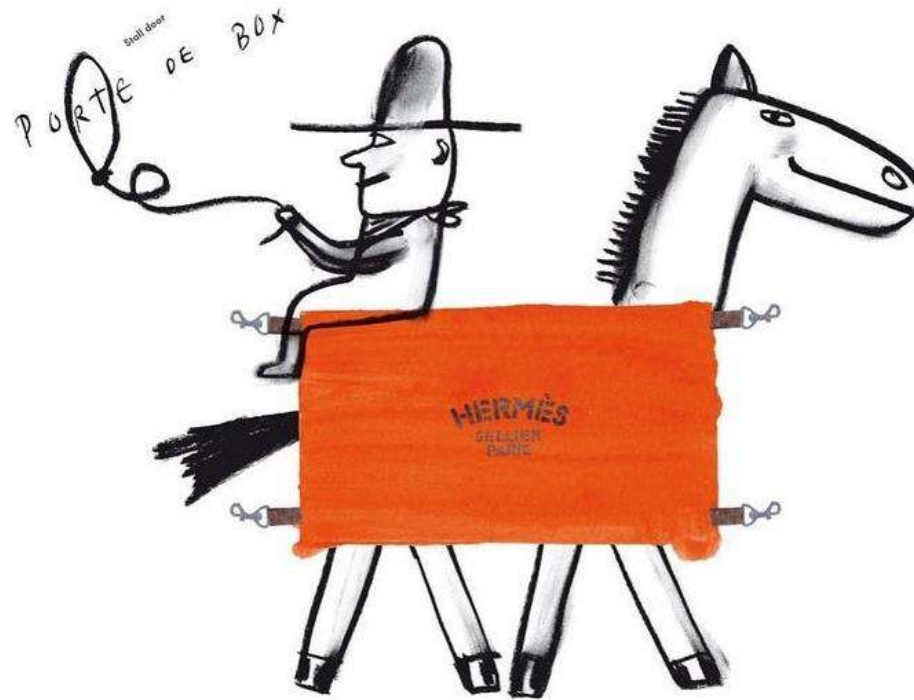


# HERMES CASE STUDY



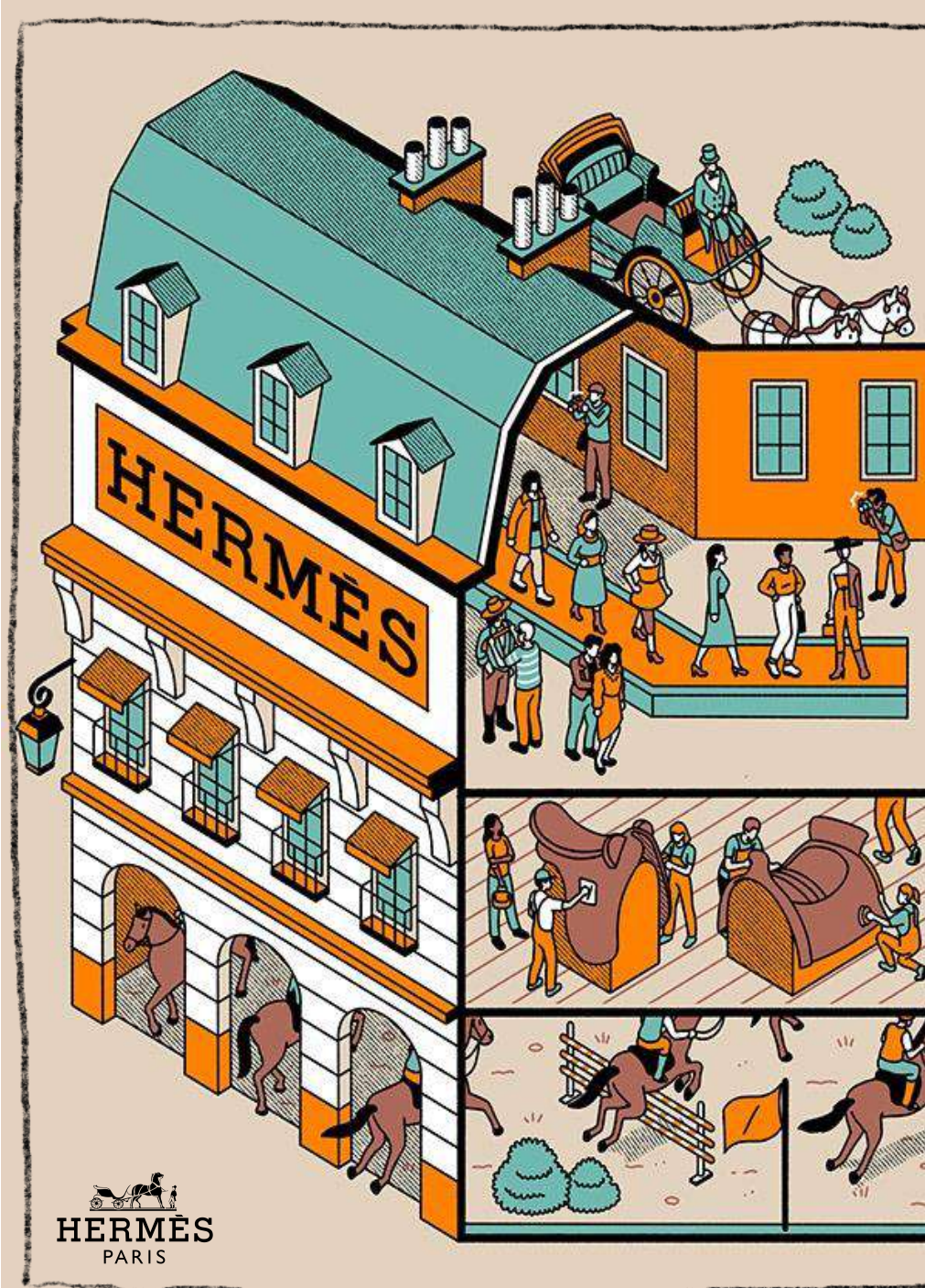
KATIE HARDING, FABY ABREU, EME WARBURTON, FABIANA YANES, VAIL GAYLORD

FASM 245 | PROFESSOR DEMESKO | WINTER 2025

# CONTENTS:

## HERMES OVERVIEW AND ANALYSIS

01.	Brand Overview	32.	Brand Index Price Map
02.	Brand History	33.	SWOT Analysis Price Map
04.	Mission Statement	34.	Fashion Trend
05.	Core Pillars	36.	Lifestyle Trend
06.	Brand Scope and Size	37.	Industry Trend
07.	Market Segmentation	38.	Tech Trend
08.	E-Commerce Sales Channel	40.	Online Presence
09.	Core Product Categories	42.	Corporate Six-Month Plan
11.	Target Consumer Demographics	43.	Store #1- Hermes Denver CC
13.	Target Consumer Psychographics	46.	Store #2- Hermes Miami DD
15.	Competitor Overview	49.	Assortment Plan
16.	Competitor #1- Ferragamo	51.	Statement of Opportunity/Risk
19.	Competitor #2- Prada	53.	References
22.	Competitor #3- Bottega Veneta	58.	Appendix
25.	SWOT Analysis		





# HERMÈS PARIS

## BRAND OVERVIEW:

"Since 1837, Hermès has remained faithful to its artisanal model and its human values. The freedom to create, the constant quest for beautiful materials, and the transmission of exceptional know-how – which enable the creation of useful, and elegant objects which stand the test of time – forge the uniqueness of Hermès."

# BRAND HISTORY

Charles-Émile Hermès, Thierry Hermès' son, opened brick-and-mortar store focusing on saddlery.

Introduction of men's ready-to-wear garments and accessories, expanding the product range.

The Kelly bag becomes popularized after being photographed with Grace Kelly, leading to its renaming.

1837



Thierry Hermès opened a workshop in rue Basse-du-Rempart, Paris.

1922

1880



Émile Hermès, son of Charles-Émile, acquired exclusive rights to the zipper, significantly influencing product design.

1925



1937

Succession of leadership to Robert Dumas, who drives major successes including the first silk scarf and the Kelly bag.

1956



1967



Catherine Karolyi designs women's collections, introducing iconic designs like the H buckle.

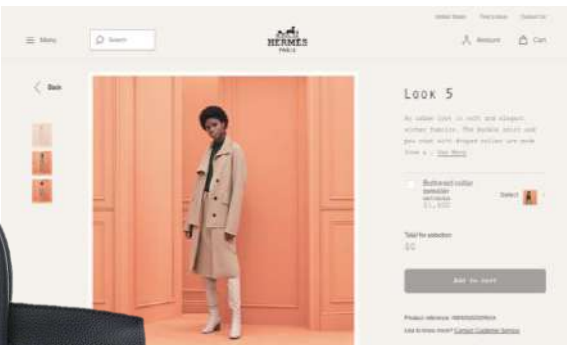
# BRAND HISTORY

Birth of the Birkin bag, inspired by a chance meeting between Jean-Louis Dumas and actress Jane Birkin.

1984



2002



Expanded globally with new stores and an e-commerce platform.

Launch of the Fondation d'entreprise Hermès, promoting creativity and sustainability.



2008

2013



Axel Dumas becomes Executive Chairman, driving growth, digital strategy, and the opening of new stores.

Introduction of the Beauty line with the Rouge Hermès collection.

2020



2015

Partners with Apple to launch the Apple Watch Hermès.

Achieved 10% revenue growth Q3 2024, outperforming other luxury brands during an industry slowdown.



## MISSION STATEMENT

*"The freedom to create, the constant quest for beautiful materials, and the transmission of exceptional know-how – which enable the creation of useful, and elegant objects which stand the test of time – forge the uniqueness of Hermès."*

Hermes has been an independent creative House since 1837, always guided by the characteristics of craftsmanship, an integrated model of French manufacturing, a humanistic management of employees, a wide product offering of useful and long-lasting objects, and a socially responsible company that is generous with the world.

# CORE PILLARS

*where heritage breathes, and beauty endures.*

## CREATIVE HERITAGE

Transformation of a harness workshop into an innovative design house, continuously reinventing timeless product models with creative freedom.

## SAVOIR-FAIRE HERITAGE

Commitment to preserving and developing unique craftsmanship techniques through extensive internal training.

## MATERIALS HERITAGE

Focused on sourcing, respecting, and protecting noble materials while minimizing environmental impact.

