



BVLGARI

How to differentiate & monetize
through sustainable solutions?

Magdalena Alnakhebi

For The Future Collection

Content

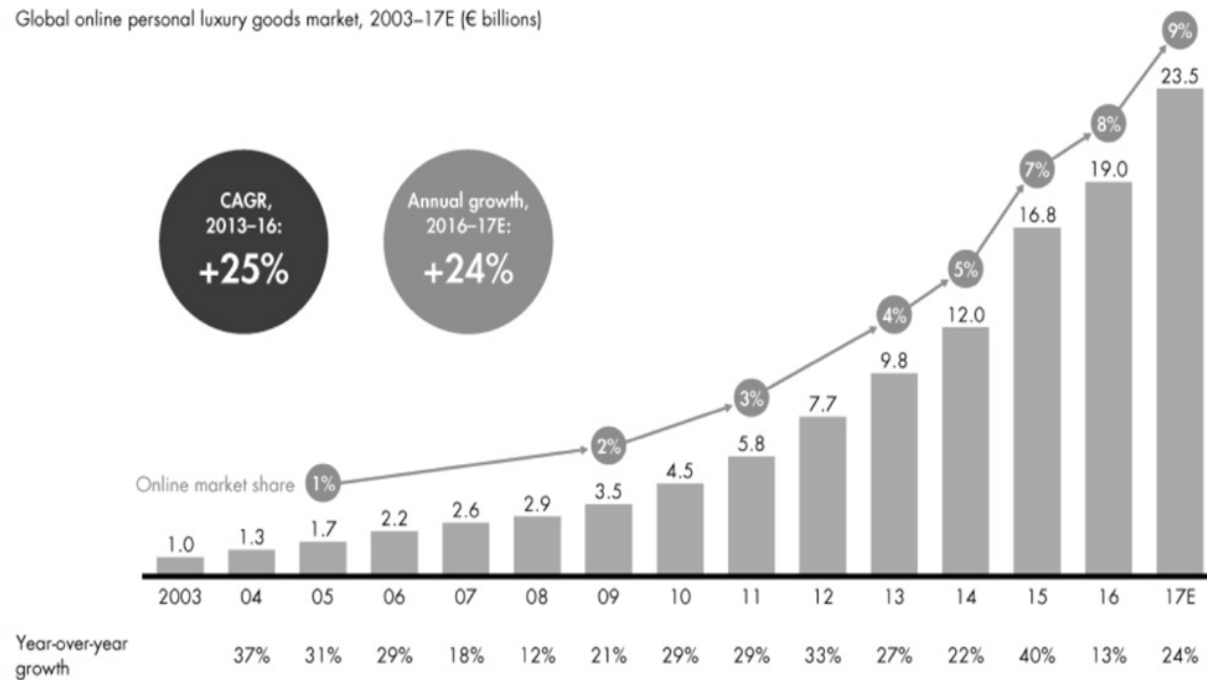
1. External Environment
2. Internal Environment
3. Opportunity
4. Recommendations
5. Implementation
6. Conclusion



External Environment

Figure 10: Online luxury posted another year of double-digit growth

Global online personal luxury goods market, 2003–17E (€ billions)



Source: Bain & Company

Online market share: 9%
Online growth in 2017: 24%
Personal luxury goods market in 2018:
\$340 billion
Jewelry growth 20% to 40% by 2020
Source: Deloitte

Internal Environment

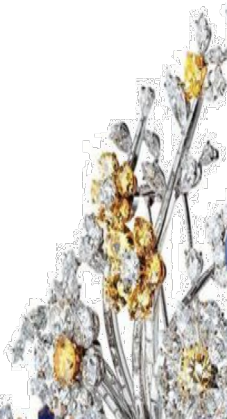
1884 - Sotirio Bulgari founded the brand

The master's two descendants grew Bulgari throughout the world

2011 - Bulgari joins LVMH group

Bulgari honors tradition, while embracing modern design. It's about being free, pioneering, and daring. It's inspired by urban life, adventures, and passion.

Bulgari is synonymous with Dolce Vita.



Influences

Roman, Greek, and Renaissance elements.

Repeated elements include -
yellow & rose gold, cabochons, serpenti
(snake), Roman and Greek coins, tuboga

New -
white gold and platinum creations, and
two-dimensional styles.



Target

HNWI's & UHNWI's

2018 - HNWI population and wealth grew by 8%, UHNWIs grew 9 %

Asia, North America & Europe

Millenials are "the most important cohort for jewelry purchases" De Beers.

Dedicated to women who want to fulfill the aspiration of feeling unique with charismatic jewelry

Positioning

“We are the creative, energetic challenger more than the classic, status-symbol brand, so we haven't suffered as much from past downturns.”

RTW - 1.5K CHF

Avg. price - 7KCHF

High Jewelry - No price cap

Communications

— Internal Environment cont.

