



FINN SOME, LOSE SOME

A comprehensive range of lifestyle products, ability to adjust operations rapidly, a diverse business and distribution channel model as well as long-term work to develop the brand and digital business helped Marimekko navigate through COVID-affected 2020.



by **SANJAY BAKSHI**

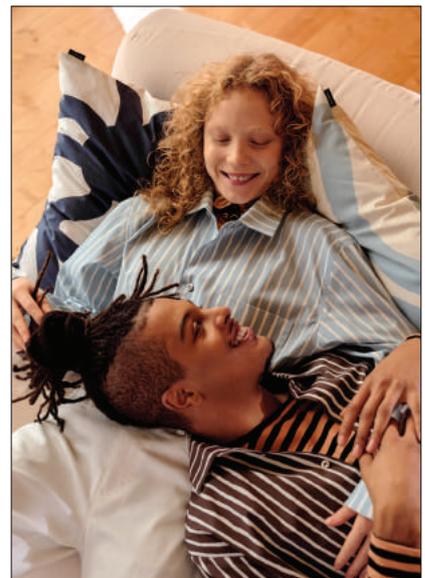
Marimekko Corporation is a Finnish clothing and textile design company that has been in operation since 1951. Marimekko Corporation and its subsidiaries form a group that designs, sources, sells and markets clothing, bags and accessories, as well as home decor items ranging from textiles to tableware. In addition, the company produces printed fabrics in its own textile printing factory. The group sells products from 154 Marimekko retail stores, online store serving customers in 34 countries and wholesale channels in Finland and abroad. Marimekko's employee force of around 450 people is female-dominated, having female share of 92 per cent.

Marimekko model

Marimekko provides long-lived products that can be passed on from one generation to the next which people will prefer to keep with them as against usual habit of throwing away. The company acquired a unique identity of its own owing to its unparalleled printed fabrics.



MARIMEKKO



MARIMEKKO

Its printing factory at Helsinki serves both as a fabric mill and creative hub for its design and product development team. The Marimekko model involves hiring designers and product line experts and collaborating with fashion leaders to develop famous collections, some of which have continued till date.

Sales & profitability

Marimekko’s sale revenue has grown at a CAGR of 6 per cent from 2016 to 2020. However, its profitability defines its success. For the same period Marimekko’s comparable operating profit has grown at a CAGR of 35 per cent from €6.1 million to €20.2 million. Even in percentage terms, profit has grown from 6 per cent to 16 per cent of sales.

Marimekko has two major business markets—Finland and international. The international market comprises Scandinavia, Europe, Middle East & Africa (EMEA), North America and Asia-Pacific regions. The Finland market contributes 57 per cent to total revenue, with the balance coming from the international market. The Asia-Pacific region is the highest contributor to international sales with a moving share of 42–45 per cent. EMEA ranks second in international sales contributing 22–25 per cent.

Businesses

Most of Marimekko’s income comprises wholesale and retail sales of products plus licensing. As digital service solutions are constantly increasing the integration of ecommerce and in-store retailing, Marimekko reports its own ecommerce net sales as part of retail sales and sales through other online channels as part of wholesale sales.

As of 2019, the retail segment was driving Marimekko’s sales, contributing 55 per cent share and licensing income remained small with 2 per cent share. In 2020, when store retail was badly affected due to lockdowns, wholesale business compensated for its sales loss resulting in increased share of 49 per cent from 43 per cent in 2019, equaling the share of retail business that year.

Product categories

Marimekko has three broad product categories—fashion, home, and bag &



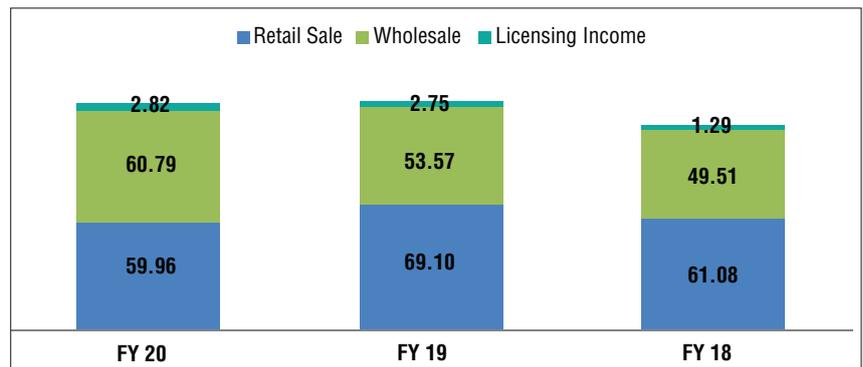
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TABLE 1 Sales and profitability: At a glance

