



PROJECT PROPOSAL

Geographic Expansion
Initiative

LXMT 745

FALL 2023

Professor Cannata

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CURRENT DISTRIBUTION

VOLUME OF SALES & NUMBER OF DOORS



€1.772 B **DTC** (80.5%)

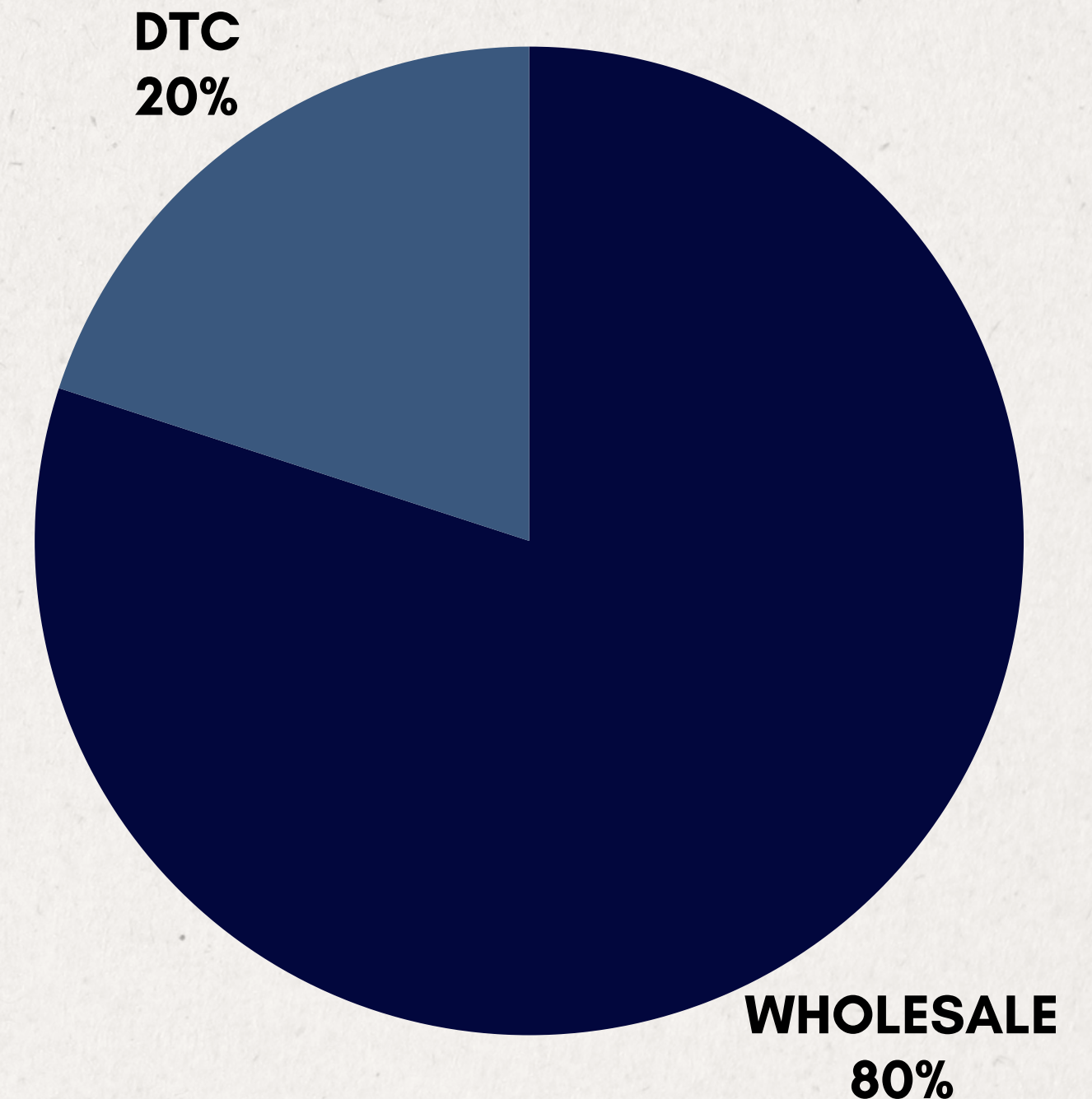
€429.8 M **Wholesales** (19.5%)

€2.201 B **Total Revenue by channel**

In 2022, they had **323** Brick-and-Mortar stores. In 2023, they now have **342** Brick-and-Mortar stores. Their DOS increased by **19** locations. DOS, includes Free Standing Stores, Travel Retail Stores, Concessions, and Outlets.