## RETAIL HERITAGE

Distinctive approach to distribution networks and digital platforms, creating a unique brand experience.

# SCOPE AND SIZE IN THE USA

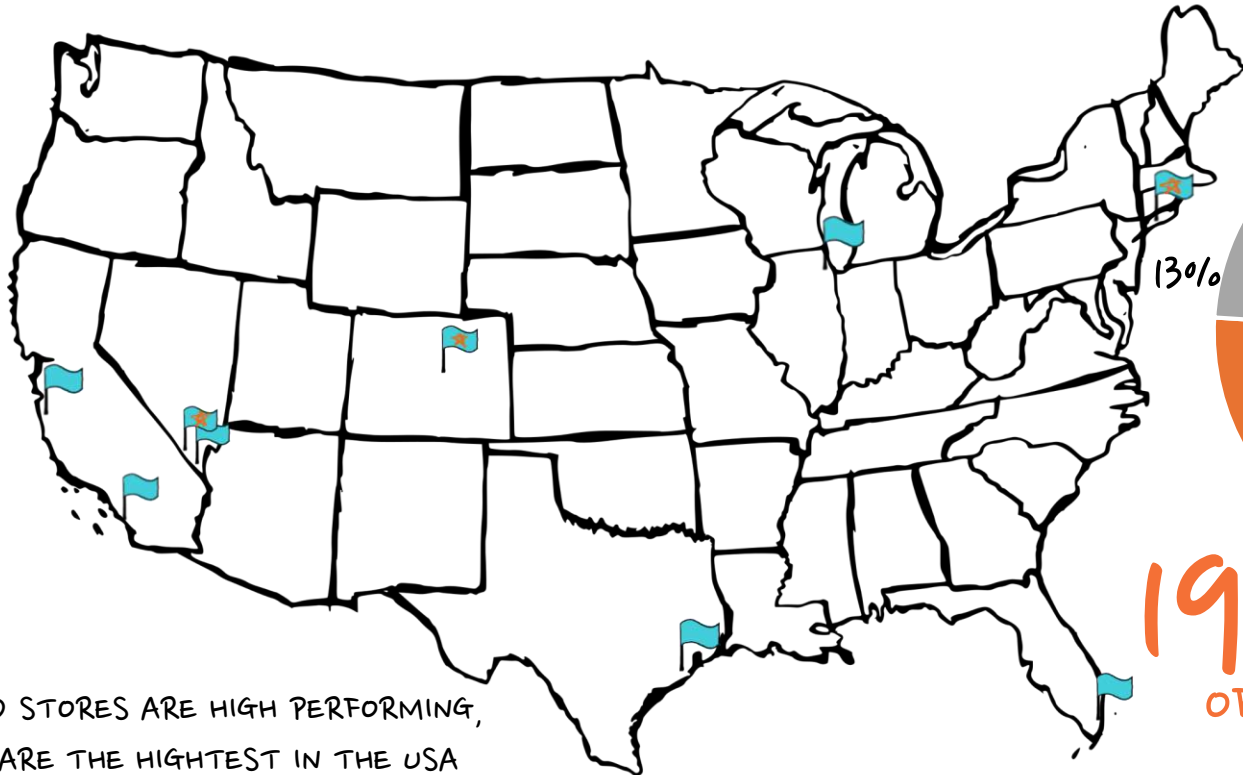
## HERMES STORES

Of the 294 stores worldwide, **40 stores in the USA**. These boutiques are strategically located in major cities with the **highest sales being in New York, Los Angeles, and Aspen**.

This robust retail presence, combined with a dedicated e-commerce platform, enables Hermès to cater to the demand for luxury goods in the U.S. market, offering customers access to its iconic collections while preserving the exclusivity that defines the brand.

## OPENINGS AND REOPENINGS in 2023

**Naples, FL** – new store opened in February  
**Aspen, CO** – new store opened in June  
**Los Angeles, CA** – new store opened in July  
**Chicago, IL** – historic store reopened in October  
**Las Vegas, NV** – renovated store reopened in December

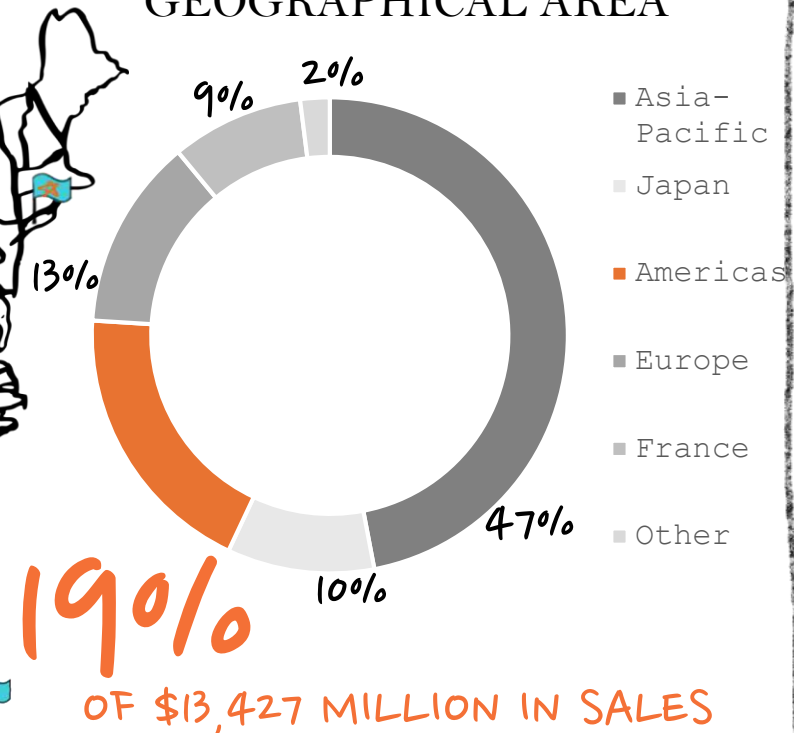


FLAGGED STORES ARE HIGH PERFORMING,  
STARRED ARE THE HIGHEST IN THE USA

## INTEGRATED PRODUCTION & TRAINING

The Hermes Group fully owns and operates 75 production and training sites. Out of these, **2 Tanneries and Precious Leathers sites** located in the USA.

## 2023 REVENUE BY GEOGRAPHICAL AREA



# MARKET SEGMENTATION

## LUXURY MARKET

Hermès mainly targets the **ultra-luxury segment**, serving ultra-high-net-worth individuals (UHNWIs) and high-net-worth individuals (HNWIs) who seek products that symbolize status and exclusivity. Customers in this segment are willing to pay a premium for exceptional craftsmanship, heritage, and rare items, which Hermès provides through its limited-edition products.

## EXCLUSIVE & NICHE SEGMENTATION

Exclusivity is central to Hermès' brand identity. The company focuses on limited product availability and avoids mass distribution, creating a sense of rarity that appeals to consumers who value high-quality, scarce goods. The waiting lists for items like the Birkin bags further emphasize this exclusivity.

## DEPARTMENT STORES & SPECIALTY STORES

Although Hermès does not mass-distribute its products through typical department stores, it **maintains a presence in luxury department stores via dedicated boutiques**. The brand also operates its flagship stores in major cities, such as New York, Los Angeles, and Miami, offering a unique shopping experience that **allows customers to engage with the craftsmanship behind its products**.

## GEOGRAPHIC (GLOBAL & DOMESTIC)

Hermès is strategically located in **the luxury districts of major cities**, including Fifth Avenue in New York and Rodeo Drive in Los Angeles, where it targets affluent shoppers. While expanding into emerging markets in Asia and the Middle East, the brand continues to focus on **reinforcing its presence in key US cities with a high concentration of luxury consumers**.

## AGE & LIFESTYLE SEGMENT

Historically, Hermès has appealed to an **older, affluent demographic**, but **it has started engaging younger luxury consumers**. While products like the *Hermès Kelly* bag remain timeless symbols of elegance, newer items such as the *Hermès H06* sneakers attract younger buyers seeking luxury with a modern, casual twist without compromising the brand's reputation for timeless sophistication.

# E-COMMERCE SALES CHANNEL

## SELECTIVE E-COMMERCE INTEGRATION

Hermès could expand its e-commerce by **selectively offering limited items like smaller accessories or seasonal collections online, while keeping high-demand products like Birkin and Kelly bags exclusive to in-store experiences.** This would cater to digitally savvy luxury consumers while maintaining the brand's exclusivity.

## DIGITAL APPOINTMENTS & VIRTUAL CONSULTATION

Hermès could offer **appointment booking and virtual consultations as a hybrid strategy.** Customers could book time to view limited collections virtually or schedule in-store visits for personalized experiences. These virtual appointments could focus on product education, personalization, or digital previews of new collections.

## OMNICHANNEL STRATEGY

By integrating e-commerce with brick-and-mortar experiences, Hermès could offer a **seamless shopping experience.** For instance, customers could browse exclusive collections online but still be encouraged to visit a store for the whole luxury experience, including customizations, or to pick up high-demand, rare items only available in-store.

## LIMITED ONLINE DROP MODEL

Hermès could release **limited online drops for select collections or seasonal items to maintain exclusivity.** These releases would be framed as exclusive, rare opportunities for loyal customers and likely sold out within hours. This model would align with the brand's commitment to exclusivity while capitalizing on the growing demand for online access to luxury products.



# CORE PRODUCTS CATEGORIES

## LEATHER GOODS

Hermès is renowned for its luxurious leather products, particularly the exclusive Birkin and Kelly bags, which appeal to ultra-high-net-worth individuals. The brand is also known for its meticulously crafted leather goods, including wallets, belts, and luggage.



## FASHION & READY-TO-WEAR

Hermès offers high-end, minimalist apparel for men and women, blending luxury with casual elegance. Known for top-quality fabrics and expert tailoring, its ready-to-wear collection prioritizes quality over mass production.



## SILK SCARVES & TEXTILES

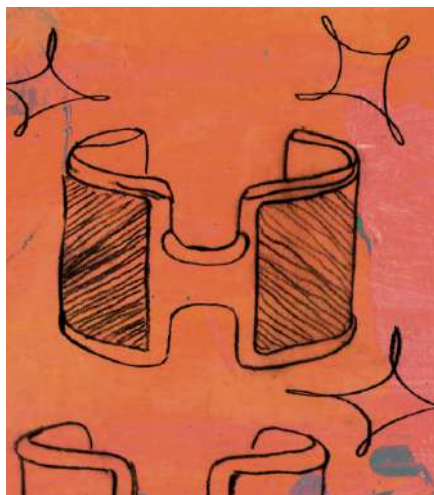
Hermès is known for its iconic silk scarves, which are highly collectible and released seasonally. The brand also produces luxury home textiles, including blankets, pillows, and exclusive decor items.