Figures in € million	FY16	FY17	FY18	FY19	FY20
Net sales	99.6	102.3	111.8	125.4	123.6
Comparable operating profit	6.1	8.6	12.2	17.1	20.2
Profit %	6.1%	8.4%	10.9%	13.6%	16.3%

SOURCE: Marimekko | FY – January to December

FIGURE 1 Business segment revenue (in € million)



SOURCE: Analysis of company reports

TABLE 2 Sales across categories

Sale figures in € million	FY18	FY19	FY20
Fashion	39.1	46.4	39.6
Home	46.4	47.7	56.9
Bag & Accessories	26.4	31.4	27.2

SOURCE: Analysis of company reports

DESIGNS AND DESIGNERS: THE TIMELINE - I

WIKIMEDIA COMMONS

- **1949:** **Armi Ratia**, wife of Printex textile printing company's owner, commissions young artists to design new, bold patterns. Printex – and later Marimekko – will print textiles by hand until December 1973.
- **1951:** Ratia couple organises a fashion show in May at the Kalastajatorppa hotel in Helsinki; Marimekko's first fashion collection is designed by **Riitta Immonen** using print patterns from different Finnish artists including **Maija Isola**, resulting in instant sale of entire collection; Marimekko is officially registered as a company a few days later.
- **1952:** First Marimekko shop opens in Helsinki.
- **1953:** **Vuokko Eskolin-Nurmesniemi** joins Marimekko as a fashion & textile designer, helps develop new ways to mass produce clothing, revolutionising how Finns dress.
- **1954:** Marimekko logo, inspired from a modified version of a classic Olivetti typewriter font, is born.
- **1956:** Vuokko Eskolin-Nurmesniemi designs the Jokapoika (every boy) shirt—the longest running Marimekko classic still in production.
- **1958:** Armi takes Marimekko to the Brussels World's Fair.
- **1959:** Design Research - the revolutionary life-style and design store in US, begins to retail and distribute Marimekko clothing and fabrics.
- **1960:** Vuokko and Armi part ways; Jacqueline Kennedy—future first lady, buys seven Marimekko dresses all at once, making the headlines and also appears in her Marimekko summer dress on the cover of the December issue of *Sports Illustrated*; Marimekko regularly features in international fashion magazines like *Elle*, *Vogue*, *Harper's Bazaar*, and *Women's Wear Daily* throughout 1960s; Designer **Annika Rimala** joins Marimekko.
- **1964:** Artist Maija Isola creates designs, paints her radiant Unikko (poppy), going against Armi's mandate; other perennial favourites like Kaivo (well) and Seireeni (siren) are also created; Prior to designing Unikko, Maija designs classics like Kivet (stones), Lokki (seagull) and Joonas (Jonah); Maija designs more than 500 textile patterns in her 38 years with Marimekko.
- **1968:** Denim takes men's and women's fashion by storm; Designer Annika Rimala creates a collection of clothes to go with jeans appealing all ages, sizes or genders; Marks the beginning of Marimekko's first jersey collection—Tasaraita (even stripe); Wakisaka—the first of many Japanese designers to work for Marimekko, joins the company.
- **1969:** **Pentti Rinta**, a gifted designer, joins Marimekko and his colourful designs for Marimekko appear on the pages of Vogue and other magazines—from Australia to China, throughout 1970s.
- **1970:** Annika Rimala designs the Pallo (ball) jersey pattern, making almost everyone in Finland wear a red, brown or blue polka-dotted shirt.
- **1971:** Armi's son, **Ristomatti Ratia**, uses cotton canvas to create Olkalaukku (shoulder bag)—a Marimekko classic almost everyone has or has had; He soon goes on to design other classic cotton canvas bags, including the Matkuri (traveller) tote.
- **1972:** Rinta designs Kuski (driver), a popular corduroy men's suit that will remain in production for years to come.
- **1973:** Marimekko opens a new textile printing factory in Herttoniemi, Helsinki and acquires its first flat screen printing machine; factory expands first time in 1979, moving its entire textile printing at one location, and second time in 1983 when the company's headquarters