Upgraded store experience



Welcome
Experience

Engage visitors
Target all senses

Influencers

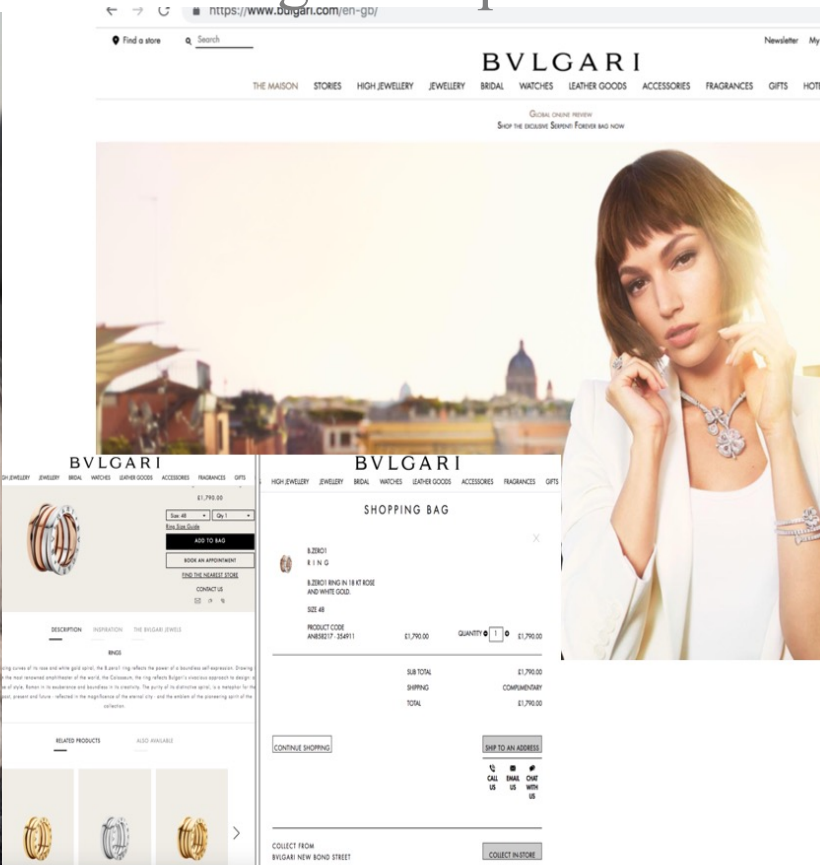


Diverse Talent
Authenticity



Content production
Leverage followers

Digital Experience



Strategy
Intelligence

Holistic Approach
Nimbleness

Digital Experience Cont.

— Internal Environment cont.



Social Media

Opportunity

Disruption in the world -

Economic inequalities

Climate change

New technologies

Current Initiati

Save the Children

Raise your hand

Kimberly Process

Responsible Jew

"Consumers will continue to become more knowledgeable and push for ethical products with known provenance"

De Beers





Human Rights Watch found that brands (incl. Bulgari) don't always know where the stones are coming from, and don't do enough to assess human rights risks.



Difficulty to precisely track diamonds despite the Kimberley process.

R.J.C. does little monitoring to make sure promises are kept.



Sustainability issues —

Mining causes high amounts of energy spending, potential for chemical leaks, large amounts of earth removed, thus disturbing the ecosystem.

“From the mine to the finger, a diamond sees four dozen owners.” Diamond Foundry CEO Martin Roscheisen

Recommendations

Define a new market space &
Leverage on sustainability



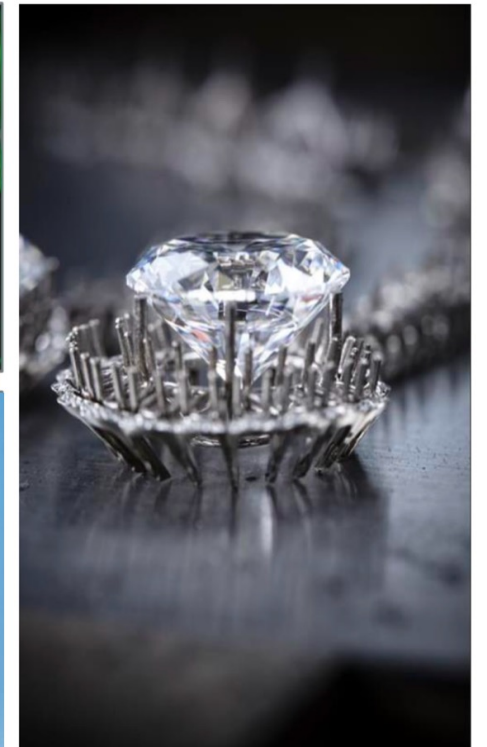
Lab-grown diamonds

Low impact on people, land, water & air
Originate from a complex technology &
pioneering manufacturing process



Environmentally friendly

Traceable



For the Future Collection

Bulgari will create a never before seen luxury environment by becoming a pioneer in regenerative sourcing strategy. The implementation of the collection will be a way to address sustainability & ethicality.

The new Luxury mindset means that consumers are looking inward, focusing on improvement and wellbeing. It is about transformation and the greater good rather than just the display of wealth.

47%

Of respondents hadn't heard about synthetic diamonds or were unsure what they were

66%

Of respondents reacted positively to synthetic diamonds after reading about them.

39%

Of respondents would consider synthetic diamonds for engagement rings.

For the Future Collection

Refer to them as “Cultured Diamonds” instead of Lab grown diamonds for better perception

Accredited supplier Pure Grown Diamonds – micro signed with Bulgari Logo

Collection is part of the “Bulgari Initiative” together with Save the Children

Story telling has two pillars: Technology & Ethical approach

“Future Mines Foundation”: 1% from the collection will go into this initiative

The design of the jewelry line will respect Bulgari codes, with a more contemporary twist.

The campaign’s main focus will be Europe & U.S.



For the Future collection doesn’t undermine the sustainability of natural systems nor endanger people, allowing the future generations to have the natural resources and guilt-free jewelry they need.

Implementation

Objectives

1 year -

Increase targeted traffic by 20%

Increase total jewelry sales by 30%

3 years -

Stand out from competition as an innovative and authentic market leader

New initiatives: source sustainable metals, and full supply chain transparency



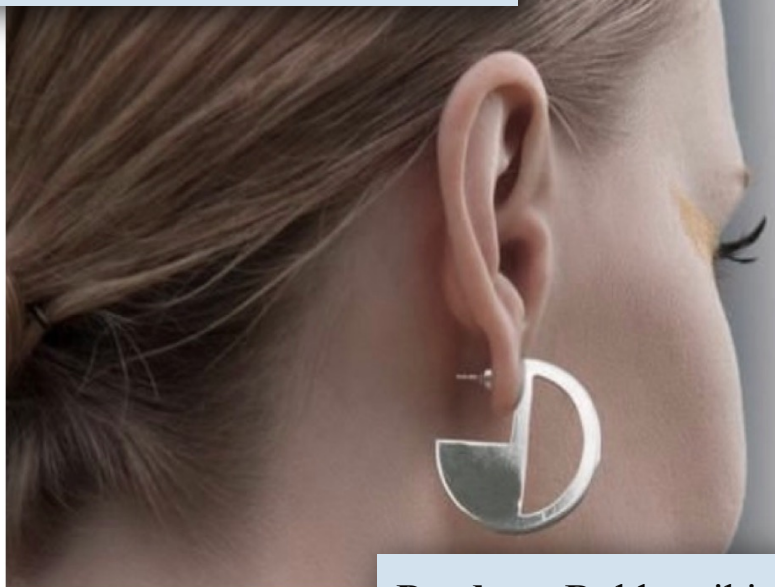
diamonds & dolce vita

brand symbols, architecture & volumes

future



Materials: 18k white gold & cultured diamonds (0.20ct - 0.75ct)
Price: 4000 USD -7500 USD



EARRING



RING

Product: Bold, striking & unique.
Good for both city wear & events for an expressive and modern women.
Volumes and curves refer to harmony, nature and continuity. Sharp edges offer paradox. Futurism with a touch of romanticism.



