its style direction, it has now not only found its footing but also regained the stamina for the long haul.

As Burberry's Chair, Gerry Murphy wrote in his letter to investors, “With a clearer and more unified vision for the future, Burberry will continue to write its next chapter — one rooted in heritage and driven by a spirit of legacy.” Alongside CEO Schulman, he believes Burberry's moment in the spotlight is yet to come, with the brand's true ascent only just beginning.