# CORE PRODUCTS CATEGORIES

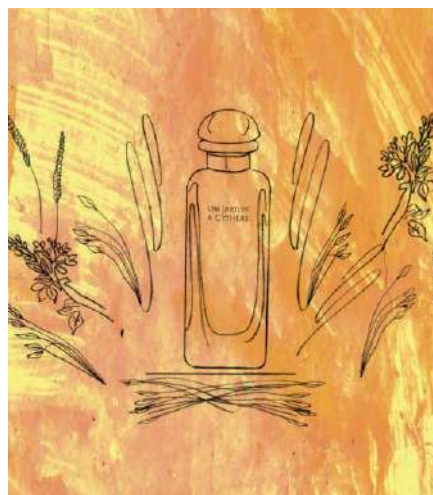
## ACCESSORIES

Fine jewelry, belts, eyewear, and smaller items like gloves, hats, watches, and keychains, all reflecting the brand's tradition of superior craftsmanship.



## FRAGRANCES

Hermès' perfumes, including the iconic Terre d'Hermès, are a key part of its product range, serving both personal luxury and gifting markets.



## HOME GOODS

High-end furniture and home decor, providing customers with a full luxury lifestyle experience beyond fashion and accessories.



## EQUESTRIAN PRODUCTS

Luxury supplies like saddles, bridles, and other high-end products, staying true to its roots.



# TARGET CONSUMER DEMOGRAPHICS

## GENDER

### Women - 65%

Majority of Hermès customers are women, who are drawn to iconic products like handbags, scarves, and jewelry, which align with their lifestyle and appreciation for timeless luxury.

### Men - 35%

Men represent a growing segment of Hermès' clientele. They are particularly interested in watches, ties, and leather goods, and driven by the brand's tailored offerings and understated elegance.

### Next-Generation Customers - 5%

This younger demographic, often children of existing Hermès clients or young professionals with inherited wealth, grow up familiar with the brand's exclusivity and view owning Hermès products as a natural step into the luxury lifestyle.

## AGE RANGE

30-60 years

25-28 years (Hermès Next Generation)

## INCOME LEVEL

Annual income of \$250,000 and above, often reaching into the high-net-worth individual (HNWI) category. Many customers belong to the top 5% of income earners globally.

## GEOGRAPHIC LOCATION

Urban, cosmopolitan cities like Paris, New York, Tokyo, Dubai, and London.



# DEMOGRAPHIC IMAGES



NEXT-GEN FEMALE



WOMAN AGE 35



WOMAN AGE 60



NEXT-GEN MALE

# TARGET CONSUMER PSYCHOGRAPHICS

## LIFESTYLE & VALUES

### Luxurious Lifestyle:

Prioritize exclusive experiences, luxury travel, fine dining, and social events

### Appreciation for Quality:

Value craftsmanship, uniqueness, and sustainability

### Cultural Sophistication:

Strong interest in art, heritage, and timeless design

## CORE MOTIVATIONS

### Exclusivity:

Appeals to those seeking unique and distinguished items

### Luxury and Craftsmanship:

Resonates with consumers who prioritize quality

### Identity and Belonging:

Reinforces self-identity and a sense of belonging to a prestigious group

## SOCIAL STATUS

Hermès products are  
status symbols,  
associated with wealth,  
success, and exclusivity



# PSYCHOGRAPHIC IMAGES



# COMPETITOR OVERVIEW



**\$1.035 million**

net sales

**\$412,821**

from leather goods

**\$307,591**

from North America



**\$3.488 million**

net sales

**\$767,365**

from leather goods

**\$1.910 million**

from North America

BOTTEGA  
VENETA

**\$1.645 billion**

net sales

**\$1.266 million**

from leather goods

**\$279 million**

from North America



# FERRAGAMO

Competitor Analysis

# FERRAGAMO

- Founded in 1927 by Salvatore Ferragamo in Florence, Italy
- Diverse product range including luxury shoes for men and women, handbags, accessories, scarves, ready-to-wear, fragrances, and eyewear
- In North America, net sales were down 19.3% at current exchange rates and 17.0% at constant exchange rates



Ferragamo - Wanda Mini Bag - \$2,650.00



374

stores  
worldwide



54

stores in  
N. America

\$1,119,494

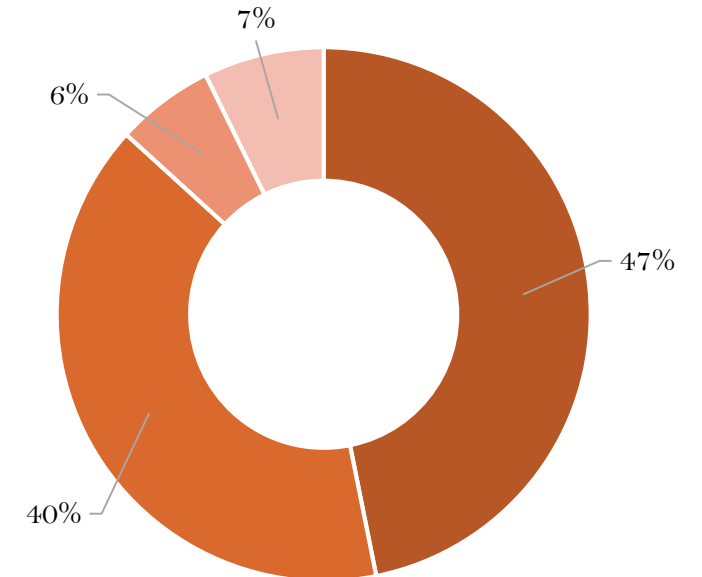
sales worldwide

\$315,882

sales in N. America

Net Sales by product category as of 30 June 2024

■ Footwear ■ Leather Goods ■ Apparel ■ Silk & Other



## Target Market:

- 40% Male and 60% Female
- Ages 25-34
- Income: \$200,000-\$600,000+

# FERRAGAMO SWOT ANALYSIS

## STRENGTHS

- 40.3% of the company's total revenue
- Robust direct-to-consumer (DTC) business, rose by 0.9% year-on-year in Q4 2024
- Extensive global distribution and accessibility to various luxury markets

## WEAKNESSES

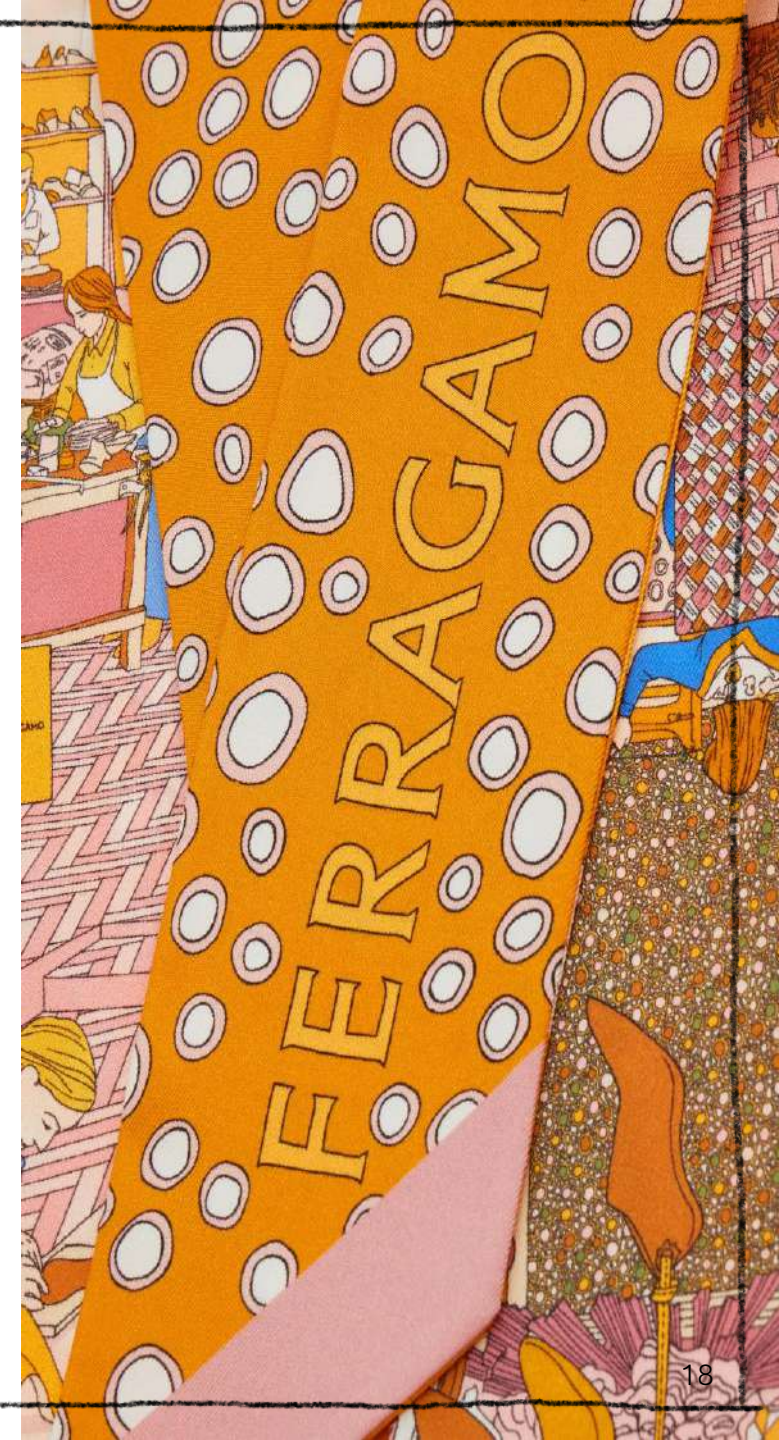
- Ferragamo holds only a 1%-2% market share in the broader luxury leather goods market
- Challenges in maintaining exclusivity
- Limited product diversification outside footwear and leather goods

## OPPORTUNITIES

- Capitalize on the shifting consumer preference towards e-commerce
- Offer accessible luxury options and engaging through social media marketing
- Collaborating offers innovation, increase product offerings, and boost market share