PENDANT

BRACELET

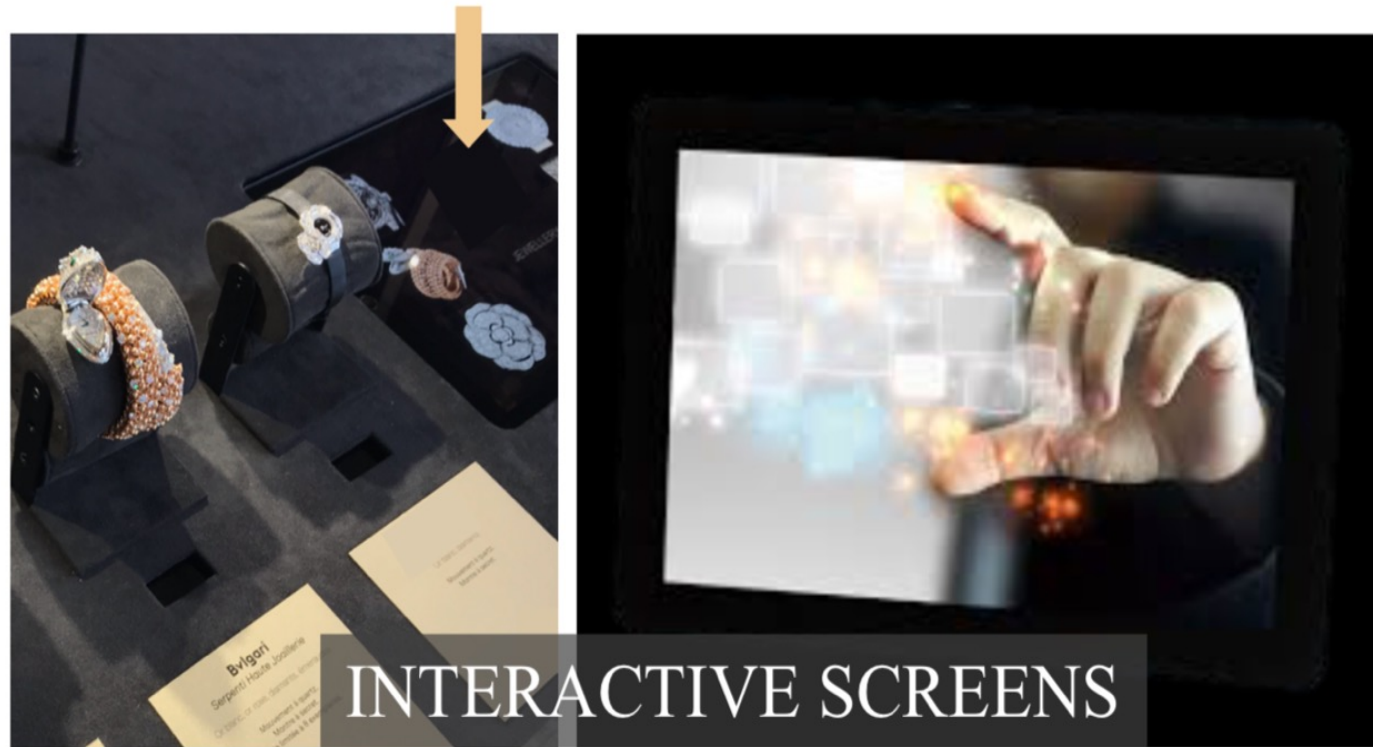


Physical locations

Selected stores in U.S. (N.Y), and in Europe (Rome, London, Paris)

Interactive Exhibition: customized digital screens on the side of creations, skip-able video on the For the Future collection

Videos help people understand what materials were used, and how cultured-diamonds are made, and what is the Future Diamond Mines initiative. They can understand how this collection contributes to a better future



Physical locations

Pop-up exhibitions: Japan and Singapore



Website

Impact shown on the page

Sold on Luisa Via Roma multi-brand platform

Shop-able on Instagram



EARRINGS FOR THE FUTURE

REF. 344492 CL854894

These Future wave earrings are made of white gold with pavé diamonds

\$ 5,500

Color ▾	Qty 1 ▾	Style ▾	Impact Scale ▾
ADD TO BAG			☁ 29.0 lbs. of Carbon dioxide saving
BOOK AN APPOINTMENT			💧 1916 gal of water saving

FIND THE NEAREST STORE

CONTACT US



DESCRIPTION

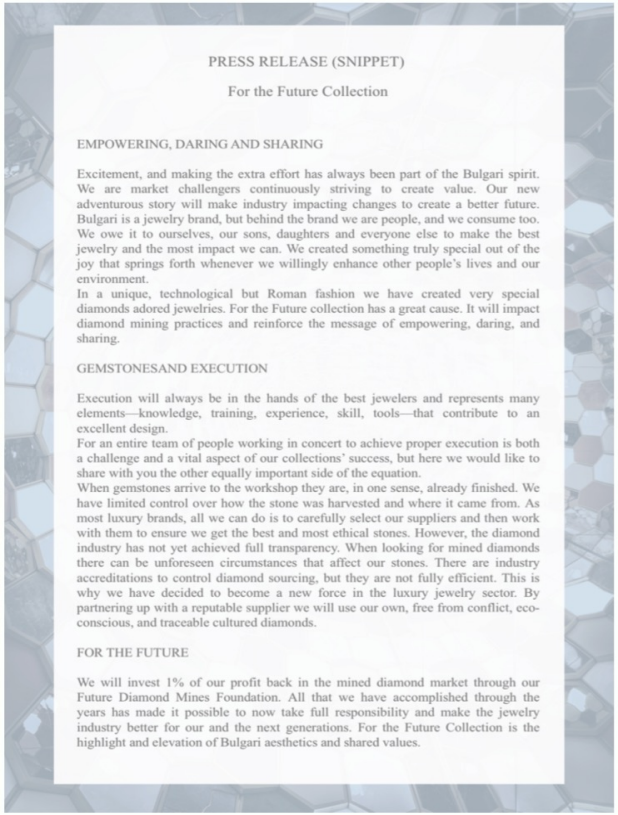
INSPIRATION

THE FUTURE JEWELS

Inspired by a futuristic vision, where technology helps to live life well. These earrings are an ode to a new wave of thinking. They are made of 18k white gold. 3 cm in long with cultured diamonds. They are also available in single with 0.75ct. cultured diamond embedded on top.

