

BOUCHERON

PART 2, PROGRESS REPORT 1

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OWNERSHIP STATUS

Founded in 1893, Boucheron is the oldest house owned by the luxury Holding Group Kering, which also owns Balenciaga, Gucci, and Saint Laurent. Boucheron is one of 4 jewellery houses within the Kering portfolio.

Boucheron is headed by H  l  ne Poulit-Duquesne as CEO. She was appointed in 2015, along with Clair Choisne as Creative Director. This is the first time that a woman has held both of these distinguished positions at the jewellery house.

Kering

Fashion and
Leather Goods

Gucci

Saint
Laurent

Bottega
Veneta

Balenciaga

Alexander
McQueen

Brioni

Jewelry

Boucheron

Pomellato

DoDo

Oeelm

Kering
Eyewear

Lindberg

Maui Jim

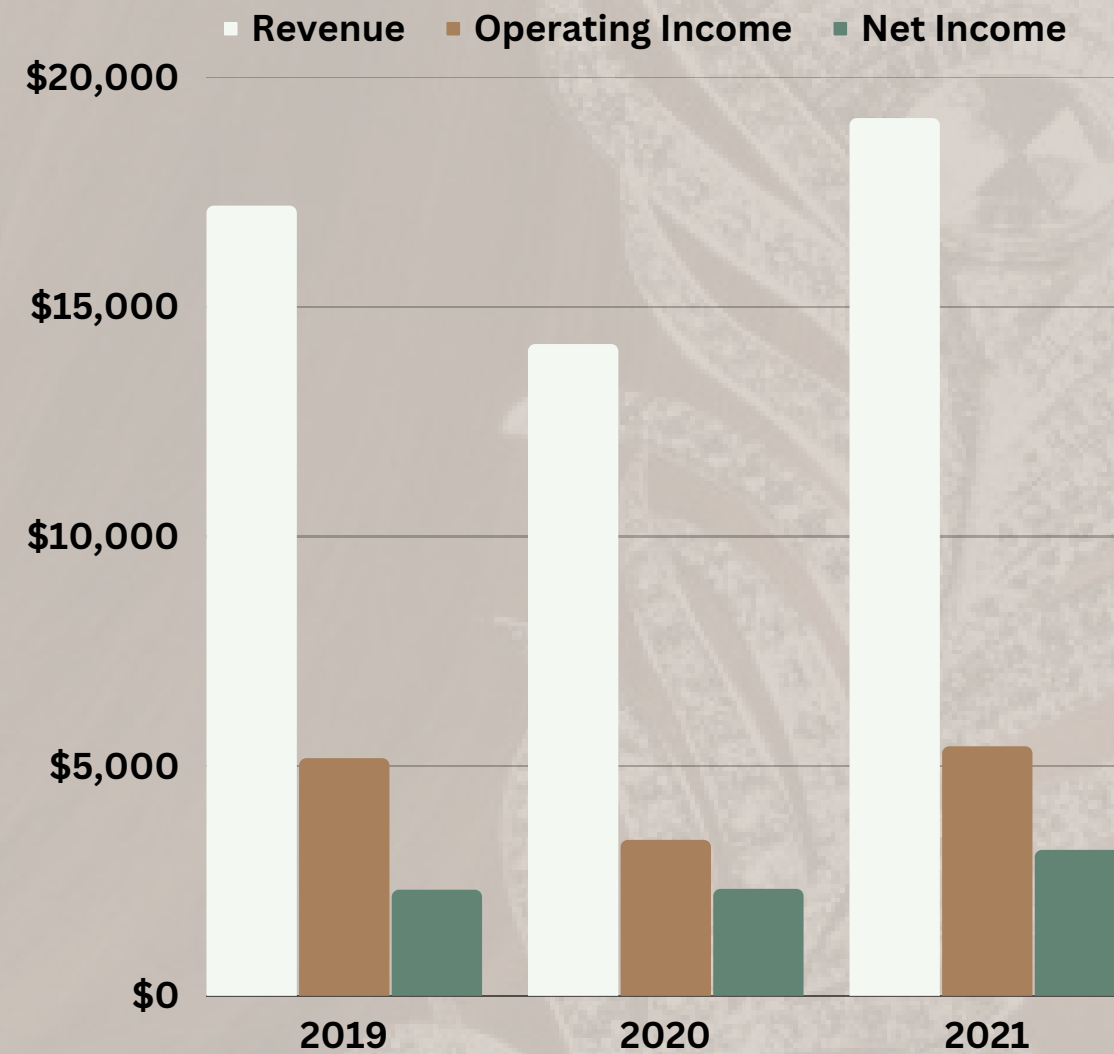
Chloe

Carter

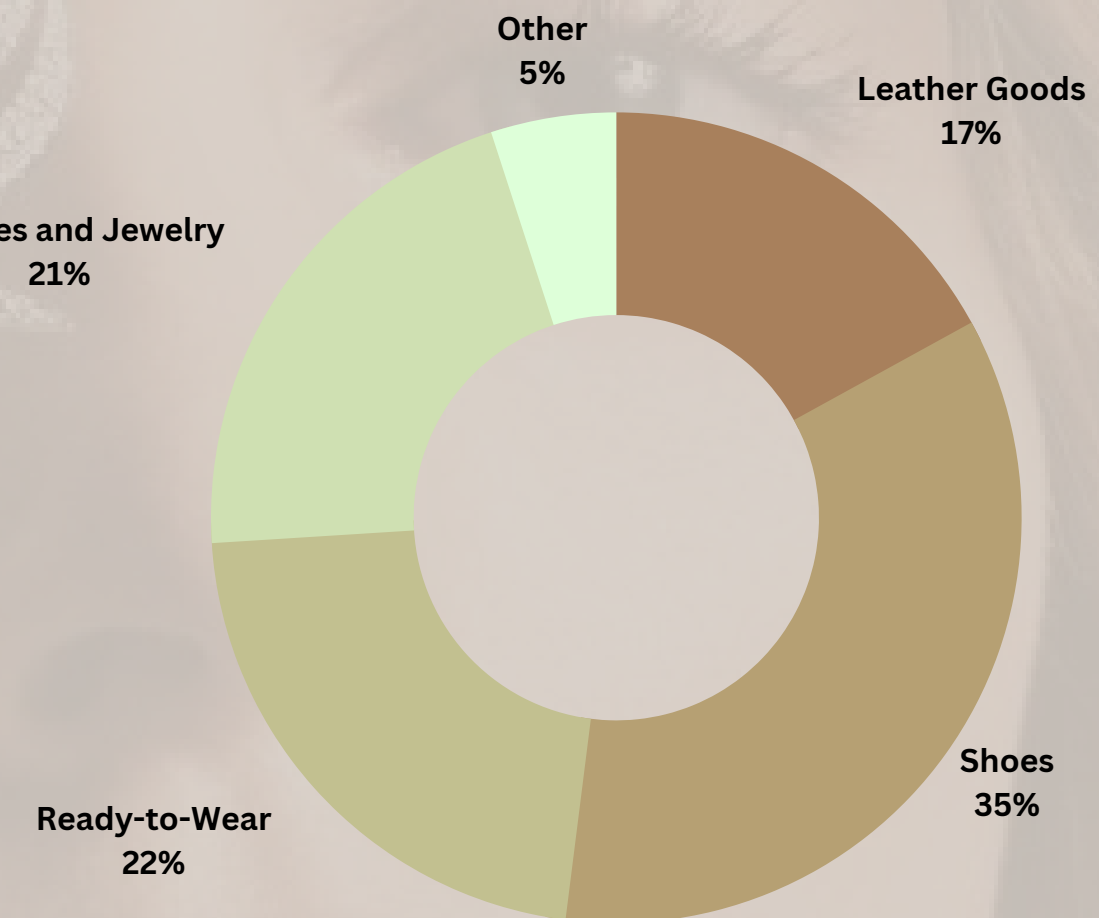
Montblanc

Dunhill

SELECTED FINANCIAL DATA



Kering Income Statement (in millions)



Kering "Other Houses" 2021 Revenue by product category

SUSTAINABILITY PRACTICES



Gold – 100% responsibly-sourced gold since 2020

Boucheron places a high degree of importance in sustainable practices. The house has been a member of the Responsible Jewellery Council (RJC), an international organization, since 2006.



Gemstones – Follows "The Kimberly Process", a strict framework that bans procuring diamonds unethically.