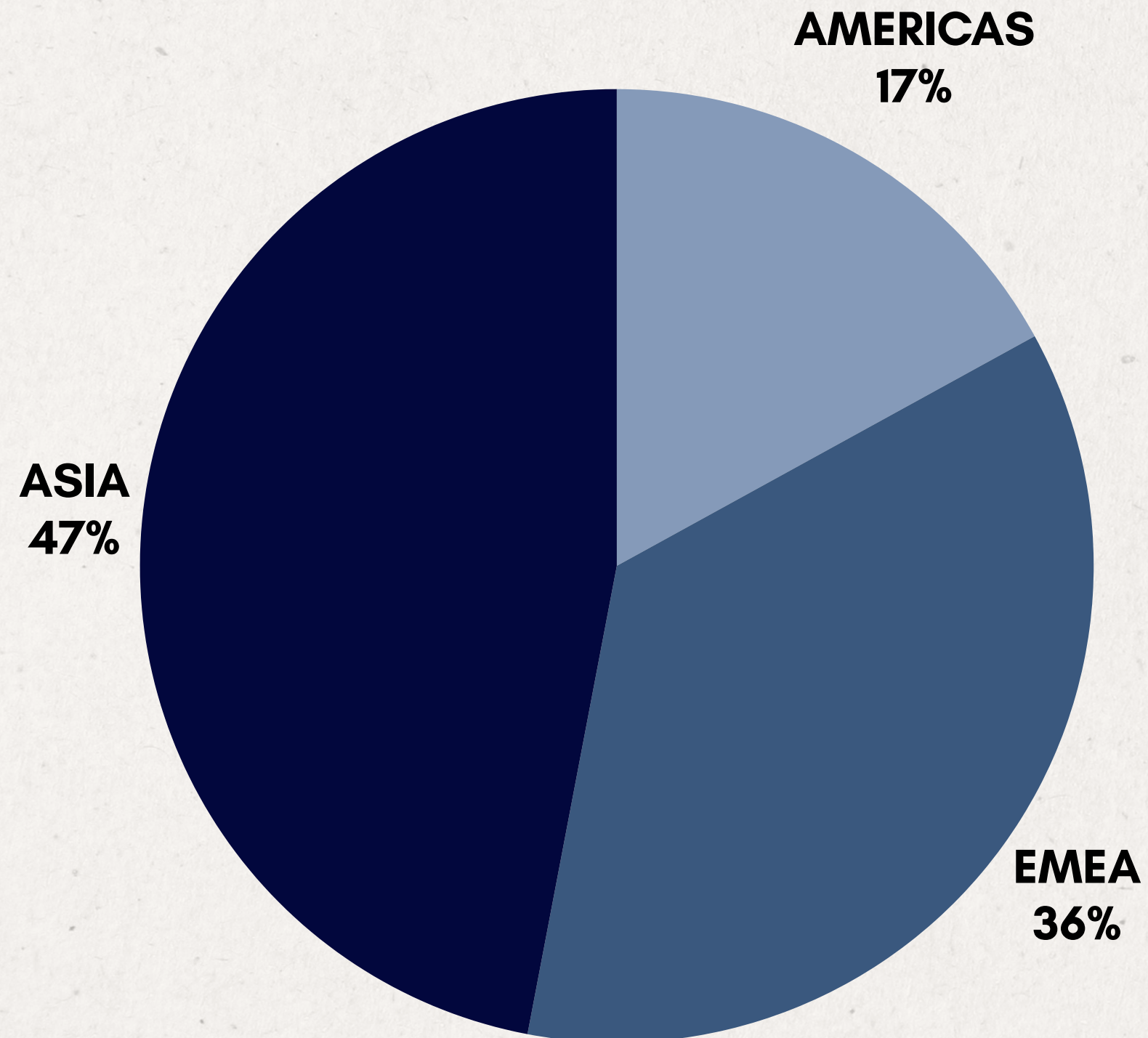
NUMBER OF DOORS

Multi-brand and mono-brand wholesale stores.





DISTRIBUTION CHANNELS



Moncler has numerous avenues for distribution channels including, the retail channel, consisting of directly operated stores and online stores, and the wholesale channel, represented by multi-brand doors, shop-in-shops in department stores, and luxury online multi-brand retailers. They are currently working on an approach to expand into Omnichannel.

In 2022, **47%** of the company's revenue originated from Asia, **36%** came from EMEA, and **17%** came from Americas.

STRATEGIC PLANNING PROCESS

SWOT OF MONCLER



STRENGTHS

- Brand heritage
- Quality and Craftsmanship
- Customer Loyalty
- Brand Recognition

WEAKNESS

- Seasonal Limitations
- Low Turnover Rate

OPPORTUNITY

- Brick and Mortar expansion
- Diversification
- Luxury in a Niche Market
- Experiential Retail
- Collaborations

THREATS

- Climate Change
- Counterfeit
- Competition
- Production Halts
- Change of consumer preference

DIFFERENTIAL ADVANTAGE

Strong brand identity, a loyal following, and a track record of innovation

They emphasize innovation in outerwear, using top-quality materials and advanced techniques to create distinctive down jackets.

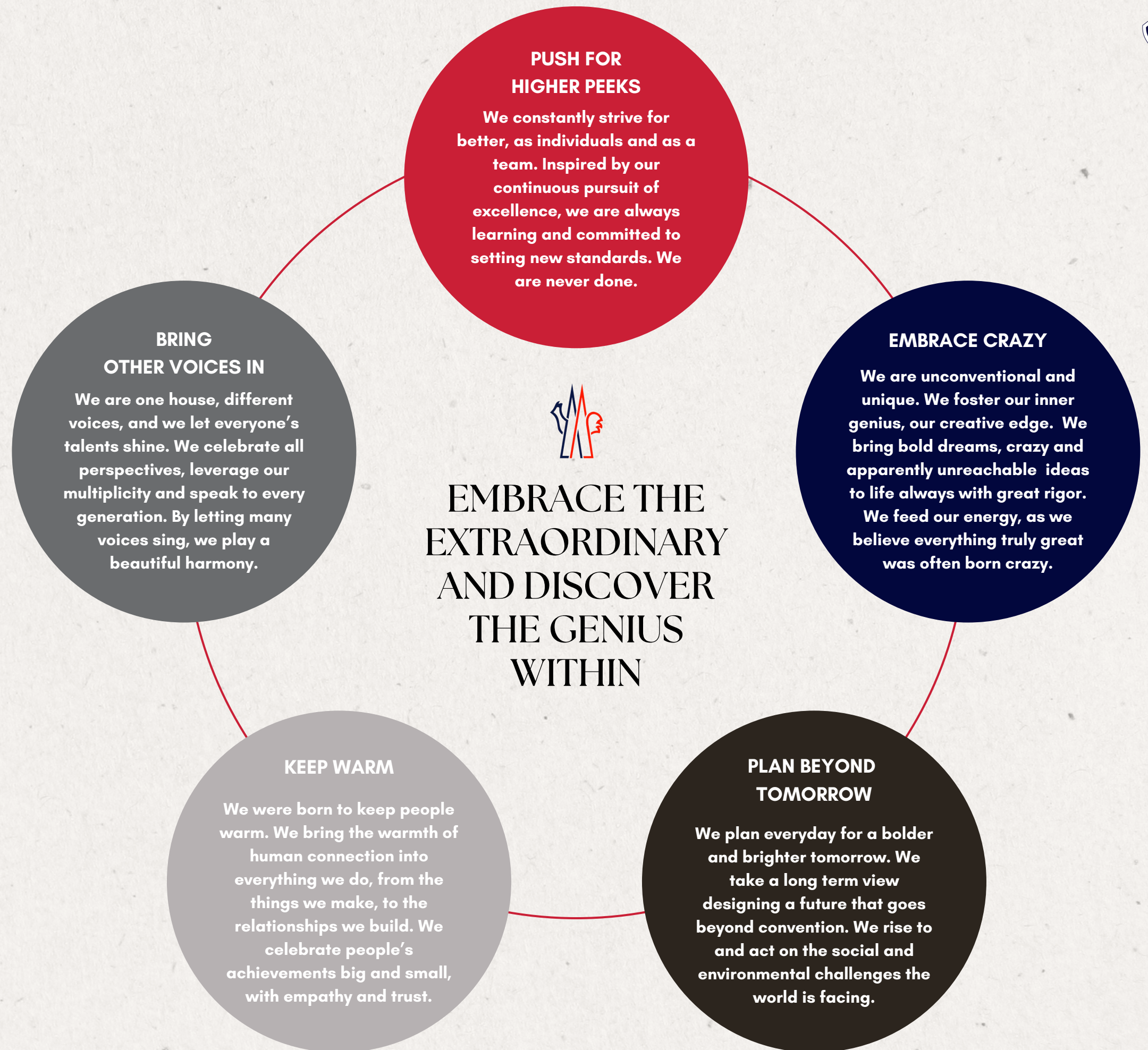
Collaborations with renowned designers generate excitement and attract fashion-forward consumers. With a global presence, Moncler reaches diverse markets.