Press Release

Press release event – Bulgari Hotel Milano
Held for a selected list of magazines, and
newspapers with specific attention to what is
the target audience listening and reading
these days.



PRESS RELEASE (SNIPPET)

For the Future Collection

EMPOWERING, DARING AND SHARING

Excitement, and making the extra effort has always been part of the Bulgari spirit. We are market challengers continuously striving to create value. Our new adventurous story will make industry impacting changes to create a better future. Bulgari is a jewelry brand, but behind the brand we are people, and we consume too. We owe it to ourselves, our sons, daughters and everyone else to make the best jewelry and the most impact we can. We created something truly special out of the joy that springs forth whenever we willingly enhance other people's lives and our environment.


In a unique, technological but Roman fashion we have created very special diamonds adored jewelries. For the Future collection has a great cause. It will impact diamond mining practices and reinforce the message of empowering, daring, and sharing.

GEMSTONESAND EXECUTION

Execution will always be in the hands of the best jewelers and represents many elements—knowledge, training, experience, skill, tools—that contribute to an excellent design.

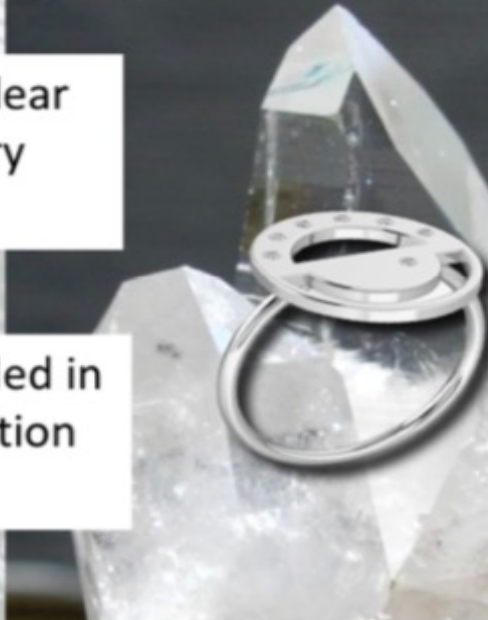
For an entire team of people working in concert to achieve proper execution is both a challenge and a vital aspect of our collections' success, but here we would like to share with you the other equally important side of the equation.

When gemstones arrive to the workshop they are, in one sense, already finished. We have limited control over how the stone was harvested and where it came from. As most luxury brands, all we can do is to carefully select our suppliers and then work with them to ensure we get the best and most ethical stones. However, the diamond industry has not yet achieved full transparency. When looking for mined diamonds there can be unforeseen circumstances that affect our stones. There are industry accreditations to control diamond sourcing, but they are not fully efficient. This is