STRATEGY

RAW MATERIALS

- 1% OF GOLD PURCHASES DEDICATED TO FUNDING RESPONSIBLY-MINED GOLD
- 100% OF SUPPLIERS ALIGN WITH KERING SUSTAINABILITY STANDARDS AND CODE OF ETHICS

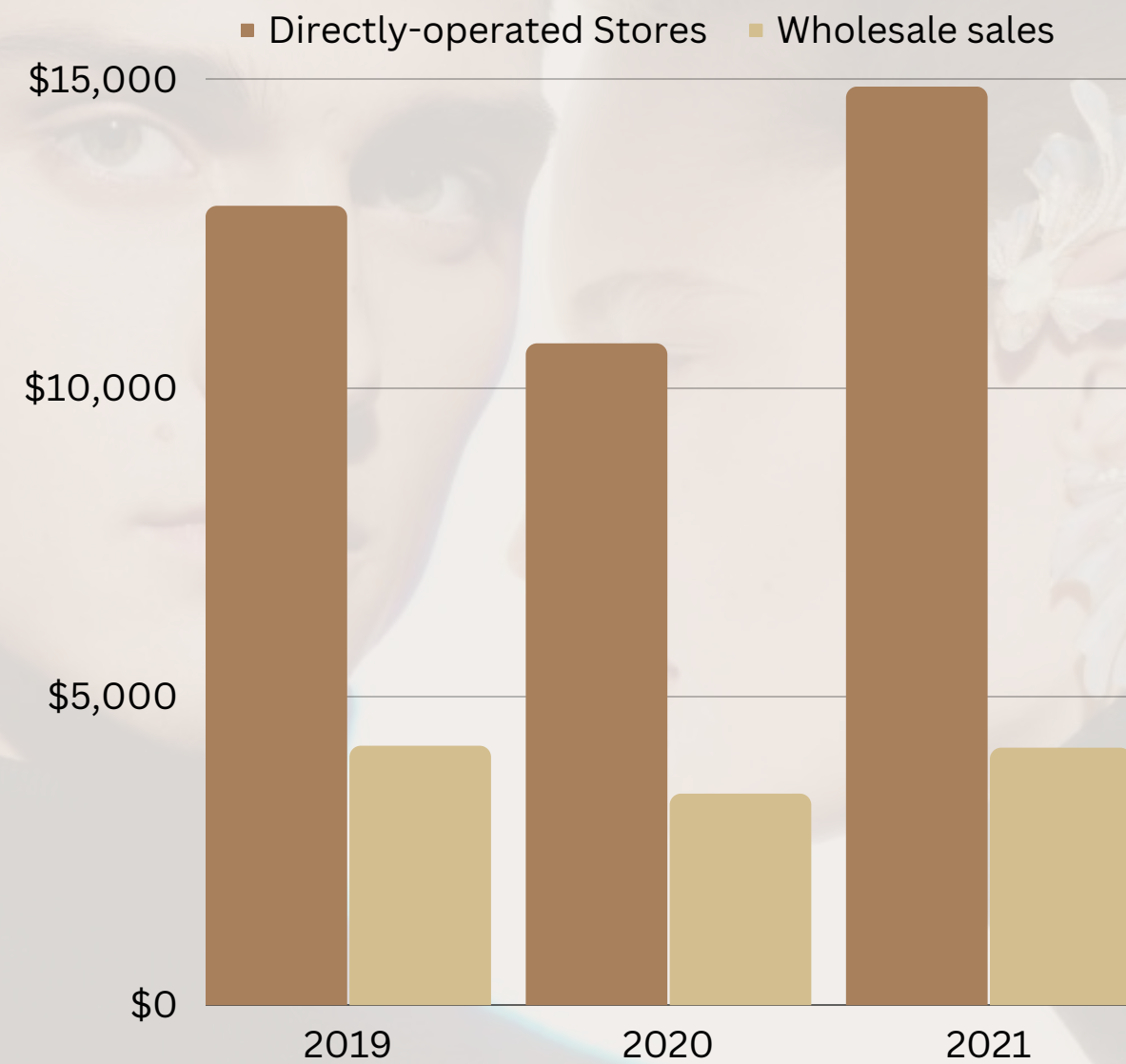
OPERATIONS

- 100% RENEWABLE ELECTRIC FOR OPERATIONS
- ELIMINATE SINGLE USE PLASTIC PACKAGING BY 2025

PEOPLE

- ALL MEMBERS OF EXECUTIVE TEAM RECEIVE REVERSE MENTORING
- CONTINUE TO ENSURE GENDER PARITY

DISTRIBUTION ANALYSIS



Kering Total Revenue by
Distribution Channel



Wholesale (including royalties)
59%

Directly Operated Stores
41%

Kering Other Houses Revenue
by Distribution Channel



Boucheron sells its products through a combination of standalone stores and shops-in-shops. Standalone stores are located within the United Kingdom, throughout Europe, the Middle East, and east Asia.