They adopt limited production to enhance exclusivity and maintain premium pricing.





MONCLER'S MISSION STATEMENT VALUES AND PURPOSE





GEOGRAPHICAL ALTERNATIVES ANALYSIS

THREE COUNTRIES SELECTED



Finland

We considered expanding into Finland for a few reasons:

- Finland is a country that Moncler currently does not have any presence in, which gives way to immense opportunity
- Statista states that the revenue in Finland for luxury apparel is predicted to increase by almost **\$16 million** from 2023-2024
- Statista also predicts that the luxury fashion segment in Finland is expected to grow annually by **4.13%** between 2023-2028
- Due to the merchandising assortment Moncler offers, the location to expand to should prioritize colder climates which Finland offers

JUSTIFICATION FOR FINLAND



Finland

We selected Finland for a few reasons:

- There is a gap in the Finnish luxury market, specifically in the winter-wear sector
- Finland's luxury fashion segment is expected to grow by **4.13% annually** over the next **5 years**
- We chose not to expand into Russia due to the political turmoil that is occurring there. Russia unfortunately is not a position to promote stability in the luxury fashion industry at this time
- According to Statista, Romania is predicted to have a lower revenue in their luxury apparel compared to Finland. Statista predicts that Finland's luxury apparel sector is to increase by almost **\$16 million** between **2023-2024**



MARKET ANALYSIS

FINNISH MARKET

The Republic of Finland currently has **5.5 million people** and is located in northern Europe as a part of Scandinavia. Finland's economy is characterized by a **high level of industrialization**, a small domestic market, and an openness to trade. Finland's Gross Domestic Product (**GDP**) is **predicted to reach almost \$306 billion by the end of 2023**. The country contributes international trade for a third of its GDP. Finland repeatedly ranks at the **top of international surveys on education, quality of life, competitiveness, and transparency**. This country is an open export-led economy. While Finland's total output will decline by 0.5% in 2023, there is predicted to be large growth in 2024 boosting Finland's GDP growth to 1.4% with demand picking up. The luxury apparel market in Finland is predicted to continuously grow from 2023-2028 by over \$12 million annually and specifically, the luxury fashion sector for Finland is predicted to reach \$313.10 million by the end of 2023. The revenue in the eCommerce market is projected to reach \$7.24 billion by the end of 2023.





STORE DESIGN

EXTERIOR



We want to give the feel of a log cabin in the winter, incorporating wood accents, and winter essence, providing a cozy feeling.

When consumers look at this location from the outside, they will know it has something to do with winter wear. We want to capture the essence of winter. Since we will be in a shopping mall we are limited to our surroundings but still want to embody the winter spirit by our store front.



SPACE ALLOCATION AND PRODUCTIVITY



OPEN CONCEPT

For a more spacious look, we will have an open concept floor plan, that will include glass fixtures



TANGIBLES AND INTANGIBLES

Atmosphere

Visual: Bright, Clean, Wood

Auditory: Light elevator music

Scents: Fresh Balsam

Tactile: The product feel will depend on what fabric is used. Everything will make you feel elevated. Seats in the changing room will be made with velvet, giving a luxurious winter feel. Fixtures will be done with wood and glass feeling smooth but hard.

Taste: Champagne will be served and Salmiakki which is a Finnish dessert will be offered for VIP clientele

Appearance and Attitude of Employees

All employees go through training to ensure they have extensive knowledge about Moncler. Uniforms of all black Moncler attire are required.

Customer Service Processes

Returns must be in their original state with tags and original packaging with delivery receipt. For refunds, after the products have been checked, all payments will be refunded to the customer.