1. classic building

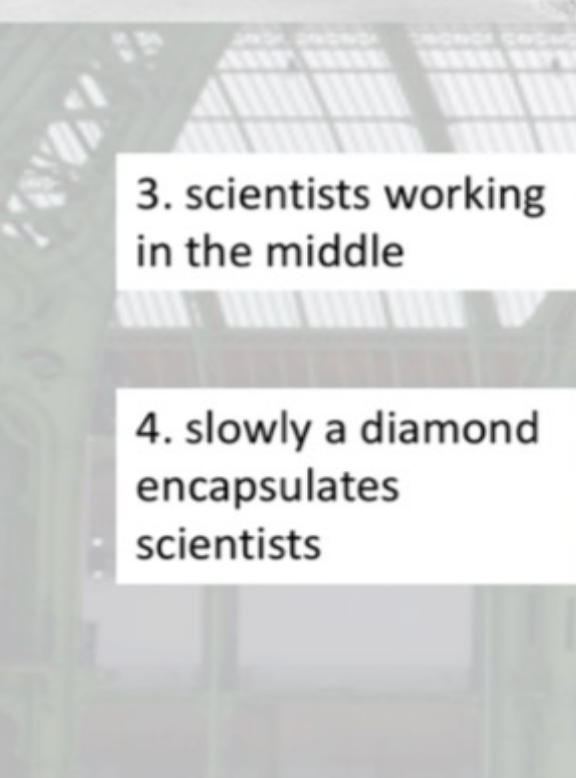
2. diamond crystals
breaking through



5. crystals in the room clear
out and show the jewelry
inside

6. on screens embedded in
crystals more information
is viewable

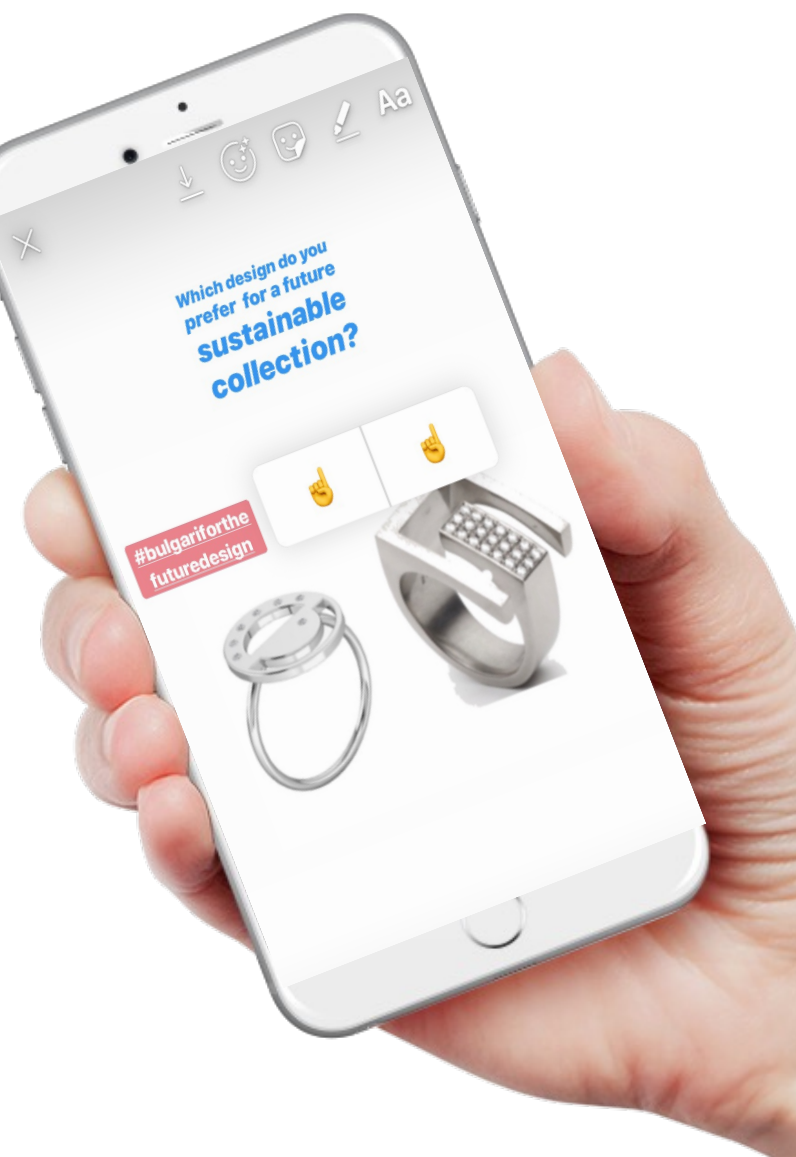
Launch Event in Cern



3. scientists working
in the middle

4. slowly a diamond
encapsulates
scientists









Earned Media

UGC #bulgariforthefuturedesign
Reposts by celebrities, blogs, and magazines
(WWD, The Viva Luxury Blog & Solitaire etc.)

Paid Media

Offline: Vogue, Elle, Harper's Bazaar → QR code inside to show video
Online: (Glossy) ads & vid. out-stream
Social Media: v. in-stream, promoted & native ads

Owned Media

-  #bulgariforthefuturedesign poll
Teaser campaign: 30 sec videos w/ emotional appeal
Behind the scenes videos: incl. video w/ CEO
Sequencing campaign, then IGTV for full campaign
Influencer content
-  Events & blogstyle posts, share relevant links & videos
-   Video content

Harper's BAZAAR - Your Style

https://www.harpersbazaar.com

BAZAAR FASHION BEAUTY CULTURE INSPIRATION

Did you know we use cultured diamonds for a better future?

Tell me more



WWD Fashion • Business • Beauty • Men's • Runway • Accessories • Eye

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FASHION Women's Designers Embrace Men's Market

BEAUTY Ulta Beauty Makes First Acquisitions, Honors Personalization

BUSINESS Richemont First Half Profits, Sales Soar with YNAP, Watchfinder in

SPONSORED U.S. POLO ASSN. Where Fashion and Sport Collide

ACCESSORIES / JEWELRY

First look: Bulgari unveils its new jewelry collect "For the Future"

Emma Watson and Miranda Kerr are featured for the collection – for a good reason

By Rita Lipshitz on October 16, 2018

DUBAI – Bulgari unveiled a new collection of diamond jewelry in Dubai.

Sotheby's

Enter our world of luxury jewellery and watches

Step Inside

THE JEWELLERY EDITOR

JEWELLERY WATCHES BRIDAL BRANDS SHOP CITY GUIDES WHAT'S ON VIDEOS

Home • Watches • Bulgari's dangerously glamorous new jewellery watches

Bulgari's new designs will define your future

Sink your teeth into Bulgari's magnificent array of twinkling gem-set watches just in time to drop some hints for the Holiday Season.

05 November 2018 | by MARGA DOULTON

Embassador Marketing with Emma Watson

Advocate of human rights and sustainability
pure, sincere, feminine

#luxuryforthefuturetalk with Bulgari & LVMH CEO

Development of new technologies
Luxury Initiatives to contribute a positive impact on society
Values and transparency

BVLGARI

For the Future Collection - Emma Watson

PURPOSE:
For the Future Campaign will promote our new cultured diamond collection launching in International Mines Day 4 April 2020. The purpose of this collection is to introduce a new type of diamond collection into the luxury market space and with it donate a percentage from its profit to support the improvement of conditions in diamond mines through our Future Mines Initiative.

We owe it to ourselves, our sons, daughters and everyone else to make the best jewelry and the most impact we can. We created something truly special out of the joy that springs forth whenever we willingly enhance other people's lives and our environment. Our cultured diamonds speak of our values. For the Future reinforces the attitudes of empowering, daring, and sharing.

REQUIREMENTS:
Emma Watson: voice alignment with brand's message, creative involvement, appearances, visits, shoots, social media engagement, luxury related content publishing with Bulgari's approval
Bulgari: Photo, video shoots organized, compensation, travel, hotel, catering provided

APPEARANCES/VISITS:
*the exact program and specifics will be sent in August 1 2019

2019 Sept 30: Bulgari would like to invite Emma to our labs where she could see the creation of the Bulgari laser engraved cultured diamonds. Here it will be explained the technological acumen needed to create these diamonds. 2019 Nov 15: Process of making For the Future Jewelry Collection in Valenza.
2020 Jan 1- 2: For the Future Photo-shoot and video campaign shoot in Milan.
2020 Apr 4: Launch Party in New York
2020 Apr 30: Luxury for the Future talk in Paris
2020 July 1: Emma's visit to our diamond mines and see the improvement done in this sector due to the Future Diamond Mines initiative.

POSTINGS ON OWN SOCIAL MEDIA PLATFORMS:
*content to be drafted in February 2020
2020 April 4: Live video at the launching event
2020 April - Sept: Monthly min 2 appearance in Bulgari Jewelry and posts
2020 April 30: Luxury for the Future Talk short recap video
2020 July 1: Live video of the Future Diamond Mines initiative visit