## THREATS

- Geopolitical tensions can disrupt supply chains and market access
- Rapid shifts in consumer preferences
- Economic uncertainties globally and high inflation rates





# PRADA

Competitor Analysis

# PRADA

- Founded in 1913 by Mario Prada in Milan, Italy
- Diverse product range including Including high-end clothing for men and women, leather, footwear, accessories, fragrances, and eyewear
- Prada delivered a high-quality, solid performance with retail net sales increasing by 12.1% in the year



Prada - Medium Galleria Saffiano leather bag - \$4,700.00



428

stores  
worldwide

51

stores in  
N. America

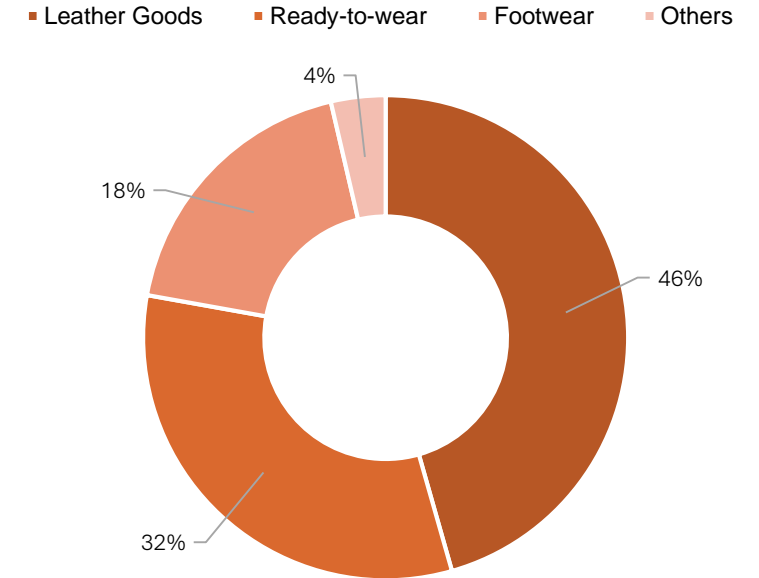
\$3,488,276

sales worldwide

\$767,365

sales in N. America

## Net Sales in Millions Euros



## Target Market:

- 20% Male and 80% Female
- Ages 25-55
- Income: \$200,000-\$600,000+

# PRADA SWOT ANALYSIS

## STRENGTHS

- Effective cost management and premium pricing strategies
- Known for its high-quality materials and artisanship
- Utilizes recycled materials, the Re-Nylon collection, which aligns with current trends in eco-conscious consumerism

## WEAKNESSES

- Focus on high-income consumers can restrict market growth and increase vulnerability during economic downturn
- Struggles with distribution channels and inventory management
- Rapid production can lead to excess inventory and discounting

## OPPORTUNITIES

- Expanding e-commerce can improve sales and market penetration
- Personalization and customization options
- Collaborating with celebrities and influencers

## THREATS

- Changes in international trade laws and regulations
- Rapid shifts in consumer preferences
- Keeping up with consumer tastes can pose a risk if the brand does not innovate effectively

ILLUSTRATION  
by - Jujus



BOTTEGA  
VENETA

# BOTTEGA VENETA

Competitor Analysis

# BOTTEGA VENETA

- Founded in 1966 in Vicenza, Italy by Michele Taddei and Renzo Zengiaro
- Diverse product range including luxury handbags, accessories, ready-to-wear fashion, and home goods
- Bottega Veneta's revenue totaled \$1.6 billion in 2023, down 5% and down 2% on a comparable basis



Bottega Veneta - Small Andiamo - \$4,500.00



288

stores  
worldwide

44

stores in  
N. America

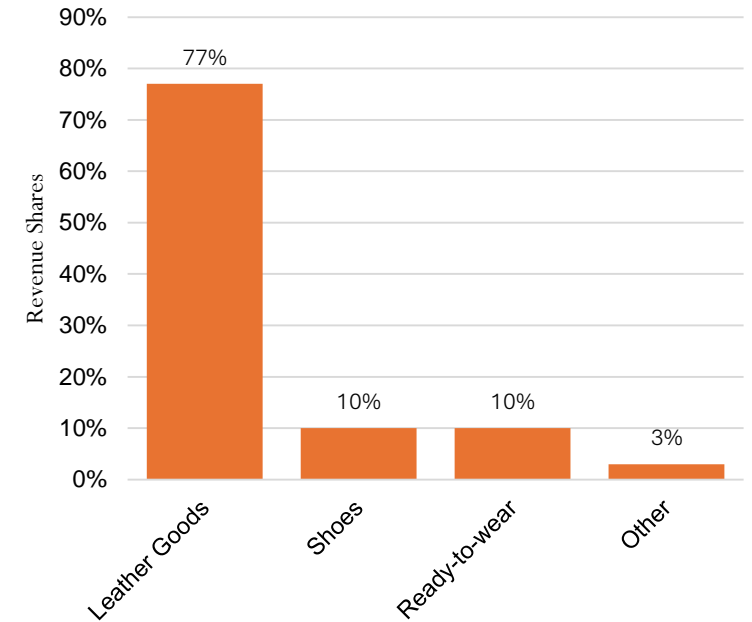
\$1,645,000

sales worldwide

\$279,650

sales in N. America

Global revenue share of Bottega Veneta in 2023



## Target Market:

- 36% Male and 64% Female
- Ages 25-34
- Income: \$250,000-\$750,000+

# BOTTEGA SWOT ANALYSIS

## STRENGTHS

- Established a unique design aesthetic, Intrecciato weaving
- Strong performances in North America and Western Europe
- 79% of Bottega Veneta's total revenue

## WEAKNESSES

- Limited Product Diversification
- Social Media Absence has limited its reach
- Slower sales growth compared to its competitors in the Kering Group

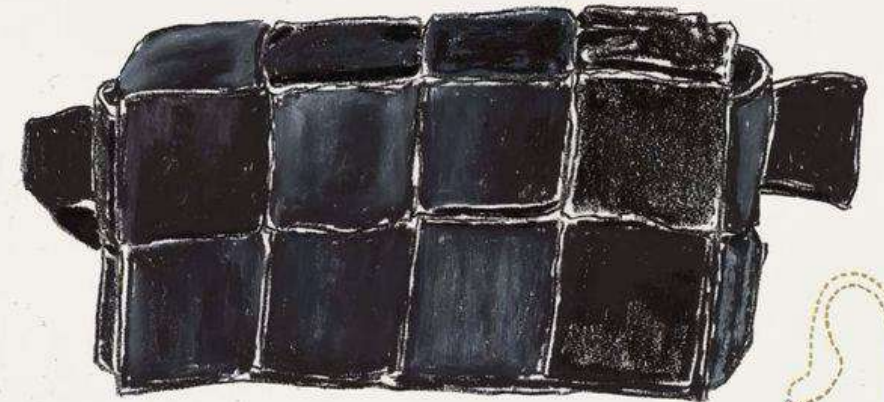
## OPPORTUNITIES

- Targeting emerging demographics and expanding into new geographical markets
- Enhance its online sales strategies as e-commerce continues to see substantial growth
- Diversify into adjacent categories

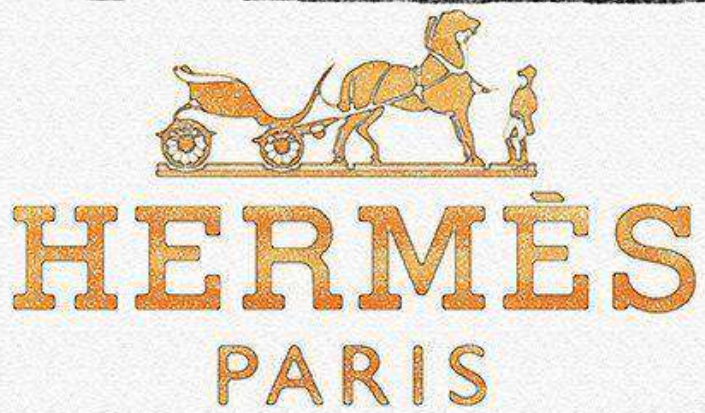
## THREATS

- Turnover in leadership may disrupt brand direction and product innovation
- Macro-economic factors, such as inflation and global recessions

Bottega



Veneta



# HERMES SWOT ANALYSIS

## STRENGTHS

- Strong Financial Growth
- Maintained Brand Exclusivity
- Timeless Brand Strategy

## WEAKNESSES

- Limited Accessibility for Potential New Customers
- Slow Expansion Strategy

## OPPORTUNITIES

- Prioritize and Expand upon the Growing Sectors
- Solid Cash Flow & Investments
- Online VIP Shopping Experiences

## THREATS

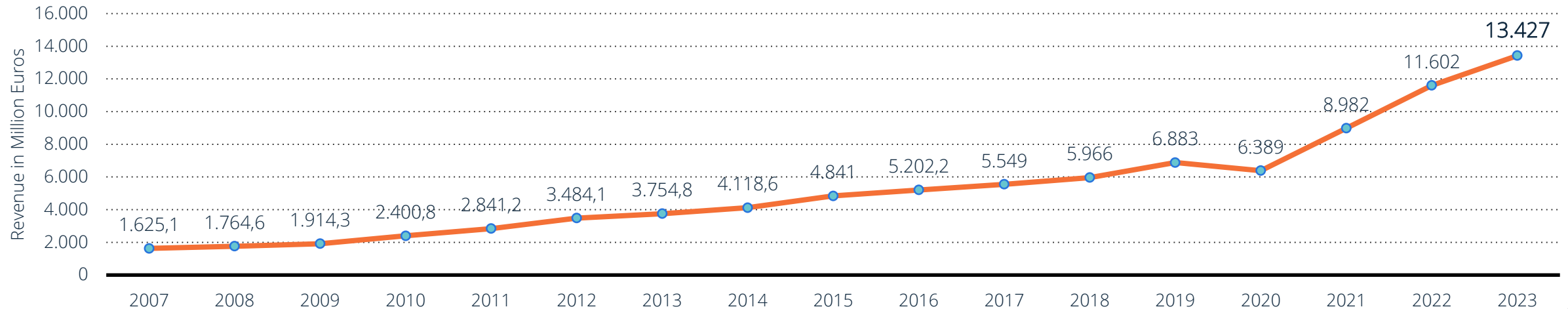
- Changing Consumer Preferences
- Competitor Social Media Presence
- Dependency on Physical Retail

# STRENGTHS

## STRONG FINANCIAL GROWTH

- ✓ Hermes reached a revenue of 31.4 billion euros worldwide in 2023, 21% increase from last year.
- ✓ Hermes experienced a 21% increase in net sales in the Americas in 2023 compared to 2022 at constant exchange rates, bringing their net sales to 2,502 (in millions of euros). Comparatively, while Prada did see a 3.8% increase, it was minimal, and Ferragamo experienced a 17% decrease in their net sales in North America.
- ✓ Operating income continues to grow at 5.7 billion euros with a 42.1% operating margin, indicating excellent financial health within the company.
- ✓ Hermes owns & operates 60 production/training sites; keeping production in-house benefits them financially and allows for greater control and knowledge throughout the supply chain.