Armi Maria Ratia née Airaksinen (July 13, 1912 to October 3, 1979) was the co-founder of the Finnish textile and clothing company Marimekko Oy.

- and design staff make Herttoniemi their new home.
- **1974:** Japanese designer **Fujiwo Ishimoto** joins Marimekko, designs about 400 magical textile patterns.
- **1975:** **Katsuji Wakisaka** designs Bo Boo pattern, a Marimekko classic featuring cars, trucks and buses, immediately winning over both children and playful adults; In US, Bo Boo inspires a wonderfully varied and colourful assortment of products, including bed linen, towels, bags and tableware.
- **1979:** Armi Ratia, tantamount to Marimekko, dies on October 3; **Marja Suna**—creator of Marimekko's first knitwear collection, is hired who continues to make her mark as a versatile fashion designer.
- **1982:** Fujiwo Ishimoto—the creative force behind so many Marimekko classics, designs one of his most popular prints, Maisema (landscape) that shows the changes in nuances of colour and light in Finnish nature.
- **1985:** Armi's heirs sell Marimekko to Amer - a Finnish business group, Amer soon admits of its troubles with Marimekko.
- **1991:** Kirsti Paakkanen buys Marimekko in September 1991, turns it profitable, hires new designers—**Ritva Falla** for women's business wear, **Matti Seppänen** for men's clothing, **Jukka Rintala** and **Jaana Parkkila**, among others.
- **1992:** Kirsti comes up with the idea of organising a fashion show in Esplanade Park in the heart of downtown Helsinki, marking the beginning of a new summertime tradition that continues to this day; more free fashion shows elsewhere in Finland at different times of the year are organised.
- **1994:** Fashion designer **Mika Piirainen** joins Marimekko.
- **1995:** **Erja Hirvi** begins her career at Marimekko with her successful Lenny design



WIKIMEDIA COMMONS

Riitta Immonen (May 13, 1918 to August 24, 2008) was a Finnish fashion artist and entrepreneur, best known as the co-founder of Finnish fashion corporation Marimekko. Immonen was also known for her one-of-a-kind outfits, celebrity clients and a question-and-answer column which she wrote for Finnish fashion magazine *Eeva* in the 1950s and 1960s.

During 2019, Marimekko took steps in increasing the share of more sustainable materials in products and packaging: the sourcing of Better Cotton reached an all-time high and represented 88 per cent of all the cotton used in Marimekko. Furthermore, the cooperations aiming at developing more sustainable materials with the Finnish fibre technology company Spinnova and with the Ioncell project led by Aalto University and the University of Helsinki took significant leaps forward. In addition, the company continued its work to extend product life, to minimise the environmental impacts as well as its efforts to improve the sustainability of the supply chain, among other things.



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accessories. Home has been the main revenue generator for the company. Circumstances in 2020 escalated its share as lockdown brought home-staying people's attention back to their home needs. That was the time when people spent less on fashion for outing, and instead felt the need to have a home with renewed appeal, improved and safe environment. Redoing home interiors became popular desire leading to the surge in demand for home textile and décor items. Online channels were open too and deliveries of online orders continued pushing home category sales upward. The fashion demand shifted from outerwear and formalwear to more casual and comfortwear. Low demand for outerwear fashion merchandise reflected in the low sales in the fashion category.