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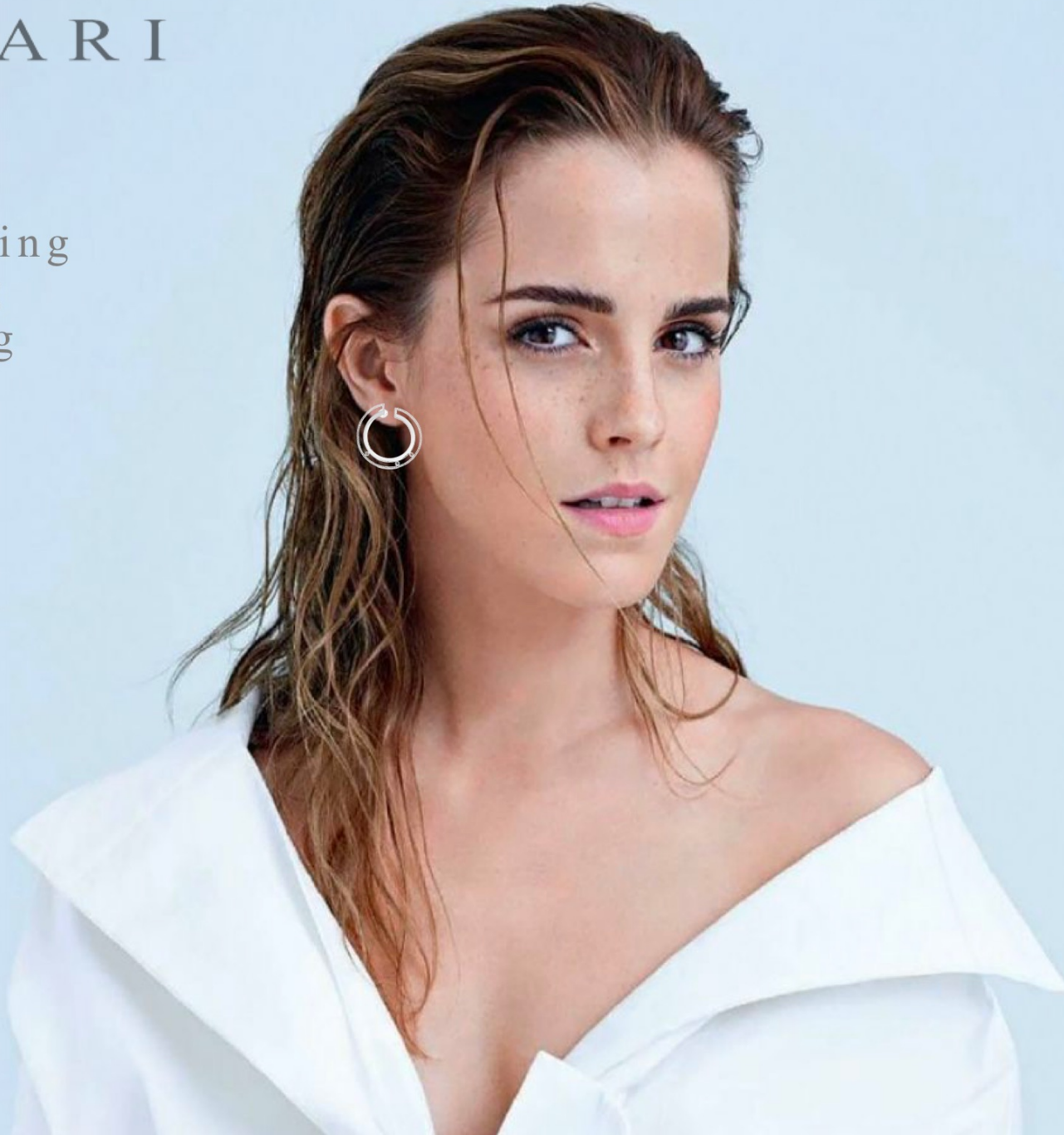
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empowering
daring
sharing



For the Future

The first cultured diamond collection

Marketing Mix Cont.



Bulgari will provide material for its employees and sales team to understand the story of the Future Collection

Vocabulary used reflects the vocabulary used in the campaign.



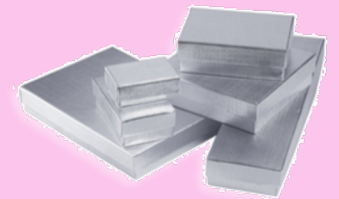
They use CRM to interact and analyze their clients:
Focus should be on building this within the new online sales platform on Instagram

Track sales



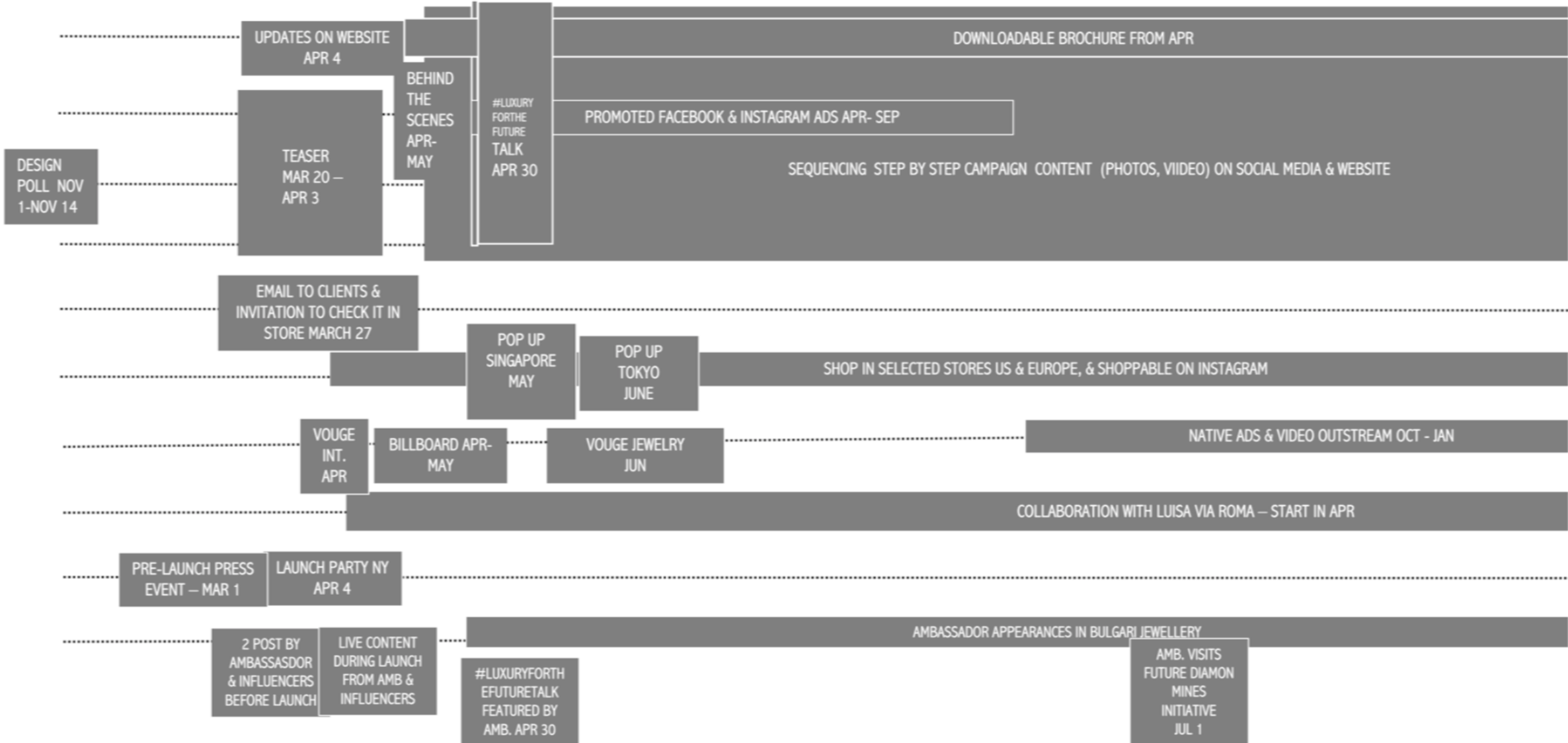
Typical Bulgari hospitality, and a relaxed but luxe environment