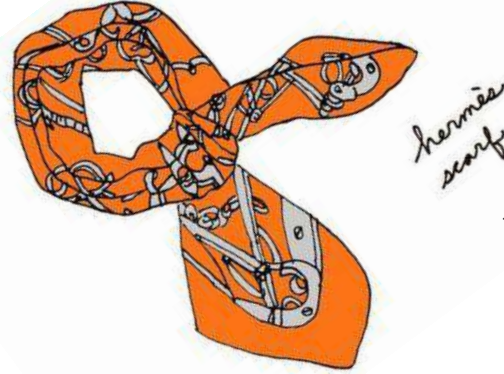
### 2007-2023 HERMES REVENUE (in million euros)



# STRENGTHS

## MAINTAINED EXCLUSIVITY

- ✓ The Hermes customer values **exquisitely crafted luxury products limited to high-net-worth individuals**, and the company's dedication to maintaining this incredible level of exclusivity has contributed highly to their financial and reputational success.
- ✓ So much so that simply owning a Birkin has become **status symbol** that transcends language, geographic, and cultural barriers.
- ✓ Hermes' consistently **high price point, limited retail locations, minimal e-commerce options, direct-to-consumer model, and long waitlists for select merchandize** (like Birkenes) has created strong brand positioning and complete control over the brand image allowing them to target their consumer more directly.



## A TIMELESS BRAND STRATEGY

- ✓ The timeless styles of iconic Hermes items allows their buyers to **anticipate sales and revenue more accurately** as they almost exclusively stock basics and sell very little of any fad products.
- ✓ Keeping the brand strategy **simple** builds trust and loyalty with the Hermes customer as they know they will be receiving an excellent product every single time.
- ✓ Hermes continually emphasizes that **“since 1837, Hermès has remained faithful to its artisanal model and its human values.”** The brand is dedicated to craftsmanship that has become scarcer in recent years. This high level of quality and dedication to maintaining their original brand values makes their product desirable to the luxury consumer.
- ✓ The brand's focuses on **heritage** and **craftsmanship** makes it immune to every changing fast-fashion trends. Not relying on trends allows for a slower and more intentional styling process that their target customer expects within the luxury market.

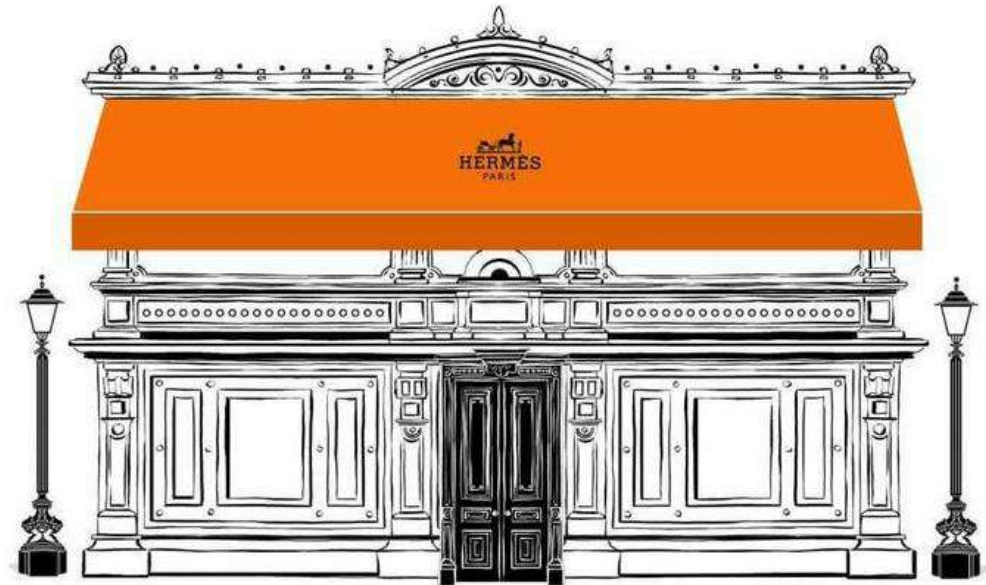
# WEAKNESSES

## LIMITED ACCESSIBILITY FOR POTENTIAL NEW CONSUMERS

- ✓ Unlike Ferragamo, Prada, and Bottega Venneta, Hermès does not fully capitalize on digital sales. Only select items are sold via Hermès.com, making it difficult for new consumers to engage with the brand.
- ✓ Long waitlists and limited availability make it hard for new customers to purchase key items which may deter them from interacting with the brand.
- ✓ Currently, there is no expansion into lower-price market segments. While exclusivity and identity of the brand hinges on their high price-points (typically a minimum of 10,000 euro starting price of an iconic Hermes item), Hermes benefits from their loyal high-net-worth customers who shop often, and if the brand neglects to become desirable to people who are not their target consumer now, but will be in 10-15 years, they could miss out on sales in the future.

## SLOW EXPANSION STRATEGY

- ✓ In 2023, Hermes opened 5 new stores in 2023 in Naples, Aspen, and Los Angeles Topanga (United States), as well as Tianjin and Chengdu (China). Comparatively, Prada opened 26 new stores in the same year.
- ✓ This slower expansion strategy in brick-and-mortar stores coupled with their limited online presence and lack of e-commerce outlets limits their potential for sales and brand exposure.



# OPPORTUNITIES

## PRIORITIZE AND EXPAND UPON THE GROWING SECTORS

### LEATHER GOODS

**41%** total revenue in 2023

leather goods & **19%**  
saddlery made an increase of

### READY-TO-WEAR

**29%** total revenue in 2023

made an increase of **28%**

Both Men's and Women's S/S 2024 collections were well received, showing an opportunity to expand men's fashion more and push ready-to-wear.

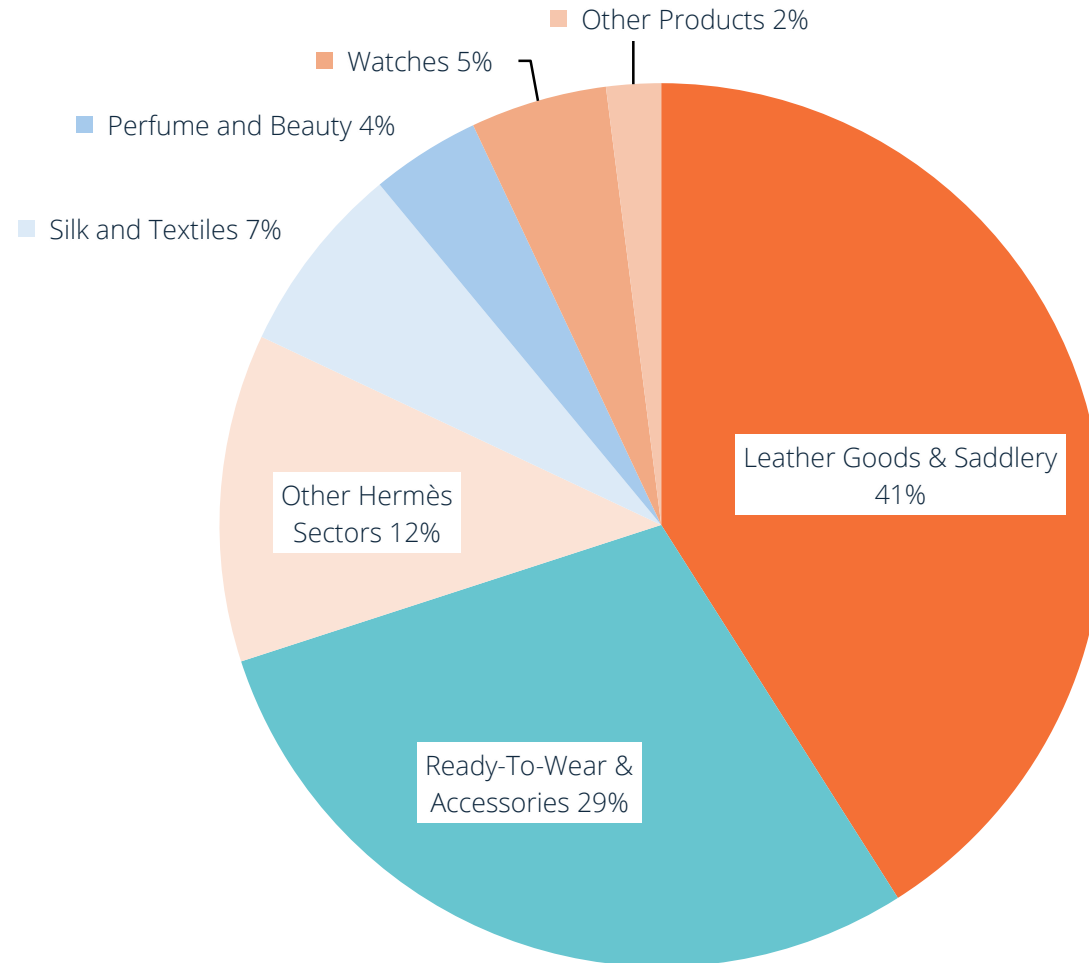
### "OTHER HERMES SECTORS"

**29%** total revenue in 2023

made an increase of **19%**

There is an opportunity to continue to pursue jewelry and home décor lines for existing and future Hermes cliental.