The shops-in-shops include partnerships with major specialty stores such as Neiman Marcus, Saks Fifth Avenue, and Bergdorf Goodman.

Most of Boucheron's sales are from Western Europe, and the brand has an "extremely promising" future in Asia.

BOUTIQUE LOCATIONS



FLAGSHIP STORES

26, PLACE VENDÔME 75001 PARIS
A UNIQUE TOWNHOUSE

The building was listed as a historic monument in 1930. It was later fully renovated and reopened in late 2018. This flagship store is the center of Bocheron style. This private townhouse is designed like a family home, where clients will feel at home when they walk in it.

ENTRANCE



GROUND FLOOR THE CHINESE STUDY

The French fascination with Chinese art was revived in the second half of the 19th century. China Studies reflects this movement. This is the first lounge at Maison Boucheron. Everything here expresses a timeless theme. Everything is abundant and peaceful in this space.



GROUND FLOOR THE WINTER GARDEN

Those elements include furniture and plants, a green marble floor, a rug representing a bed of leaves, a coffee table made of petrified wood by Franck Chartrain, and a work by artist Émilie Moutard-Martin all come together to give free rein to people the most profound nature.



GROUND FLOOR THE LARGE LOUNGE

The Grand Salon features the founders' choice of new Louis XV Walnut paneling, now restored. Art Nouveau rugs in 50 shades, Warren Platner armchairs, crystal chandeliers by Pierre-Yves Rochon, and handcrafted by Tisserant. Art works fill the room.



SECOND FLOOR THE ROOM OF LIGHTS

This room provides large windows with a view of the Vendôme, and also serves as a showcase to the many impressive jewels.



SECOND FLOOR THE CREATION ROOM

The design studio is full of art furniture design. Examples include green marble floors and carpets, a petrified wood coffee table, and famous art works. These combine to create an artistic environment where designers can freely express their feelings and ideas. This room also houses the brand's archives.



SECOND FLOOR THE BRIDAL ROOM

With the help of archival photographs, the modern ceiling was restored to its former ornate glory. Today, the bridal room stands in stark contrast between hyperclassicism and bold modernism.



THIRD FLOOR – “LE 26V”

“Le 26V” perfectly embodies the ambiance the flagship store is trying to convey. A unique living space where customers can stay, relax or enjoy a drink. It gives shoppers the experience of feeling at home.

After the entrance, a "nature-inspired dining room leads to a water-themed living room." Further inside is a grand bedroom connected to a private bathroom decorated in white marble. Customers can enjoy views of the Place Vendome and Eiffel Tower in the bathtub.



PERIPHERAL STORES

DECORATION

This store uses more modern elements in the decoration style, such as straight lines showing concise and strong feelings. White and green marble is used as the main element throughout the store. In contrast, Boucheron integrates physical store style and hotel history, mainly classical and romantic, with more organic shapes.

WORKSHOPS & STUDIO

More than a boutique, the flagship, 26 Vendôme, is the backbone of Boucheron because it is also home to their production workshops for jewelry and the design studio. This is one of the main differences between the flagship store and this one

USER EXPERIENCES

The product display in this store is more straightforward, which is different from the flagship store. The flagship store focuses more on user experience, such as they providing apartment rooms for VIP customers to relax. This store is more sales oriented.



BOUCHERON PRINTEMPS HAUSSMANN

CHINA MAINLAND STORES

BEIJING SKP

Boucheron opened a boutique in Beijing SKP, one of the world's most prestigious shopping malls, in 2020. The boutique inherits the core values of characteristic Parisian architecture and the historic Boucheron boutique at 26 Place Vendome, Paris, creating an elegant and homey space that combines classical and contemporary design aesthetics. It also includes the much-anticipated tea salon inspired by the Jardin d'Hiver of Maison Boucheron on Place Vendome in Paris.