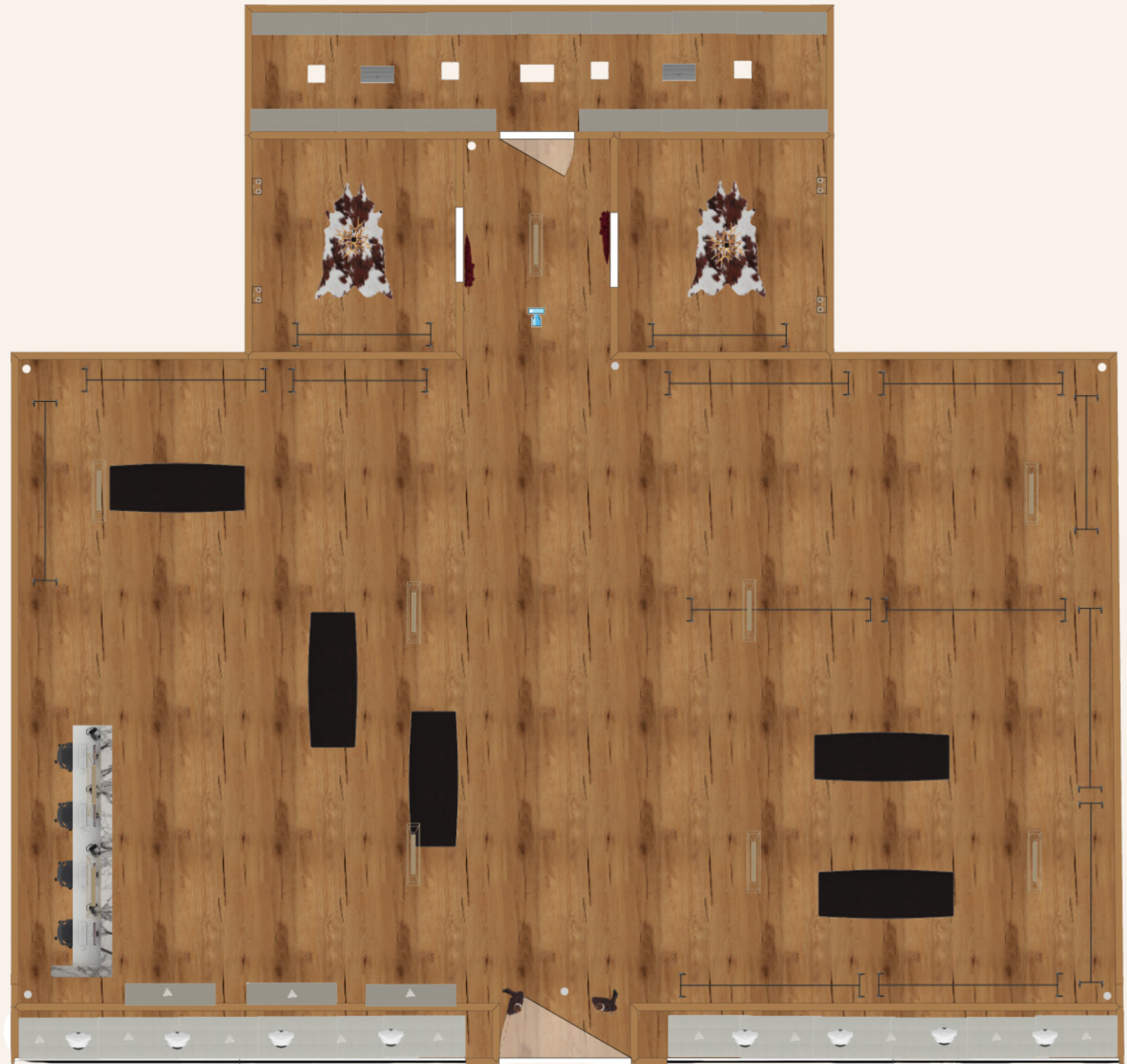




PHYSICAL EXPERIENCE

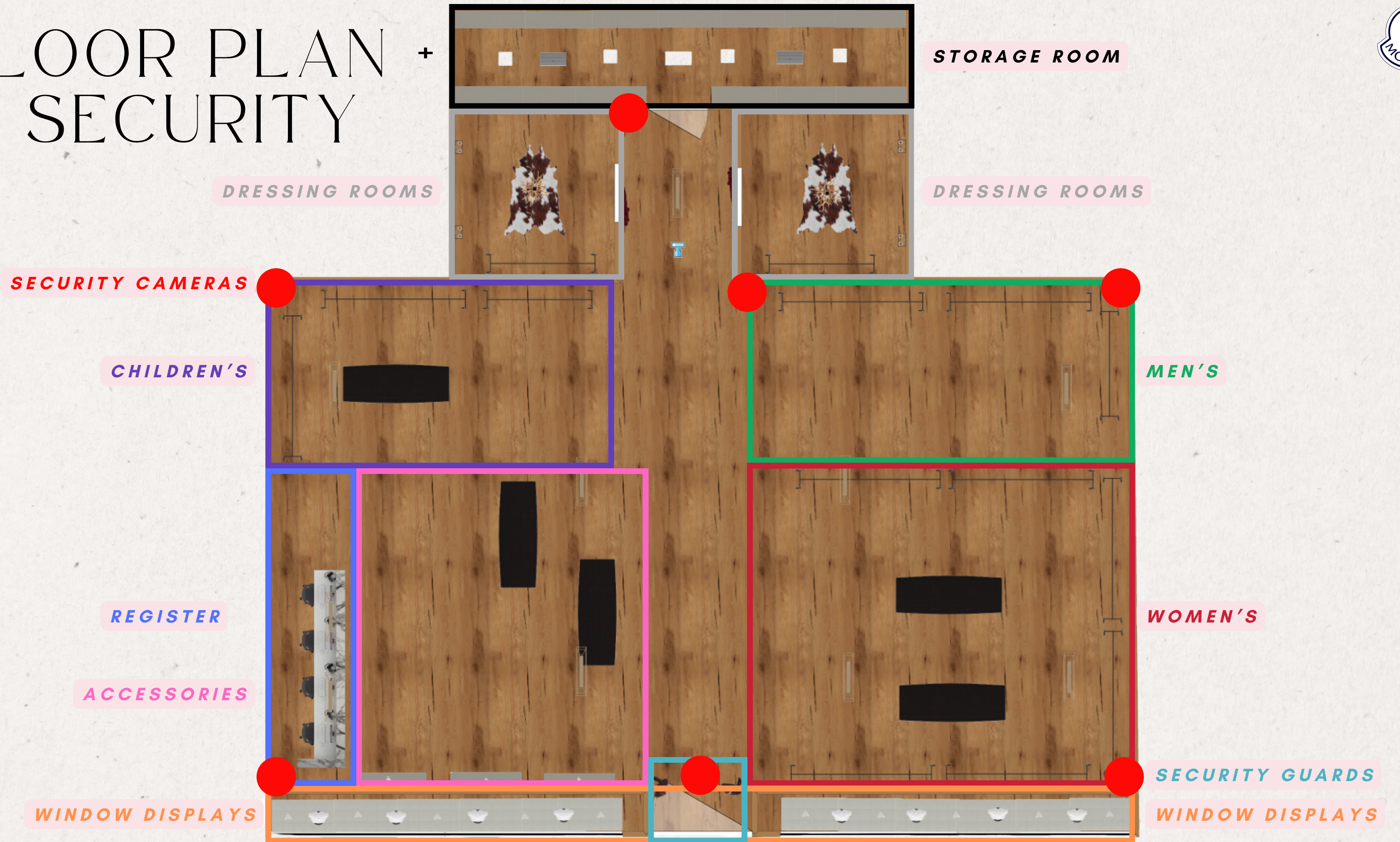
FLOOR PLAN

- Women's**
- Men's**
- Kid's**
- Accessories**
- Fitting rooms**
- Storage space**
- Window displays**
- Checkout**