Store expansion

As of FY20, Marimekko operated 154 stores worldwide. From 90 stores in 2011 the store network reached 154 stores in 2020, growing at a CAGR of 6.1 per cent. In terms of store count, Asia-Pacific tops

the list followed by the native market of Finland. Together, both markets account for 90 per cent of total store count. The store count of Asia-Pacific region expanded at highest CAGR of 14.3 per cent between 2011 and 2020. In contrast, stores in Scandinavia, EMEA and North America declined from 10, 5 and 11 to 8, 2 and 6 respectively during the same period.

The company retails through four store models—company-owned stores, outlet stores, retailer-owned stores, and shop-in-shops (SIS). Forty-seven per cent of Marimekko stores are retailer-owned, 80 per cent of which are located in Asia-Pacific region. About one-fourth of Marimekko stores are company-owned, two-third of which are based in Finland. There are currently 31 retailer-owned SIS, half of which are located inside Finnish territories.

Targeting customers

Marimekko essentially opts for good store locations in key cities to cater to its target audience. This is evident in its choice of cities such as Helsinki,

Stockholm, New York, Tokyo and Sydney where flagship stores have been opened. In 2020, stores were opened in Japan, mainland China, Thailand, Hong Kong and South Korea. Additionally, shop-in-shops were opened in Estonia and Finland.

The Helsinki flagship store was also revamped to represent Marimekko's newest store concept. Stores in Frankfurt, Stockholm, Copenhagen, Hong Kong, Shanghai and Taiwan, and two SIS in Finland were closed as well in 2020. The Marimekko online store actively reaches customers in as many as 34 countries. Marimekko's partners in Asia also strengthened their omnichannel business at the end of 2020 and web store for Marimekko products were opened both in Thailand and South Korea.

Supplier base

Efficient and long-term suppliers are pillars for any retailer's success, so is the case with Marimekko. Many of its manufacturers are long-term partners. Since global supply chains can be long and complex at times, Marimekko

TABLE 3 Market-wise store expansion

Country / Region	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20
Finland	42	48	56	62	62	63	66	65	66	65
Scandinavia	10	12	13	10	11	10	12	11	10	8
EMEA	5	5	4	3	4	3	2	1	2	2
North America	11	16	23	23	24	23	16	6	6	6
Asia-Pacific	22	27	37	46	52	60	65	70	67	73
Total	90	108	133	144	153	159	161	153	151	154

SOURCE: Marimekko company reports

DESIGNS AND DESIGNERS: THE TIMELINE - II

—the story of an angel who takes to the skies in fast and colourful flight.

- **2000:** Mika is inspired by classic Marimekko patterns and begins to use them in his clothing designs alongside new prints; Classic and contemporary come together successfully and soon other designers follow Mika's example.
- **2001:** Designer **Sami Ruotsalainen** settles in at Marimekko; several talented young designers are brought in through design competitions in 2003 and 2006 including **Maija Louekari, Aino-Maija Metsola** and **Jenni Tuominen** who go on to create many of Marimekko's most popular patterns in the coming years.
- **2004:** Erja Hirvi creates a universal hit design - Lumimarja (snowberry), clearly earning its place among Marimekko's many classic textile patterns; Herttoniemi textile printing factory gets a new flat screen printing machine and digital screen-making equipment; Fashion designer **Samu-Jussi Koski's** distinct style can be seen in Marimekko clothing collections between 2004 and 2009.
- **2006:** The building of a network of Marimekko stores in Japan gets off.
- **2007:** Mika Ihamuotila becomes the majority owner of Marimekko.
- **2008:** Mika becomes the company's President and CEO, makes a determined effort to build Marimekko into a more international company.
- **2009:** The Oiva (superb) tableware by Sami Ruotsalainen hits the stores; Maija Louekari designs the first patterns for the tableware collection.
- **2010:** Anu Penttinen's Sukat makkaralla (socks rolled down) glassware— a colourful mouth-blown glass perfect for any table, any day, is launched; **Satu Maaranen** starts designing clothes and



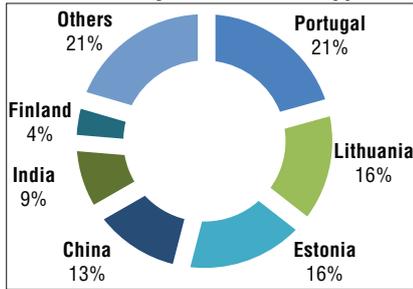
prints for Marimekko.