BOUCHERON'S NEW FLAGSHIP STORE IN BEIJING AT
SKP – TERRACE AND TEA SALON

THE DIFFERENCES WITH CHINESE MAINLAND STORE

MAIN BUILDING

SKP — “it’s a very special place, the biggest mall in china”

Salon

A salon, as well as coffee and cakes (that features the iconic cat Wladimir of the founder, Frederick Boucheron), is building a connection with the royal and attracting young customers.

ATTRACTING YOUNG GENERATIONS

“We are appealing very well to a young generation, which now wants to differentiate a little more,” —Hélène Poulit-Duquesne, CEO



Boucheron new flagship store in Beijing at SKP – terrace and Tea Salon





RETAIL BRAND IDENTITY ANALYSIS

PRODUCT

Boucheron sells handmade haute couture luxury jewelry made from premium materials such as gold, platinum, diamonds, emeralds, and sapphires. Most of the brand's iconic designs come from nature, such as flowers, peacock feathers, and snakes. Their product categories include jewelry, wedding jewelry, watches, and perfumes. To maintain its reputation, Boucheron produces only a certain amount of jewelry at different times. They have also teamed up with luxury phone maker VERU to raise brand awareness in the luxury world.





PROPERTY

Frederic Boucheron was the first contemporary jeweler to open a boutique in Piazza Vendome in 1893 and set up shop abroad in Moscow in 1897. Boucheron leads the design and creation of collections from its Paris headquarters studio, working closely with a global network of suppliers, including its key manufacturing partners in Western Europe. The brand has 73 boutiques worldwide, providing customers with the perfect Boucheron exclusive experience.

PRODUCT PRESENTATION



Boucheron used bright colors such as blue and pink as the decorating colors in the Windows of high-end jewelry stores. The aim is to contrast with the clean and elegant luxury retail stores. In addition, the brand also uses background panels to display necklaces to highlight the product, allowing customers to see the essence of the product at a glance in the window of its fine jewelry store.

RETAIL PROMOTION ACTIVITIES



Inspired by the classic Parisian architecture of 26 Place Vendome, Boucheron offers a time-limited experience space in the atrium of SKP Beijing. Four themed Spaces and several jewelry pieces are on display, allowing customers to experience Boucheron's products and the brand's heritage. Experiencers can reserve offline activity experience through an online digital experience, successfully realizing online and offline linkage.

Boucheron announced a collaboration with the mobile game "Light and Night "and celebrated the birthday of Charlie Sue, the main character in the game, birthday with a video dedicated to the game. The video showcases Boucheron's feather collection jewelry and serves as a metaphor for the importance of protecting birds and animals. Partnerships with mobile games are not all about driving brand sales but more about building brand awareness.

PEOPLE

Boucheron has a diverse workforce with diverse perspectives and an inclusive culture. At Boucheron, they care about equality and equal opportunity for all, and they want women to feel empowered. Their workforce is 70:30 male to female, and 55 percent of leadership positions are held by women, including CEO Helene Poulitt-duquesne and their creative director Claire Choisne.





COMPETITIVE ANALYSIS

PRICE AND ACCESSIBILITY

Boucheron currently has a advantage in the luxury market, they have a strong financial backing. They have experienced employees that understand the market and the customers. Boucheron has strong brand value, 35 free standing stores and very established jewelry business. The price point fits the sector of business they currently sit in, their competitors consist of Tiffany's & Co, Bulgari, and Chopard. All have similar quality products and price points.

COMPETITIVE ANALYSIS

Boucheron price structure:

- Watches \$3K – \$300K
- Jewelry \$1K – \$150K
- Bridal Prices are on demand



Chopard

TIFFANY & Co.

Tiffany's & Co price structure:

- Watches \$3K – \$20K
- Jewelry \$1K – \$50K
- Bridal Prices you can purchase some online and others you need to make an appointment to get prices.