Special attention to complimentary material:
Packaging is limited for this collection made of recycled materials



Calendar

FEB MAR APR MAY JUN JUL AUG SEP OCT NOV DEC JAN



Budgeting & Projections

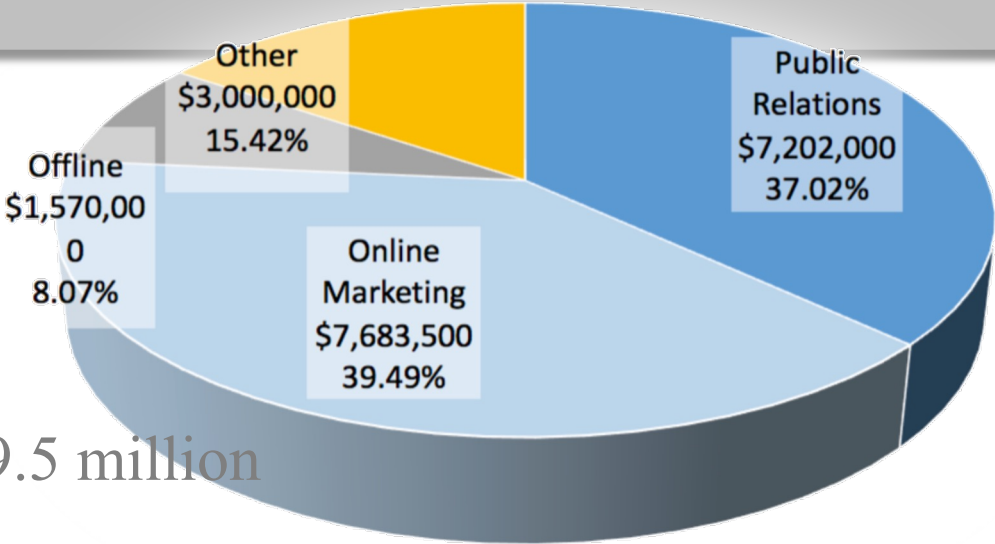
	Asia 10%	America 50%	Europe 40%	total sku per product type
ring	145	725	580	1450
pendant	120	600	480	1200
earring	100	500	400	1000
bracelet	90	450	360	900
total sku per ma	455	2275	1820	
TOTAL sku				4550

average retail price	cost
\$ 4,000	\$ 1,200
\$ 5,000	\$ 1,500
\$ 5,500	\$ 1,650
\$ 7,500	\$ 2,250
\$ 22,000	\$ 6,600

Revenue	\$ 100,100,000
18%	\$ 18,018,000
20%	\$ 20,020,000

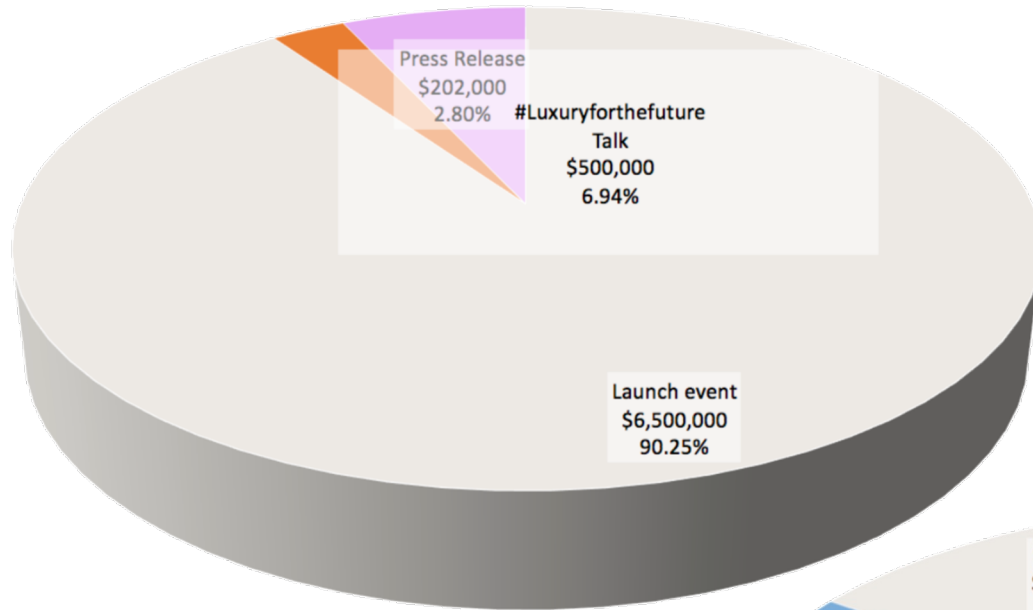
Average Campaign cost is
about 18 - 20% of revenue