- **2011:** Building of international ecommerce begins in US; first Converse Marimekko sneaker collections hits the stores; Limited-edition collections are launched in partnership with names like Banana Republic, Target, Uniqlo and Clinique, among others; For the first time in its history, Marimekko premieres its new collection at an international fashion week in Tokyo; Herttoniemi factory's production capacity grows three fold with installation of a faster rotary printing machine to print larger and more technically demanding patterns; Tuula Pöyhönen designs a range of bags which combines humour with practicality.
- **2012:** Collections premiered at New York Fashion Week; Marimekko's Finnish e-shop opens up; Online business expands year by year; First Marimekko store opens in Hong Kong; A fashion show is organised in Shanghai's People's Park with dancers from the world-renowned Jin Xing Dance Theatre modelling for Marimekko clothing; Museum of Contemporary Art in Shanghai displays a wide selection of Marimekko creations in conjunction with a major exhibition of Finnish design; Marimekko and Finnair begin a design partnership, symbolized by a passenger plane decorated with the Unikko pattern.
- **2013:** Collections premiered at Stockholm and Copenhagen Fashion Weeks; Shanghai and Beijing get their own Marimekko stores; Inspired by meteorological phenomena and seasonal change, the Sääpäiväkirja (weather diary) collection including fabrics, kitchen textiles, posters and Oiva tableware featuring painterly patterns by **Aino-Maija Metsola**, is launched; Marimekko involves in a research project led by Aalto University and the University of Helsinki to manufacture a biodegradable textile fibre from birch cellulose using a brand-new method.
- **2014:** Forever young Unikko is celebrated around the world in colourful ways such as shows and exhibitions, pop-up stores and coffee shops, air journeys and shared stories.
- **2015:** Tiina Alahuhta-Kasko as President & CEO of the company and Mika Ihamuotila as Executive Chairman of the Board assume joint responsibility for the running of the company.
- **2016:** Marimekko's mouth-blown glass vases in different sizes designed by Carina Seth Andersson arrive in stores.
- **2017:** Kivet—another beloved design by Maija Isola, takes to the air on the wings of a Finnair aircraft; Passengers on all Finnair flights enjoy textiles and tableware with classic Marimekko patterns; Cooperation with the Finnish fibre technology company Spinnova starts focusing on developing and commercialising new, wood-based textiles.
- **2018:** 50th anniversary of Marimekko's Tasaraita— evenly striped symbol of equality, is celebrated; Marimekko starts collaboration with the children's rights organisation Plan International to promote the rights and education of girls in developing countries; Satu Maaranen is appointed head designer of Marimekko's ready-to-wear, bags and accessories.
- **2019:** China becomes 32nd country for Marimekko's ecommerce.

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About 80 per cent of Marimekko's direct suppliers use only or partially renewable energy sources. Most (66 per cent) use both energy from fossil and renewable sources simultaneously. Less than one fifth (18 per cent) use only fossil fuels. About one quarter (23 per cent), who are wholly or partially using fossil fuels, plan to increase the use of renewable energies in the future. Almost all suppliers in Europe (95 per cent) and outside Europe (97 per cent) have set their own targets to reduce energy use and emissions, and/or have implemented other measures to mitigate climate change.

FIGURE 2 Country-wise share of suppliers



SOURCE: Marimekko's suppliers and factories report

keeps its supply chain as transparent as possible.

According to Marimekko's suppliers and factories report, updated as of June 2017, there were 68 most significant suppliers and manufacturers of Marimekko products based in 16 countries across three continents. They constituted around 99 per cent of Marimekko's sold products purchased in 2016. Countries with the most number of suppliers for Marimekko are Portugal, Lithuania, Estonia, China and India. Sixty-four per cent of Marimekko products are manufactured in Europe.