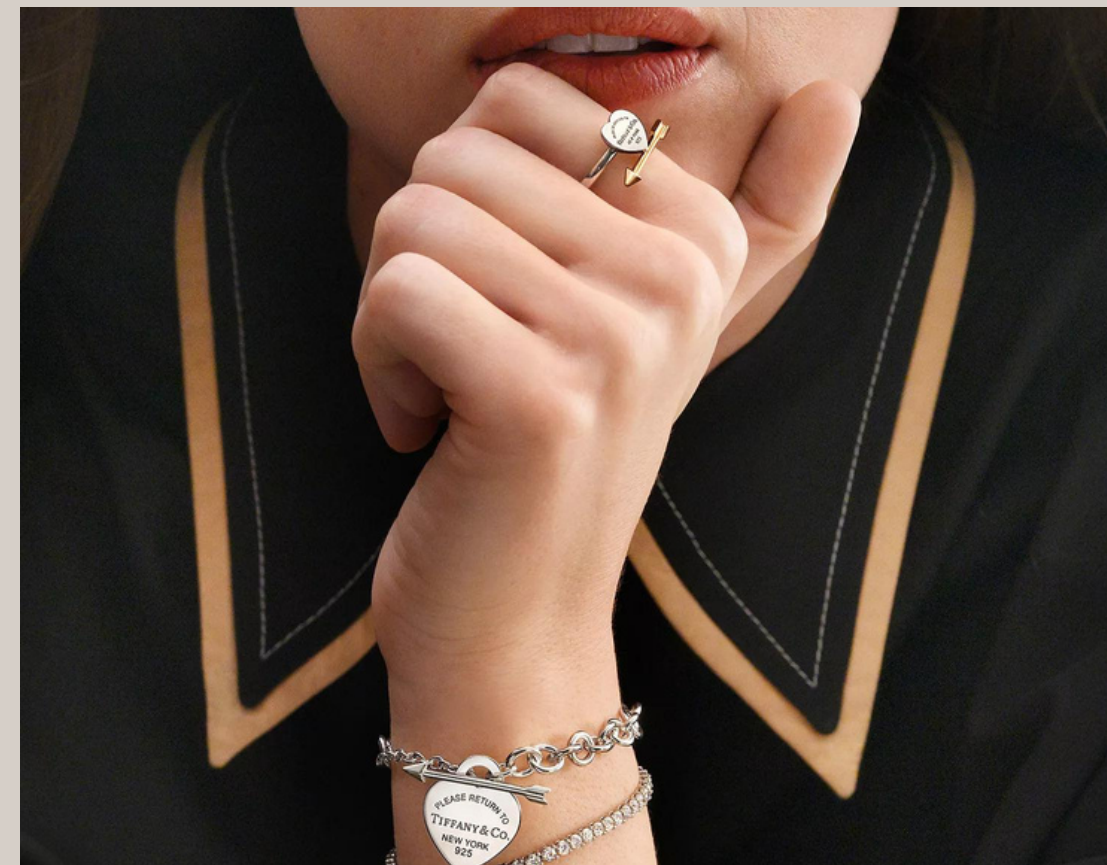
Chopard price structure:

- Watches there are 3 lines of watches. Price range \$6K – \$300K
- Jewelry \$1K – \$150K

COMPETITOR: PRICE AND DISTRIBUTION

TIFFANY'S & CO

- Tiffany's has 4 major distribution channels , US retail , Direct marketing, International retail, Speciality Retail
- Operating with 46 US retail locations as of 2003.
- 85 international locations.
- Products offered : home, watches, all pieces of jewelry including engagement.



COMPETITOR: PRICE AND DISTRIBUTION

BULGARI

- Since being bought by LVMH group Buglari has adopted a distribution blueprint that is increasingly selective and controlled
- They have pulled back on wholesale retailers, and are selling their higher end jewelry only in their boutiques.
- The more affordable pieces are still offered at multi brand jewellery retailers.
- Bulgari has a handful of stand alone stores in US which makes their brand so exclusive.
- Products offered , High end jewelry, Jewelry, engagement, watches, frangces, handbags



COMPETITOR: PRICE AND DISTRIBUTION CHOPARD

- Chopard has over 140 stores worldwide.
- They also at least 1500 outlet stores.
- Chopard has many stores internationally
- Specialty boutiques carry their product to fall in line with being completely exclusive.
- Products offered: Watches, jewelry, accessories



STRATEGIC PLANNING ANALYSIS

"Strategic planning is the process of developing a shared vision of your organization's future and deciding upon the major steps you will take to move the organization in that direction. A strategic analysis is one of the key phases and requirements to the development of any strategic plan"