2023 Revenue Breakdown of Hermès Worldwide 2023



# OPPORTUNITIES

## INCREASE BRAND AWARENESS

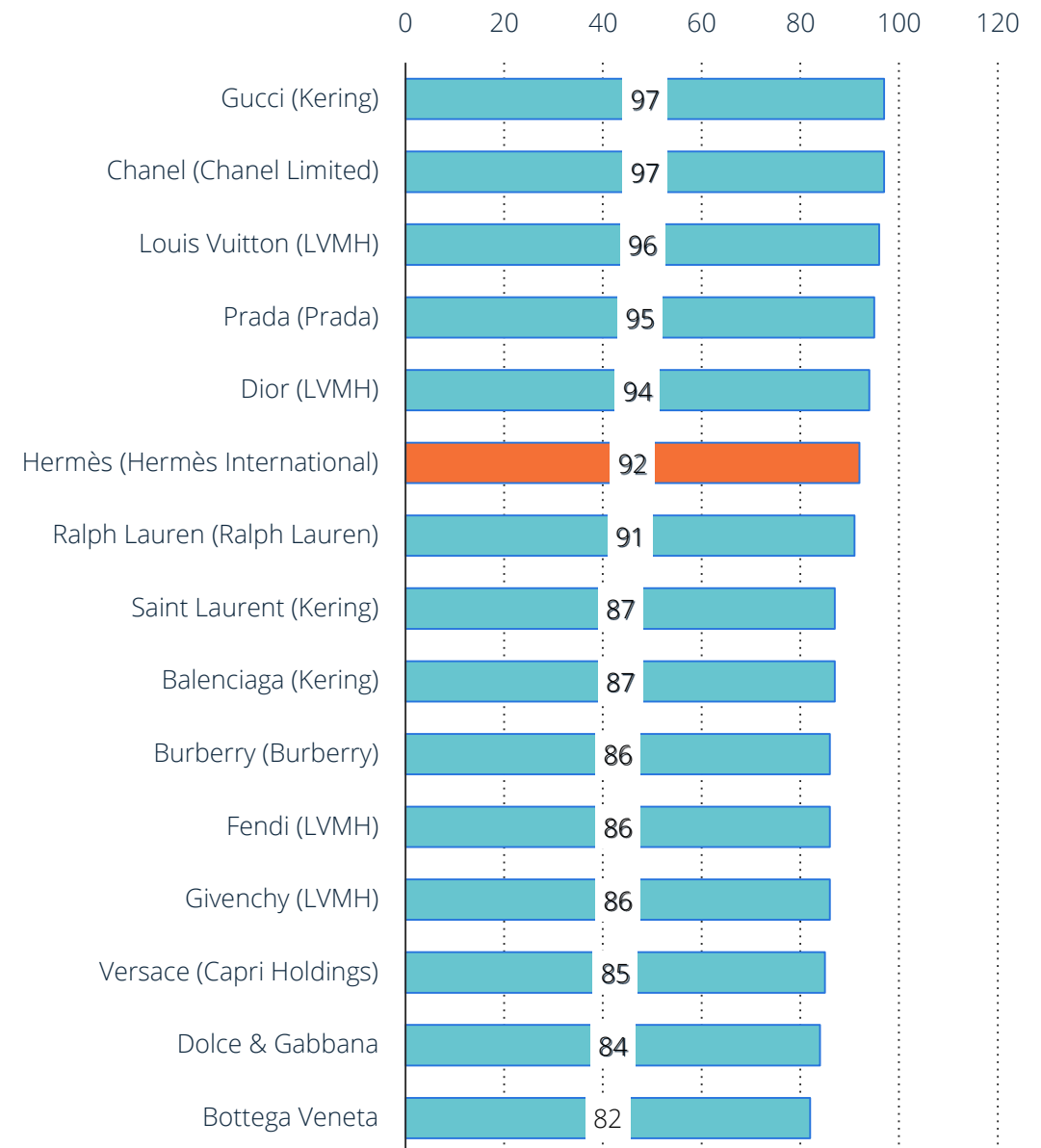
- ✓ Hermes lands **6<sup>th</sup>** in awareness of luxury brands worldwide, behind its competitor – Prada. Although both Bottega Veneta and Ferragamo are lower on the list, for how iconic the Hermes label is, the brand could improve its overall awareness.
- ✓ Whether through a stronger online presence or VIP digital shopping experiences, Hermes should **capitalize on their current success and strong financial standing** to further push their marketing to receive a higher ranking.

## SOLID CASH FLOW & INVESTMENTS

- ✓ Currently, Hermes has an operating cash flow of **\$5.1 billion**. This provides the opportunity for the company to **investment in new product lines and in store expansions** to increase brand visibility and ultimately revenue.



## Awareness of Luxury Brands Worldwide 2022



# THREATS

## CHANGING CONSUMER PREFERENCES

- ✓ Younger generations are **less brand-loyal and prioritize sustainability and digital engagement over exclusivity**. Because of this, Hermes may struggle to keep up with their competitors who prioritize these values of younger generations.
- ✓ Although these are not currently the brand's target consumers, Hermes should **consider highlighting their sustainable focus** to maintain a good standing with that consumer base as they do contribute to Hermes' overall revenue with their purchases, typically in accessories.



## COMPETITORS' DIGITAL PRESENCE

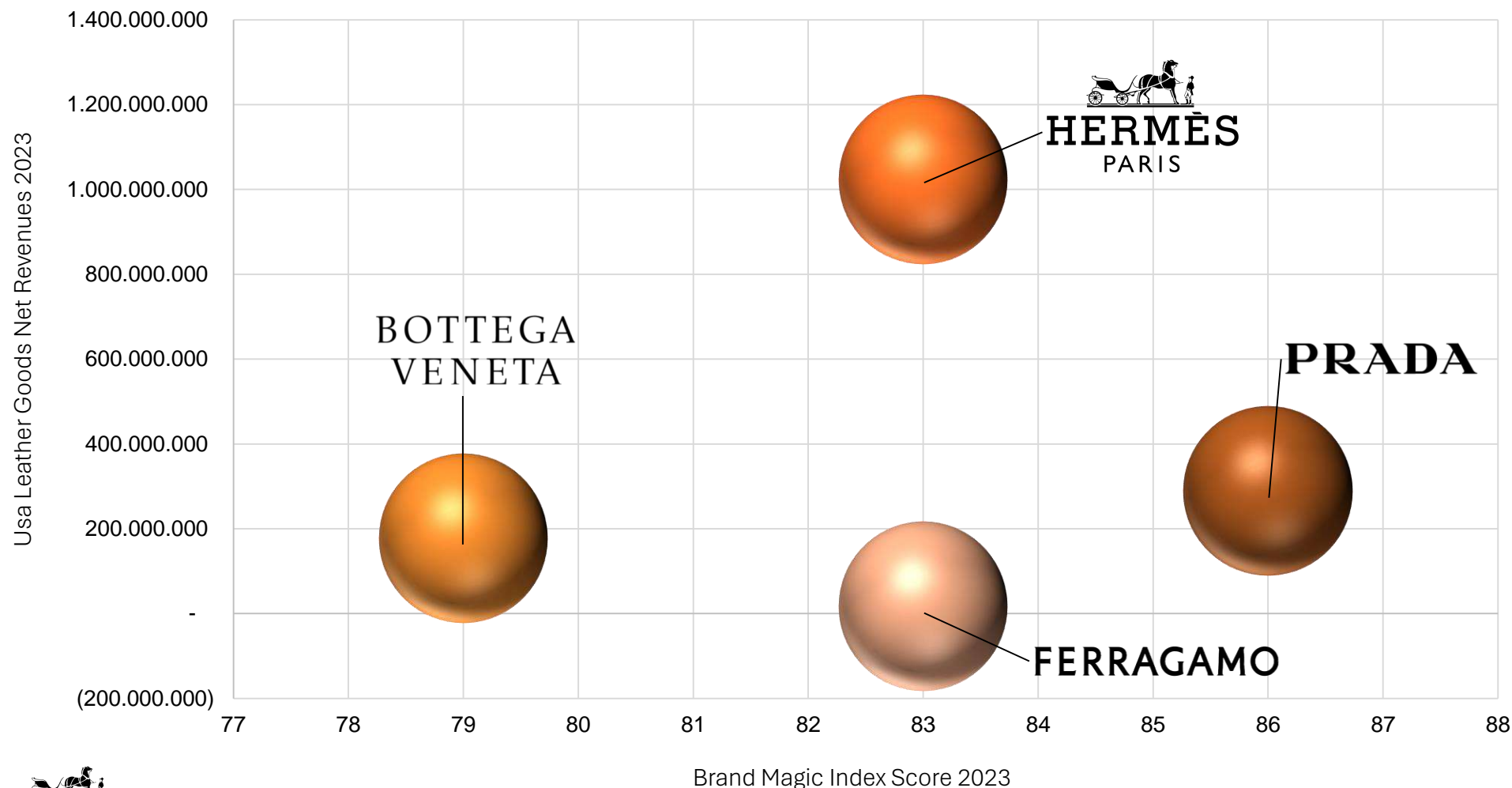
- ✓ Unlike Ferragamo, Prada, and Bottega Veneta, Hermès **does not fully capitalize on digital sales**. Only select items are sold via Hermès.com, making it difficult for new and existing consumers to engage.
- ✓ Brands like Bottega Veneta and Prada are aggressively targeting younger, digital-first luxury consumers with interactive campaigns and a strong social media presence that Hermes lacks. **LVMH is home to the most valuable luxury brands worldwide as of 2024**, so their strategies in expansion must be taken seriously.
- ✓ Hermès **does not** actively collaborate with influencers, missing an opportunity to attract younger audiences and increase brand awareness.

## DEPENDENCY ON PHYSICAL RETAIL

- ✓ Hermes is almost fully dependent on physical retail due to their lack of e-commerce platforms, **limiting when and where customers shop**.
- ✓ Hermes should consider how to maintain **their exclusive shopping experience in a digital way** to **avoid** losing sales to their competitors.