Sustainability

The five principal themes of Marimekko's sustainability strategy from 2016 to 2020 were sustainable and timeless design, long-lasting and functional products; inspire and engage customers and staff; promote responsible practices throughout the supply chain; be resource efficient and caring for the environment; and offer an inspiring and responsible workplace.

In 2020, the company's activities included work to increase the proportion of more sustainable materials in its products and reduce carbon dioxide and other emissions. In December, Marimekko published its sustainability targets. Targets, raised to a new and more ambitious level, covered its own operations as well as entire value chain. The new strategy is built



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on three guiding principles—timeless design brings joy for generations to come; the products of tomorrow leave no trace; and, positive change through fairness and equality. As a practice, the company assigns a set of sustainability targets and criteria to measure progress toward those. The set targets are evaluated annually, based on which the specific targets for the next year are set and prioritised. The company also has a Code of Conduct specifying all employees and management's way of working. Suppliers also have to commit themselves to mandatory compliance with the guidelines laid down for them including a prohibition on child and forced labour.

Roundup 2020

Despite the COVID-19 onslaught, Marimekko did exceptionally well in 2020. The year's total sales of €123.6 million fell short by just 1.4 per cent from last year's figure of €125.4 million.

This sale performance was further complemented by 18 per cent annual gain in operating profit, thanks to operational adjustments.

Marketwise, Marimekko's major market Finland, levelled its last year's sales. It showed a 12 per cent decline in retail sales, wherein like-for-like decline was 6 per cent. However, Finnish wholesale grew by 32 per cent but licensing declined by 32 per cent, finishing at overall decline of 0.1 per cent. At the same time, sales in Marimekko's international market declined by 3.5 per cent over previous year. The drop was mainly due to Asia-Pacific region which lost €2.6 million worth of sales, and North America too, which failed to earn extra €1.8 million to match previous year figures.

In terms of business segment, the wholesale segment grew while the retail segment declined by 13 per cent. Wholesale did well in all regions except Asia-Pacific where sales dropped by

TABLE 4 Sales performance: 2020 (in € millions)

Sales (in € millions)	2020	2019	Change%
Finland	71.1	71.2	-0.1
Scandinavia	9.9	9.3	6.5
EMEA	14.0	12.0	16.7
North America	6.5	8.3	-21.7
Asia-Pacific	22.1	24.7	-10.5
International	52.4	54.3	-3.5
Total	123.6	125.4	-1.4

SOURCE: Company reports



The interior of a Marimekko store in Bangkok, Thailand.

11 per cent over the previous year. Similarly, the retail sales growth remained negative across regions except in EMEA—the least contributing market to total retail sales, where an unbelievable 38 per cent growth was seen. Licensing sales are noticeable only in Asia-Pacific region where the segment registered 26 per cent growth over 2019. On an aggregate basis, international retail delivered an 18 per cent drop, whereas wholesale and licensing segments registered respective growths of 3 per cent and 6 per cent over 2019 business.

Situation in Finland: Finland, hosting one-fourth of Delhi's population, reacted swiftly in tackling COVID-19. As soon as the number of infections began skyrocketing around the world in April 2020, the Finnish government imposed a two-month long lockdown. Travel to and from Helsinki was banned. Schools and other institutions were closed, quickly followed by restaurants. A coronavirus tracking and tracing app was downloaded by most Finns. Trust in government, strong digitalised infrastructure in the country, immediate switch to work-from-home lifestyle and holding back social life, partying culture and outing helped

Finland contain the growing cases.

Quarterly trends: Finland managed the situation at home, but the international market behaved differently due to varied local circumstances and unpreparedness. Consequently, cumulative quarterly results began showing the impact on overall business. If the first quarter resulted in an 8 per cent sales drop over the previous year, the second quarter, mostly passing under lockdown, pulled the sales down further and aggregate of six-month sales dropped by 14 per cent. The third quarter, to some extent, covered preceding quarters' sales loss with improved decline of 5 per cent for a period of nine months. With the beginning of the fourth quarter, Europe started witnessing a second COVID-19 wave after a temporary dip in the July-August period. Despite the coronavirus resurgence, Marimekko online sales remained strong. Additionally, supported by the wholesale segment, Marimekko managed to end 2020 with a marginal sales shortfall of 1.4 per cent over previous year.