FLOOR PLAN SECURITY



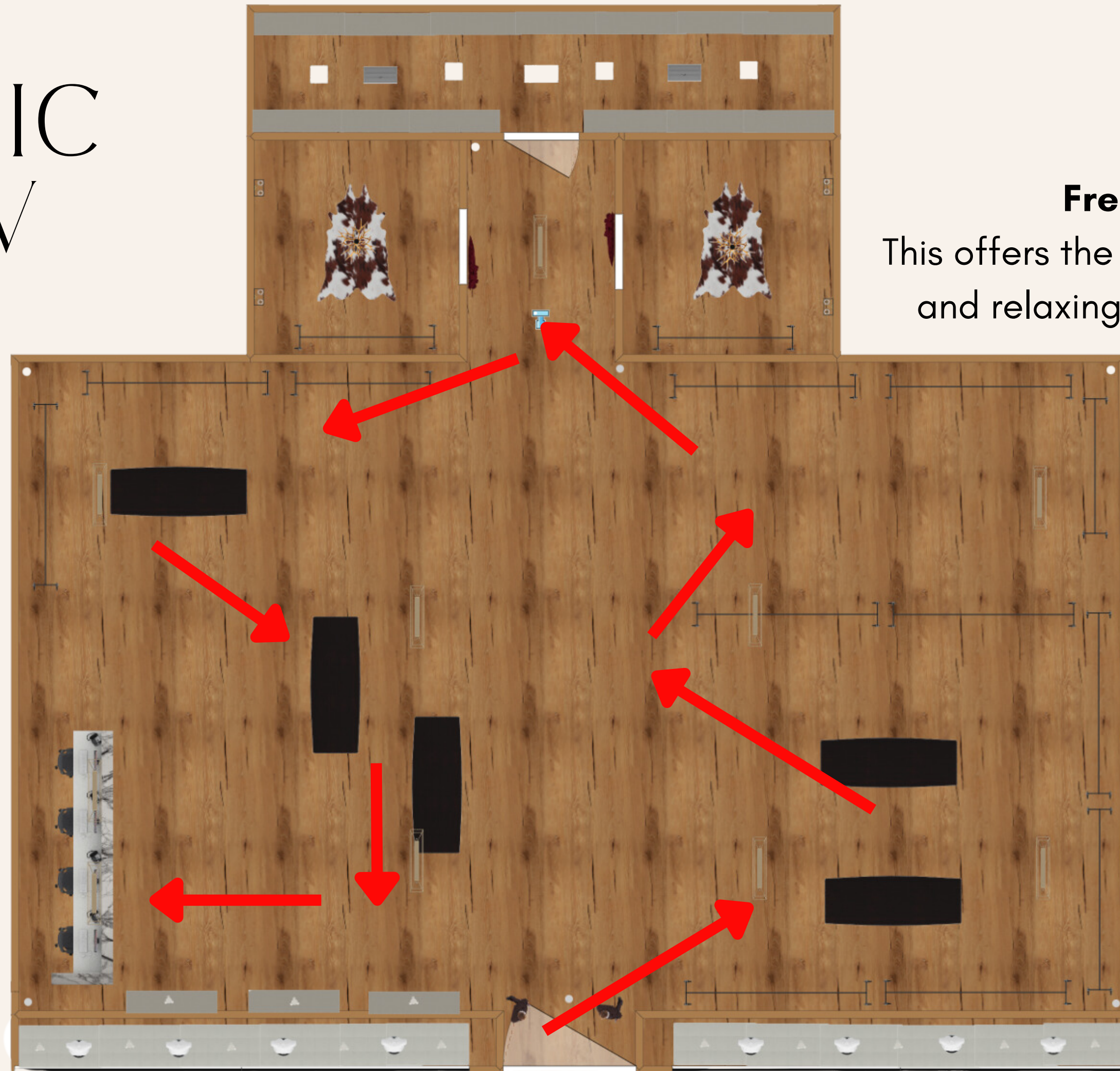


TRAFFIC FLOW



Free Flow Style

This offers the client a more enjoyable and relaxing shopping experience





3D RENDERINGS



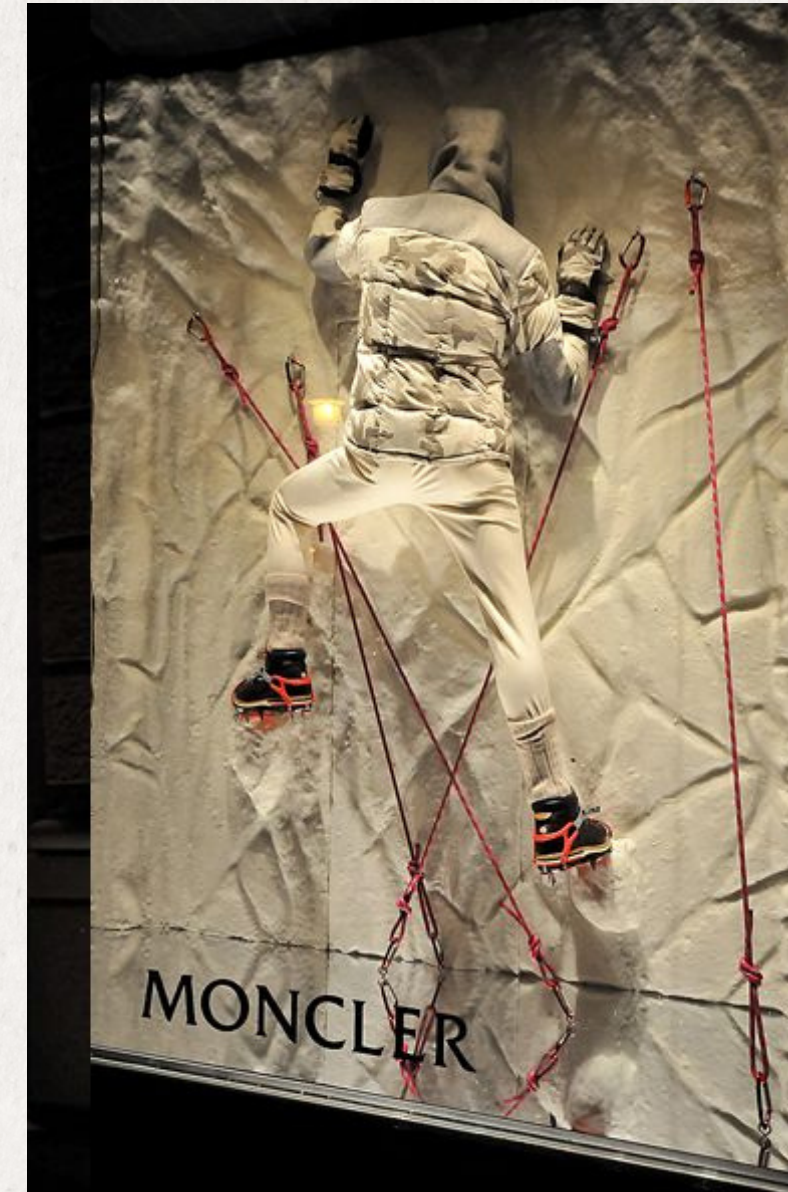
FIXTURES



These displays would be used to show Clothing, Accessories (hats, gloves, scarfs), and Shoes



WINDOW DISPLAYS



For the design of window displays, we want to make sure we are highlighting what adventurous activities you can do in the clothing and accessories.

IN-STORE DISPLAYS



There are several ways we went to display products inside the store. Having mannequins inside glass boxes or numerous mannequins gathered together.

MERCHANDISE

- Display apparel, shoes, and accessories on mannequins
- Using the fixtures for more than holding products, allowing it tell a story
- Keeping it minimalist
- Allowing the luxury to speak for itself





PROMOTIONAL PLAN

OMNICHANNEL MARKETING

Based on Finnish consumers and their preferences, we can identify that these are Finland's best marketing forms.

- Mailers
- Ads within the shopping mall
- Internet marketing
 - Email