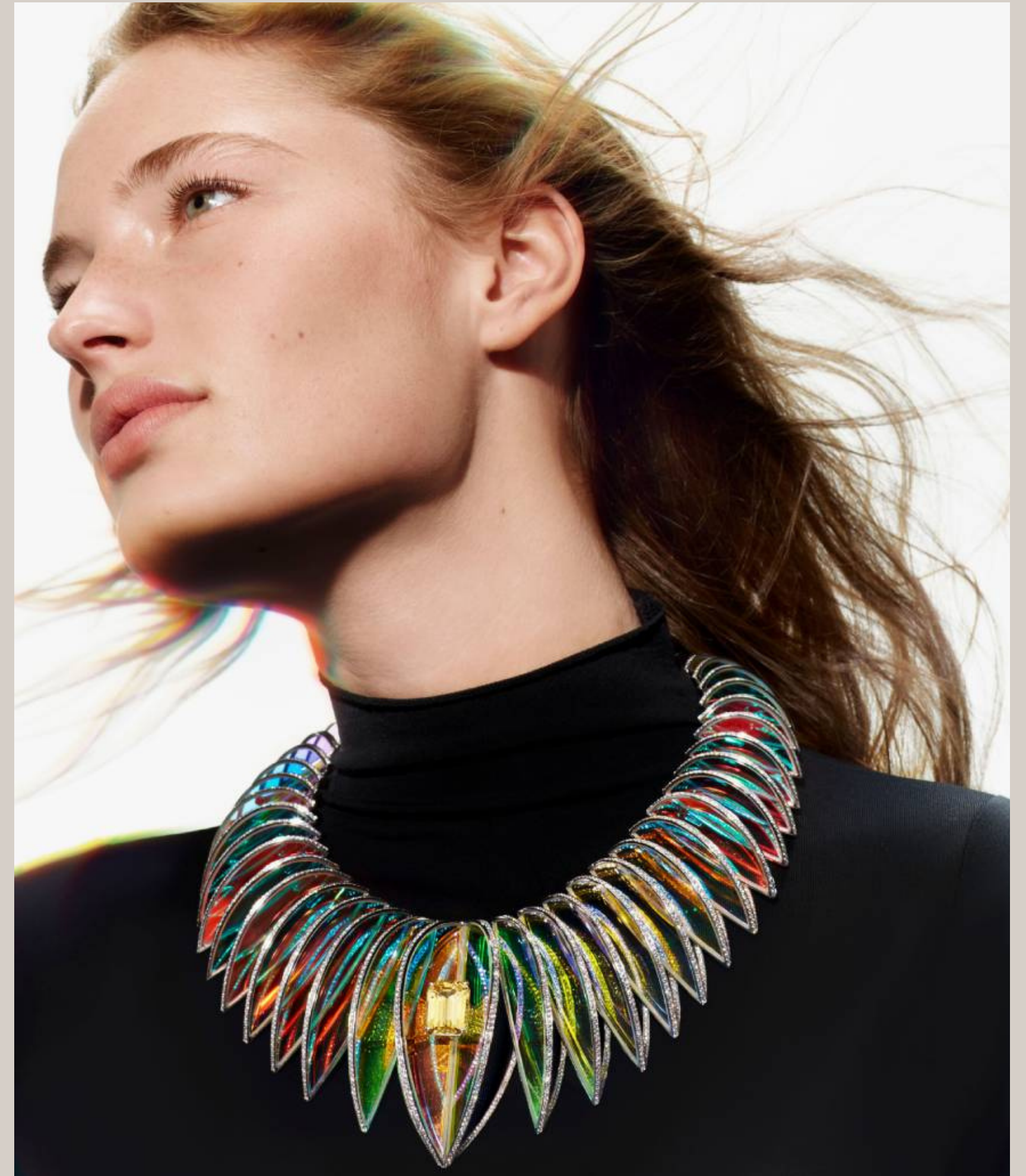
SWOT ANALYSIS: BOUCHERON

Strengths:

- Centuries of experience and expertise in jewelry designing and manufacturing
- Strong brand reputation
- More than 35 free standing stores
- Strong Financial backing for brand development

Weakness:

- Brand is extremely exclusive to a niche market
- limited global penetration
- Not being as commercial as it's competition