Operations interrupted: Marimekko store operations across markets were undoubtedly impacted by the pandemic

spread. The greater parts of company-owned stores were closed for most of the second quarter. With elevated health and safety measures in place, complying with local restrictions and recommendations and offering new services to reduce close contacts, Marimekko reopened most of its own stores in stages. Nearly all company-owned stores were open in the second half of the year, though some with limited hours. Some of the stores in Australia were again closed temporarily due to regulations at the beginning of July and were reopened at the end of October.

Invested assets: Marimekko has been investing in the development of its digital business for several years. Therefore, it was able to quickly move its promotions online in April after temporarily closing its own retail stores due to the pandemic. The online store proved to be an important retail channel for Marimekko in 2020 whose sales increased significantly in the fourth quarter as well. In addition to its own online store, the company also has distribution through partner-operated Marimekko web stores as well as other online channels. The partner-owned



In 2019, Marimekko's employees carried out more than 40 factory visits in its product or material suppliers' premises in Finland, Estonia, Lithuania, Hungary, Spain, Portugal, India, China and Thailand. During the visits, Marimekko's officials discuss contractual matters, matters related to product development and quality, the implementation of sustainable ways of working and related challenges, if any, as well as track the progress of the development objectives that were agreed upon previously. First and foremost, the supplier must always fix any shortcomings and the reasons that caused them, but consistently failing to follow our requirements is a basis for concluding their collaboration. In the past few years, Marimekko has terminated a few contracts based on shortcomings related to, for example, quality, access to information or the terms of the collaboration.

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Marimekko stores in Asia were open in the fourth quarter, but after the pandemic situation worsened at the beginning of 2021, opening hours have been limited in various places.

Reorganisation: With increasing COVID-19 cases in March, Marimekko decided to temporarily close its own retail stores in Finland, other Scandinavian countries, Germany, the US and Australia. Almost the entire retail organisation was temporarily laid off. When it began reopening stores with elevated health and safety measures, employees were invited back to work in stages. Consultative negotiations were undertaken and corresponding processes put in place to reorganise and streamline company's operations so as to better respond to the structural changes in the fashion and specialty retail sector. The dramatic transformation of consumers' purchasing behaviour, accelerated by the coronavirus pandemic, proved to be another reason for reorganisation. The new organisation was to further strengthen Marimekko's customer-centricity and omnichannel approach

in an increasingly digital market. In Finland, this led to termination of 20 employment contracts, 31 people were offered a new or modified job and locally restructuring of some jobs in Scandinavia, North America and Australia. The reorganisation saved the company an estimated €1.3 million.

Leveraging strengths: A comprehensive range of lifestyle products, ability to adjust operations rapidly, a diverse business and distribution channel model as well as long-term work to develop the brand and digital business helped Marimekko navigate through COVID-affected 2020. Pandemic-induced megatrends in the industry made Marimekko lifestyle brand even more relevant, thereby, supporting its growth. Marimekko continued with innovation and collaboration with fashion leaders in 2020 too. In February, it collaborated with Finnish fibre technology company Spinnova to present the first ever printed clothes made of Spinnova's wood-based fibre containing no harmful chemicals. Marimekko designed, printed and manufactured

the demo outfits. In collaboration with Japan's fashion powerhouse Uniqlo, Marimekko also launched limited edition collections for women and children in April and November.

Outlook 2021

Marimekko is watchful of the pandemic unfolding and its impact on business in 2021. The advent of new coronavirus waves and possible tightening of restrictions in different market areas as well as changes in customer numbers in stores will influence the outlook for both its retail and wholesale businesses.

If rapid fluctuations in demand continue this year as well, sales and earnings will be directly impacted. The company expects fixed costs, marketing expenses and total investments to increase in 2021. Key investment areas will include digital business, seamless omnichannel, customer experience, sustainability and brand awareness. If all fall in line in 2021, Marimekko also has plans to accelerate international growth with opening of approximately 5 to 10 new Marimekko stores and SIS, most of them in Asia. **FF**