 - Instagram
 - Facebook
 - X (Twitter)
 - Youtube Sponsor Ads

THINGS WILL BE IN FINNISH WENT SENT DIRECTLY TO FINNISH CONSUMER





MOCK-UPS

MAILER

These will be sent out for our VIP event. Held the day before the official opening for celebrities and influencers to get a sneak peek. This allows the brand to gain organic engagement from the people invited.



YOU'RE INVITED
TO THE
VIP GRAND OPENING EVENT
OF MONCLER

**NOVEMBER 2ND
AT KÄMP GALLERIA**

RSVP AT MONCLERFINLAND@GMAIL.COM

SHOPPING CENTER AD



Create awareness and drive foot traffic into the store.

Advertisements like these would be placed through the shopping center



EMAIL

By revealing the news of a new location, via email, we are giving our devoted fans a reason to celebrate and indulge in our brand's offerings once again. Also, gains new consumers, if they live in Finland and have purchased from the brand before.



COMING SOON TO FINLAND

WE THOUGHT SOMETHING WAS MISSING AND WE WERE RIGHT! WE ARE EXCITED TO ANNOUNCE THAT WE ARE EXPANDING TO FINLAND! WE WILL BE LOCATED IN KÄMP GALLERIA ON NOVEMBER 3RD! CAN'T WAIT TO SEE YOU THERE!