\$ 1,001,000.00 1% is dedicated to diamond mines

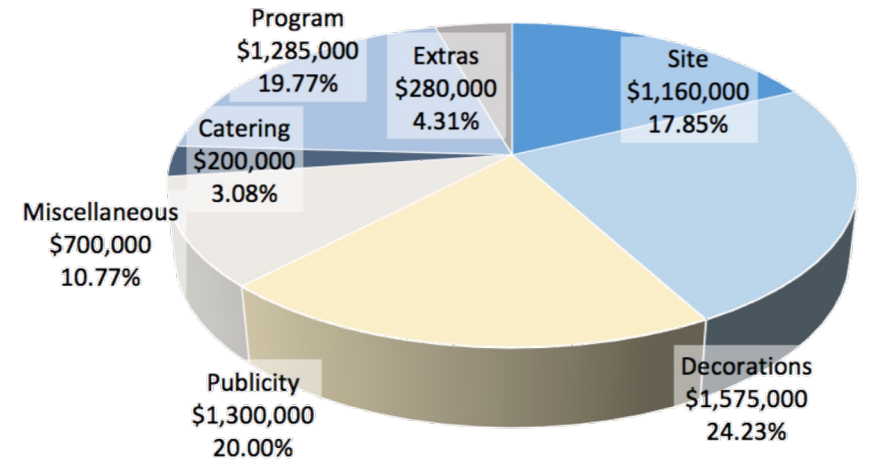


Total Campaign Cost: \$ 19.5 million

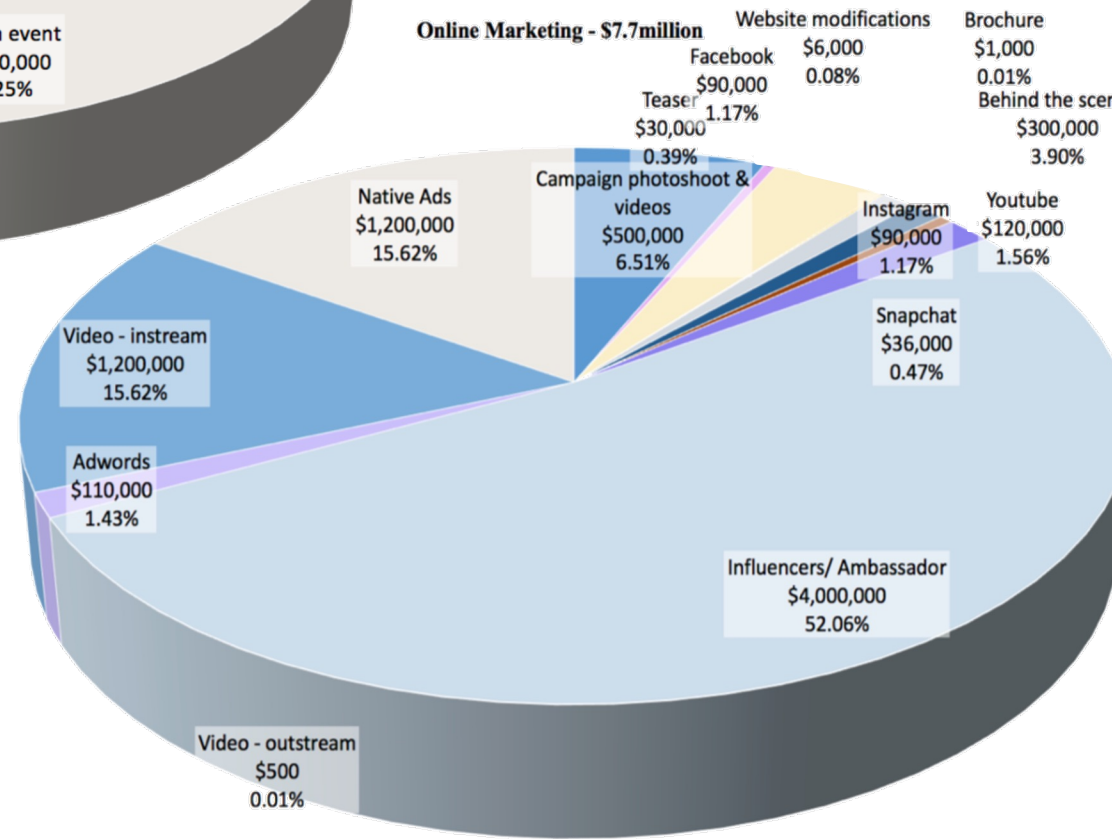
Public Relations- \$7.2 million



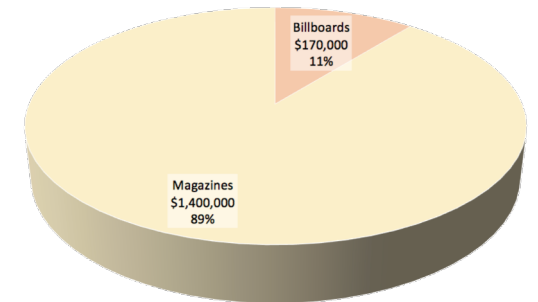
Launching event - \$6.5 million



Online Marketing - \$7.7 million



Offline Marketing - \$1.5 million



Conclusion



CULTURED DIAMOND QUESTIONS

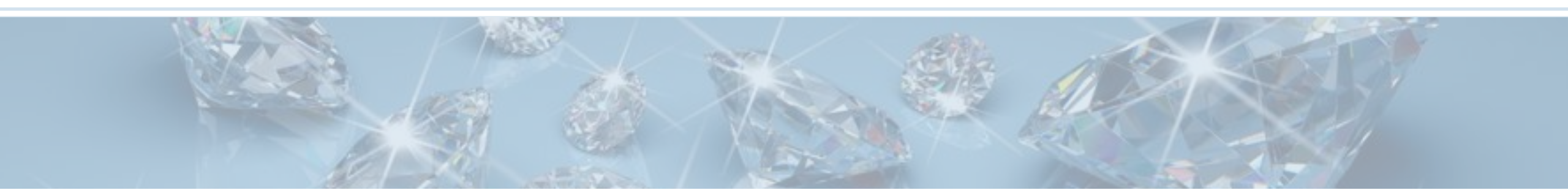
Will those who loved the brand for its mined diamonds still purchase when they hear that there is a different collection?

What about those attracted to the ethical cause of the collection? Will they accept that there are mined diamonds too of questionable ethicality?



For the Future

The first cultured diamond collection



“ Once merely indicative of a shared status, or taste - today diamonds can convey shared values. *For the Future Collection* by Bulgari reinforces the values of empowering, daring, and sharing”