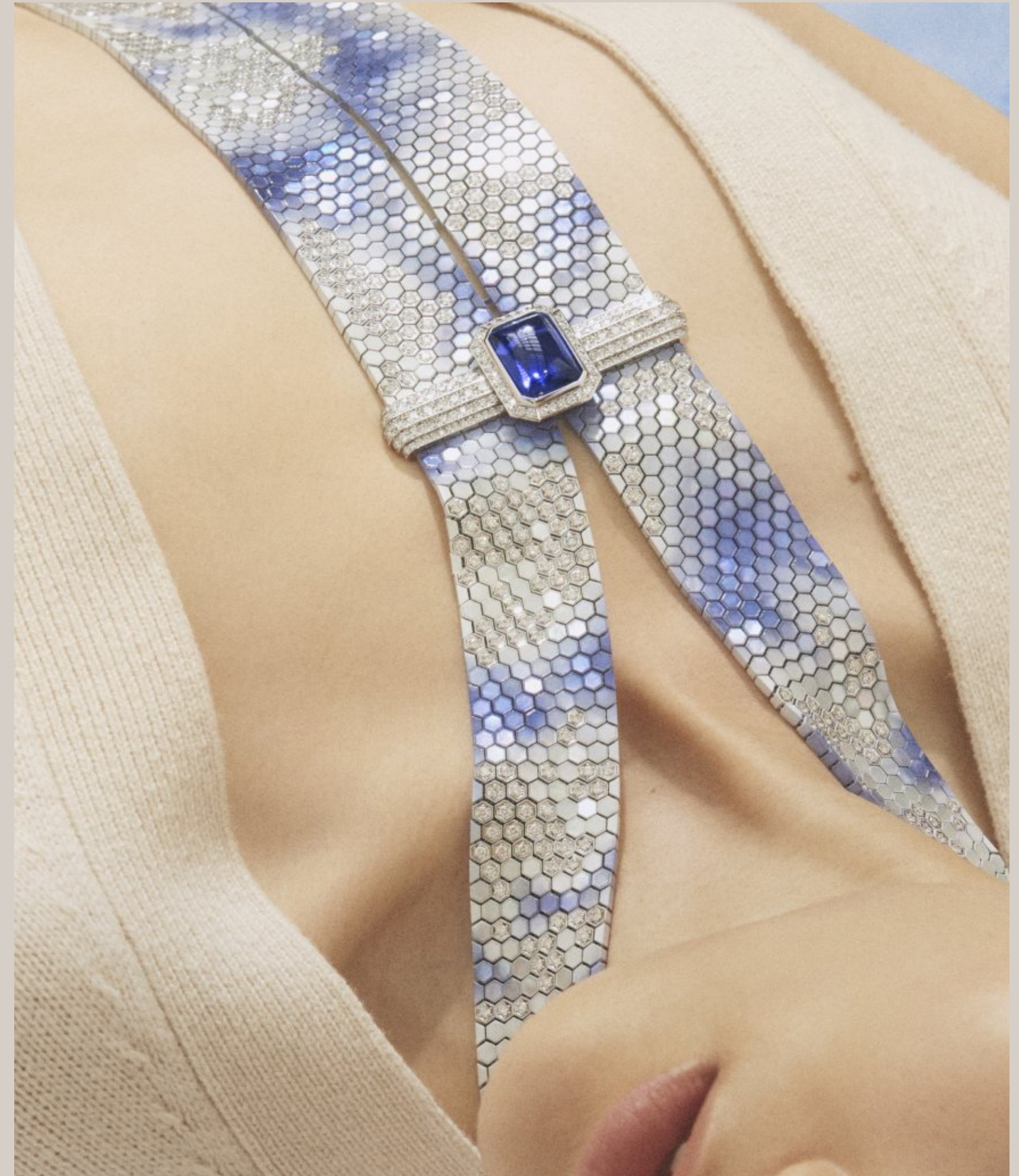
SWOT ANALYSIS: BOUCHERON

Opportunities:

- Increasing their retail presence in the US
- Collaboration with celebrities more in the US market
- Creating a larger marketing strategy

Threats:

- Their competitor brands
- Inflation, customer not having spend power anymore
- being too exclusive



DIFFERENTIAL ADVANTAGES

The largest
jewellery
brand within
the Kering
group

Small
amount of
boutiques
drives
demand

Write your
topic or idea

GROUP-CREATED MISSION STATEMENT

"To inspire innovation within us all."

The main pillar of the brand has always been innovation, and the "heart of [their] creative approach." Whether it be innovation through sustainability practices, innovation through skill, or innovation through design. Our group feels that their mission statement should reflect the importance of innovation as a core part of the brand future.

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