# BRAND INDEX PRICE MAP

USA LEATHER GOODS NET REVENUES VS BRAND MAGIC INDEX



BOTTEGA VENETA

**79** INDEX SCORE

\$176,571,000 LEATHER  
GOODS NET REVENUE

HERMÈS

**83** INDEX SCORE

\$1,023,943,020 LEATHER  
GOODS NET REVENUE

FERRAGAMO

**83** INDEX SCORE

\$17,204,454 LEATHER  
GOODS NET REVENUE

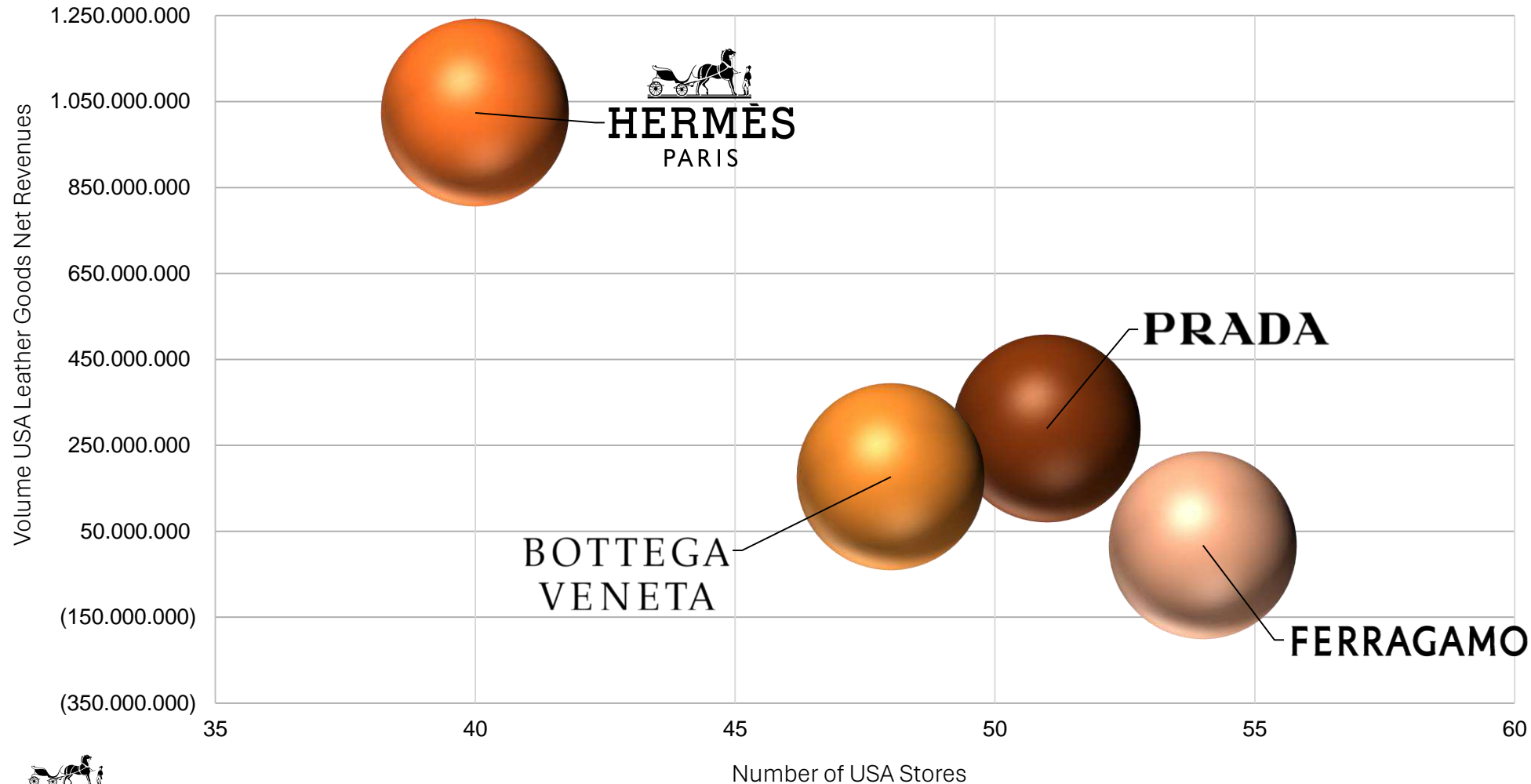
PRADA

**86** INDEX SCORE

\$28,925,284 LEATHER  
GOODS NET REVENUE

# SWOT ANALYSIS PRICE MAP

USA LEATHER GOODS NET REVENUES VS NUMBER OF US STORES



BOTTEGA VENETA

**48** US STORES

\$176,571,000 LEATHER GOODS NET REVENUE

HERMÈS

**40** US STORES

\$1,023,943,020 LEATHER GOODS NET REVENUE

FERRAGAMO

**54** US STORES

\$17,204,454 LEATHER GOODS NET REVENUE

PRADA

**51** US STORES

\$28,9256,284 LEATHER GOODS NET REVENUE

## FASHION TREND

# THE BOWLING BAG

The bowling bag is an easy-to-wear, pared-back shape with broad market appeal. This bag shape responds to the interest in 2010 nostalgia and the rise of court sports. There is plenty of room for product development, like customization utilizing bag charms or different materials to create unstructured/structured shapes. The bowling bag will continue to surge in popularity throughout 2025 and going into 2026, making it important for buyers to pay attention to.

# +55%

IN GOOGLE SEARCHES  
FOR "BOWLING BAG"  
FROM JAN 2024- JAN 2025



Miu Miu

## WHO IS BUYING IT?

Contrary to popular belief, Gen Z is buying luxury goods. They are buying products from luxury brands that they have heard throughout their entire lives and produce high-quality items, combined with the bonus of being more sustainable by extending the item's life span.

THE U.S. IS BY FAR THE LARGEST MARKET FOR LUXURY LEATHER GOODS IN THE WORLD, WITH AN EXPECTED CUMULATIVE SPENDING OF **\$122.0 BILLION** FROM 2024 TO 2029 AND A CONSISTENT **4.6% INCREASE** EACH YEAR.



WGSN

2029

2024

## FASHION TREND

# THE BOWLING BAG KEY BRANDS:



**BOTTEGA  
VENETA**

Jim Queen Duffle (\$4,900)



**PRADA**

A/W 25 men's  
show in Milan



Speedy bag at  
CPHFW SS 25



**STELLA MCCARTNEY**

Bag Pre-Fall 2025 collection



**HERMÈS**

Bag from Spring/Summer  
2025 show in Paris

## PRICING LANDSCAPE:

There are a wide range of brands designing bowling bags, which helps expand its appeal across wider demographics.

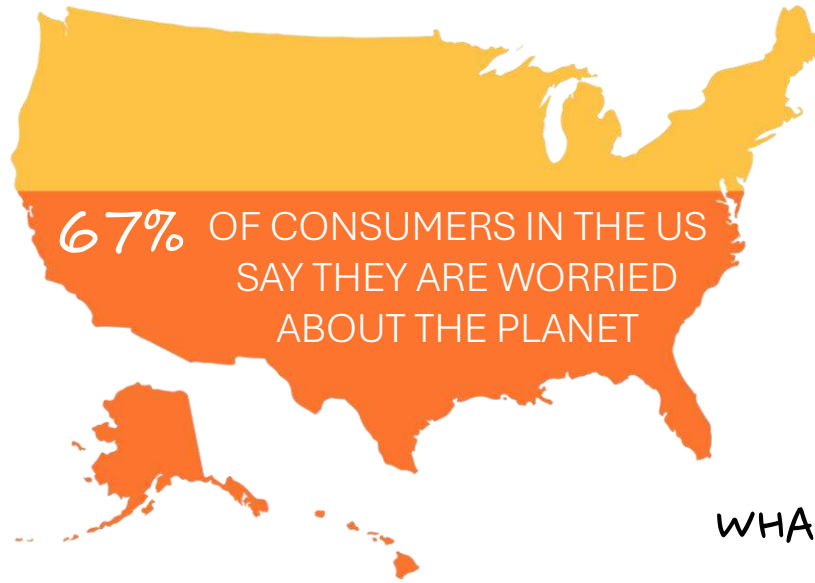
Leatherology has a bag starting at \$240, and Miu Miu's large Beau bag is \$3,850.



## LIFESTYLE TREND

# SUSTAINABILITY

More and more shoppers are becoming **concerned about climate change and sustainability issues**, which leads them to change their behavior as consumers. Shoppers have more buying criteria relating to sustainability than they used to and they want brands to be more transparent about their efforts and practices. **A sustainable lifestyle is a luxury that only the upper class has a majority of the time.** In mid-2022 inflation hit the price of everyday goods and services causing them to rise significantly. This inflation does not affect the Hermes target consumer.



## WHAT IS HERMES DOING?

Hermes has an in-depth sustainability plan. They have three categories: **People, Planet, and Communities**. Each of these three categories is separated into subcategories, making up six pillars of the Hermes sustainable strategic framework. **Hermes is considered a #2 Textiles and Apparel brand from the Sustainalytics rating.** This means that Hermes is considered to have a “low” level of ESG risk, meaning it is performing well in managing potential sustainability issues compared to its industry peers.

THE US IS THE WORLD'S TOP WELLNESS SPENDER  
WITH CONSUMERS SPENDING  
PER YEAR ON WELLNESS.

\$5,321



# INDUSTRY TRENDS

## Product Line Diversification

Hermès has the opportunity to strengthen its product offerings beyond leather goods, particularly in categories like watches, accessories, and fragrances. Refreshing these product lines could attract new consumers and boost overall sales.



## E-Commerce Expansion

Enhancing the online shopping experience could help Hermès reach a broader international audience and appeal to younger, tech-savvy consumers.

## Price Increases

Hermès is implementing average price increases of **6-7%** for its iconic bags like the Birkin and Kelly *in 2025.*



## Sustainability Focus

Growing consumer awareness of sustainability presents an opportunity for Hermès to **emphasize its commitment to ethical manufacturing and sustainable practices.** This could resonate with environmentally conscious customers and differentiate Hermès in the luxury market.

## TECH TRENDS

# AI-POWERED PERSONALIZATION AND PREDICTIVE ANALYTICS

## Enhanced customer Experience

Hermès is utilizing AI technology to enhance customer experiences both online and in physical stores. AI algorithms on the e-commerce platform generate dynamic content displays, including **personalized landing pages, product suggestions, and promotional offers tailored to each user's preferences.**

In-store, AI integration provides sales associates with access to customer profiles and purchase history, enabling them to offer more informed and personalized suggestions during face-to-face interactions.



Hermès utilizes AI-powered predictive analytics to **forecast demand, optimize inventory, and keep ahead of market trends.** This technology addresses supply chain complexities, which is key to maintaining the brand's reputation for quality and exclusivity. By analyzing factors such as sales data, market trends, and seasonal demands, Hermès can ensure optimal inventory levels across all product lines.



## Relevance to 6-Month Buying Plan

**Inventory Optimization:** Predictive analytics can inform buying decisions, ensuring optimal stock levels and reducing overstock or stockouts.