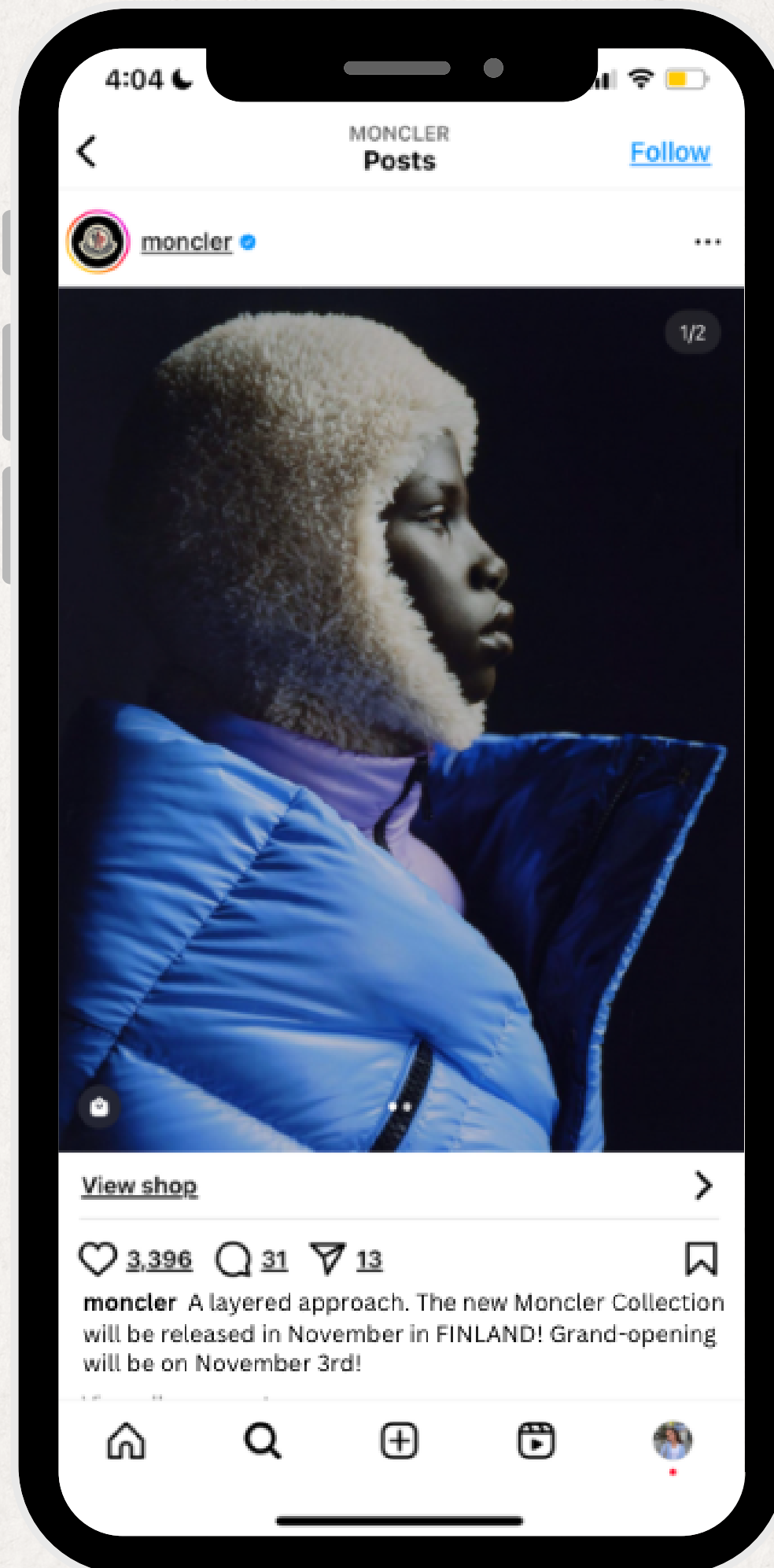
TO GET THE DETAILS



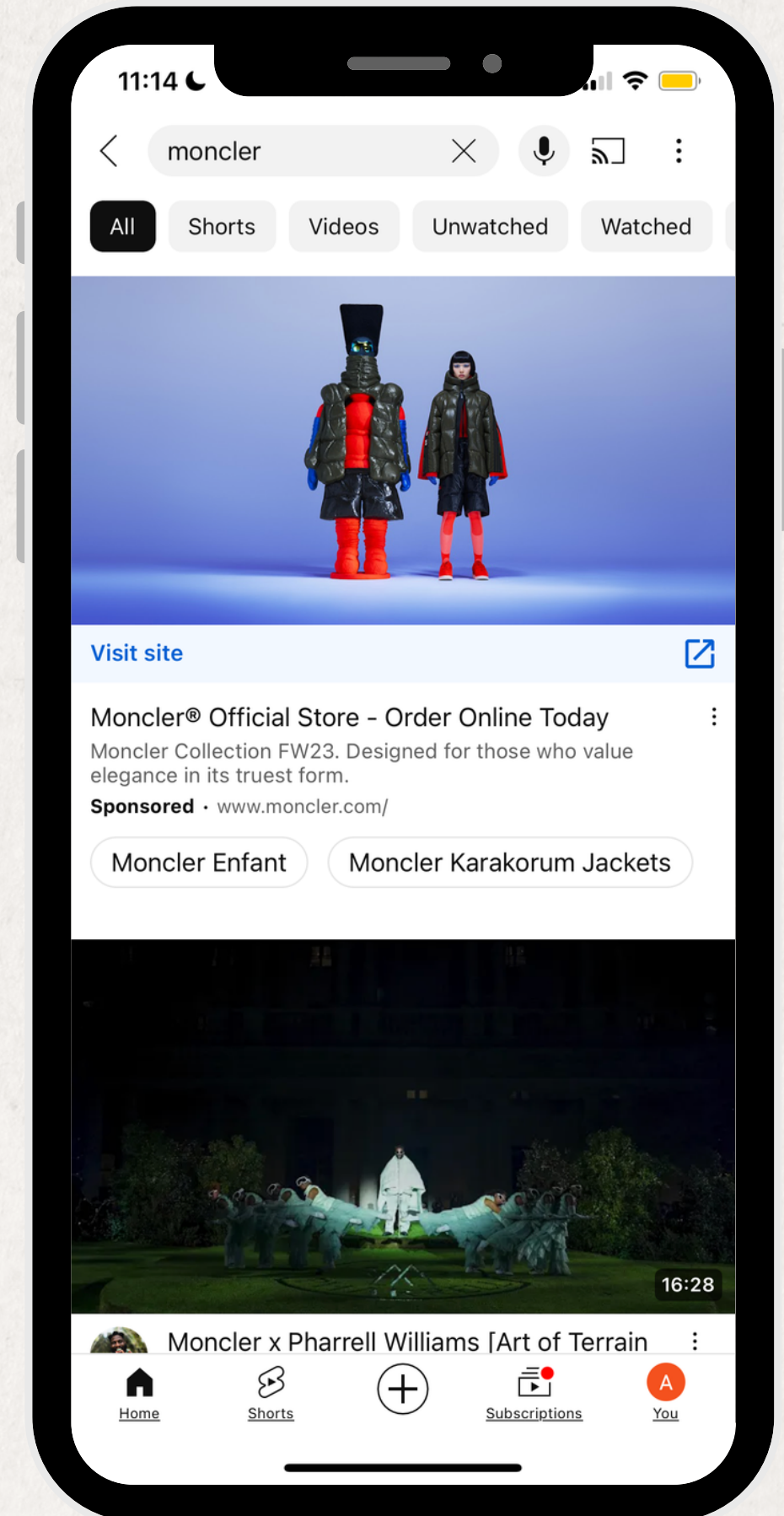
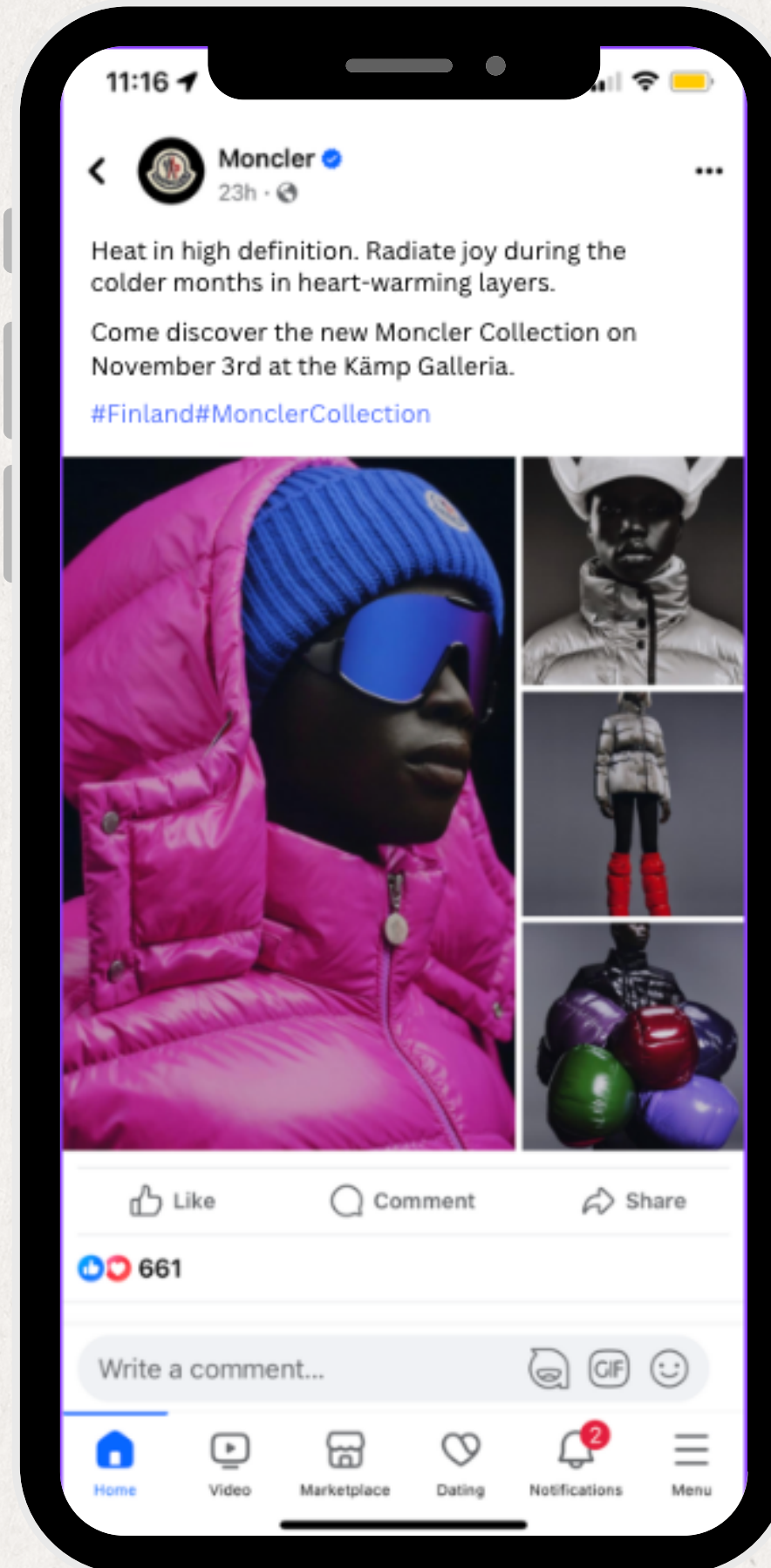
INSTAGRAM

Moncler has made a conscious effort to target a younger demographic in recent years. This pivot in strategy has involved a significant investment in social media, which has proven to be an effective way to connect with the youth market.

Moncler's social media presence is nothing short of impressive. With a strong following on Instagram (5.2 M followers), Facebook (3M followers), and X (1M followers), the brand has leveraged these platforms to showcase its latest collections, highlight collaborations, and engage with its audience through interactive campaigns.



FACBOOK | YOUTUBE | X





EXECUTIVE SUMMARY



EXECUTIVE SUMMARY

With this initiative, our team's objective is to identify a fresh target market and ensure that the chosen location aligns with the demographic. Engaging in comprehensive market research to understand local competition and consumer behaviors provides Moncler with insights to tailor their products and marketing strategies effectively for the new market. Strategic investments in robust branding and advertising further aid in creating brand awareness and attracting a new customer base. The decision to expand into Finland is driven by several factors. By entering this market, Moncler can extend its reach, potentially increasing revenue and offering a new dimension to the limited luxury market present in Finland. Our market research revealed a gap in Finland's luxury market, particularly in the winter-wear sector, motivating our proposal to expand into the country. Outlined above are the opportunities Moncler can leverage in expanding into Finland and the rationale behind our team's decision. However, it's crucial to acknowledge potential threats associated with this retail initiative. The smaller population in Finland means there are fewer overall consumers to target, posing a challenge to the initiative's success.

Overall, Finland aligns with the key success factors our team is focusing on. Projections indicate substantial growth in the luxury fashion sector in the country in the upcoming years, which presents abundant opportunities within the expanding luxury market.



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