**Personalized Marketing:** AI-driven personalization can increase conversion rates and average order value through targeted recommendations.

**Enhanced Product Discovery:** Implementing AI-powered search and recommendation systems can increase sales by helping customers find desired products more efficiently.

## TECH TRENDS

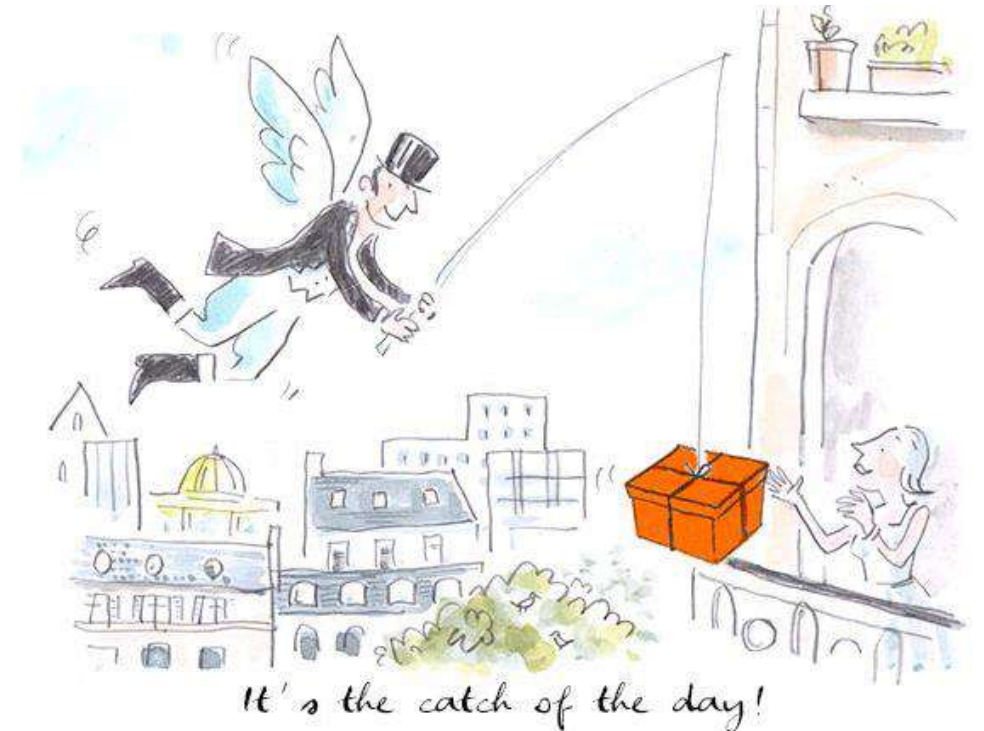
# AI-POWERED PERSONALIZATION AND PREDICTIVE ANALYTICS

### Financial Impact and the Balancing of Innovation and Tradition

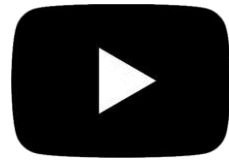
By focusing on these technological advancements,

1. Improve customer engagement
2. Increase online sales
3. Optimize inventory management

Hermès' adoption of AI tools will allow them to capitalize on the growth of online sales in the luxury market. AI enhances efficiency and market responsiveness while allowing artisans to remain central to the design process.



# ONLINE PRESENCE



Followers/Subscribers

369 K

14.8 M

3.7 M

Monthly Follower Growth Rate

0.128%

0.36%

0.13%

Weekly Posts

1.5

1.5

2.5

Engagement Rate

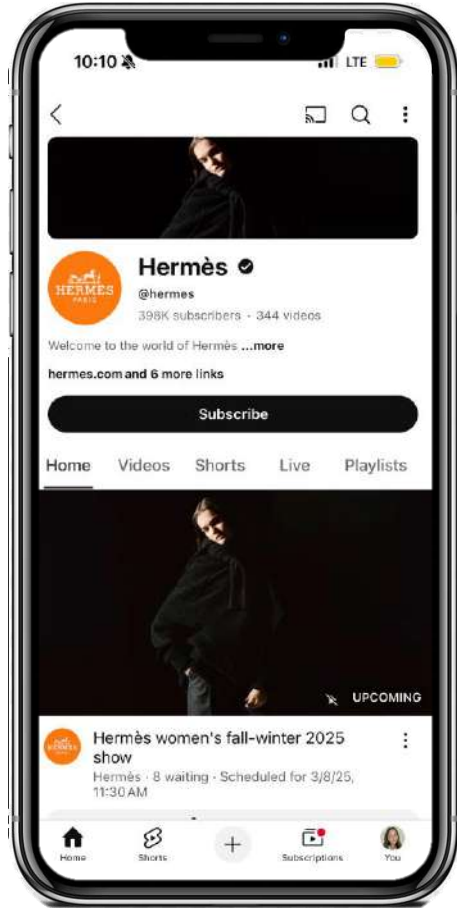
4.25%

0.07%

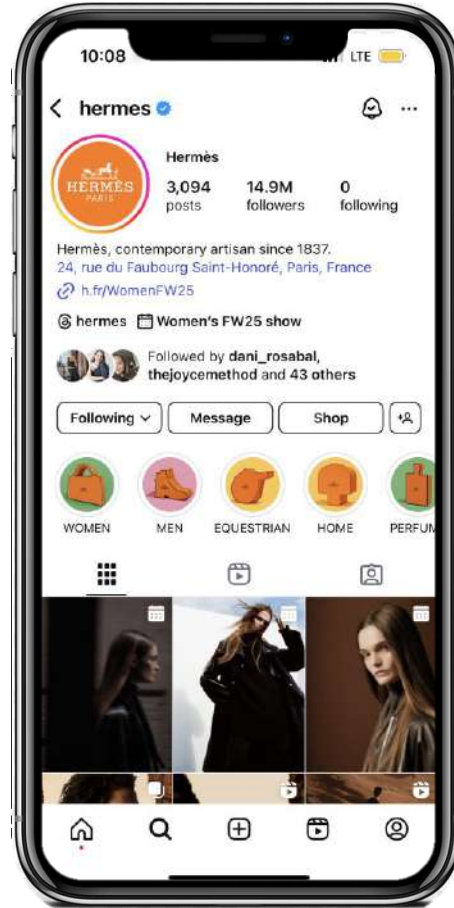
3%



# DIGITAL MARKETING



YOUTUBE



INSTAGRAM



FACEBOOK

## YOUTUBE STRATEGY

**Content Approach:** Longer narratives of craftsmanship and exclusive product launches

**Audience Engagement:** Engages viewers through storytelling drawing them into the brand's narrative

## INSTAGRAM STRATEGY

**Content Approach:** Carousels, videos, and reels focusing on artistic visuals and craftsmanship

**Audience Engagement:** Visuals of products, behind-the-scenes craftsmanship, and collaborations with artists to create aspirational imagery

## FACEBOOK STRATEGY

**Content Approach:** Builds community through interactive content and user-generated content (UGC)

**Audience Engagement:** Brand storytelling and showcasing its heritage rather than direct selling

# CORPORATE SIX-MONTH PLAN

2023	Sales	%
WW Sales	\$ 13,427,000,000	100.0%
US Sales	\$ 2,497,422,000	18.6%
Leather Goods & Saddlery	\$ 1,023,943,020	41.0%
SPRING SUMMER	\$ 419,816,638	41.0%

<b>Plan Sales</b>	503,779,966
<b>% LY</b>	★ 20% ★
<b>LAST YEAR SALES</b>	419,816,638
<b>Plan Turnover</b>	3.18
<b>Average Stock</b>	158,521,494
<b>Reductions Value</b>	15,113,399
<b>Reductions, % Sales</b>	★ 3.00% ★
<b>Plan IMU %</b>	55.00%

## Percent vs last year:

- Based on a 16% increase from 2023-2024, we project a **20% increase for 2026**

## Markdowns:

- Based on Hermes having no sale items, we projected **low markdowns only accounting for employee discounts and damaged product**

6 Month Buying Plan								
SPRING SUMMER	February	March	April	May	June	July	Total Spring	
Net Sales	\$ 2,507,238	\$ 3,044,504	\$ 2,686,327	\$ 3,223,592	\$ 3,581,769	\$ 2,865,415	\$ 17,908,845	
% Spring/Summer Sales	14.0%	17.0%	15.0%	18.0%	20.0%	16.0%	100.00%	
Plan BOM Stock (Beginning of Month)	\$ 4,813,897	\$ 5,906,337	\$ 5,560,696	\$ 6,092,589	\$ 6,447,184	\$ 5,730,830		
Stock / Sales Ratio	1.92	1.94	2.07	1.89	1.80	2.00		
Plan EOM Stock	\$ 5,906,337	\$ 5,560,696	\$ 6,092,589	\$ 6,447,184	\$ 5,730,830	\$ 3,500,000		
Plan Reductions	\$ 89,544	\$ 89,544	\$ 89,544	\$ 89,544	\$ 89,544	\$ 89,544	\$ 537,265	
% Spring/Summer Markdowns	16.67%	16.67%	16.67%	16.67%	16.67%	16.67%	100.00%	
Purchases, Retail	\$ 3,689,222	\$ 2,788,407	\$ 3,307,764	\$ 3,667,731	\$ 2,954,959	\$ 724,129	\$ 17,132,213	
Purchases, Cost	\$ 1,660,150	\$ 1,254,783	\$ 1,488,494	\$ 1,650,479	\$ 1,329,732	\$ 325,858	\$ 7,709,496	

# STORE #1

## HERMES DENVER IN CHERRY CREEK SHOPPING CENTER

**LOCATION:** 3000 E First Ave, Space P-206, Cherry Creek Shopping Center, Denver, CO 80206

**STORE HOURS:** Mon-Sat 10 a.m. – 6 p.m. / Closed Sunday

**STORE SIZE:** 3,445 sq. ft.

**STORE TRAFFIC:** Customers spend an average of 35-45 minutes within the store

**SERVICES OFFERED:** Personal shopping appointments, Customization options, Gift wrapping, Exclusive events and product launches

**LIFESTYLE:** Residents enjoy a high-quality, upscale lifestyle characterized by a blend of luxury shopping, fine dining, and an abundance of recreational opportunities, like parks and cultural events, all within a vibrant, walkable community that fosters a strong sense of safety and accessibility



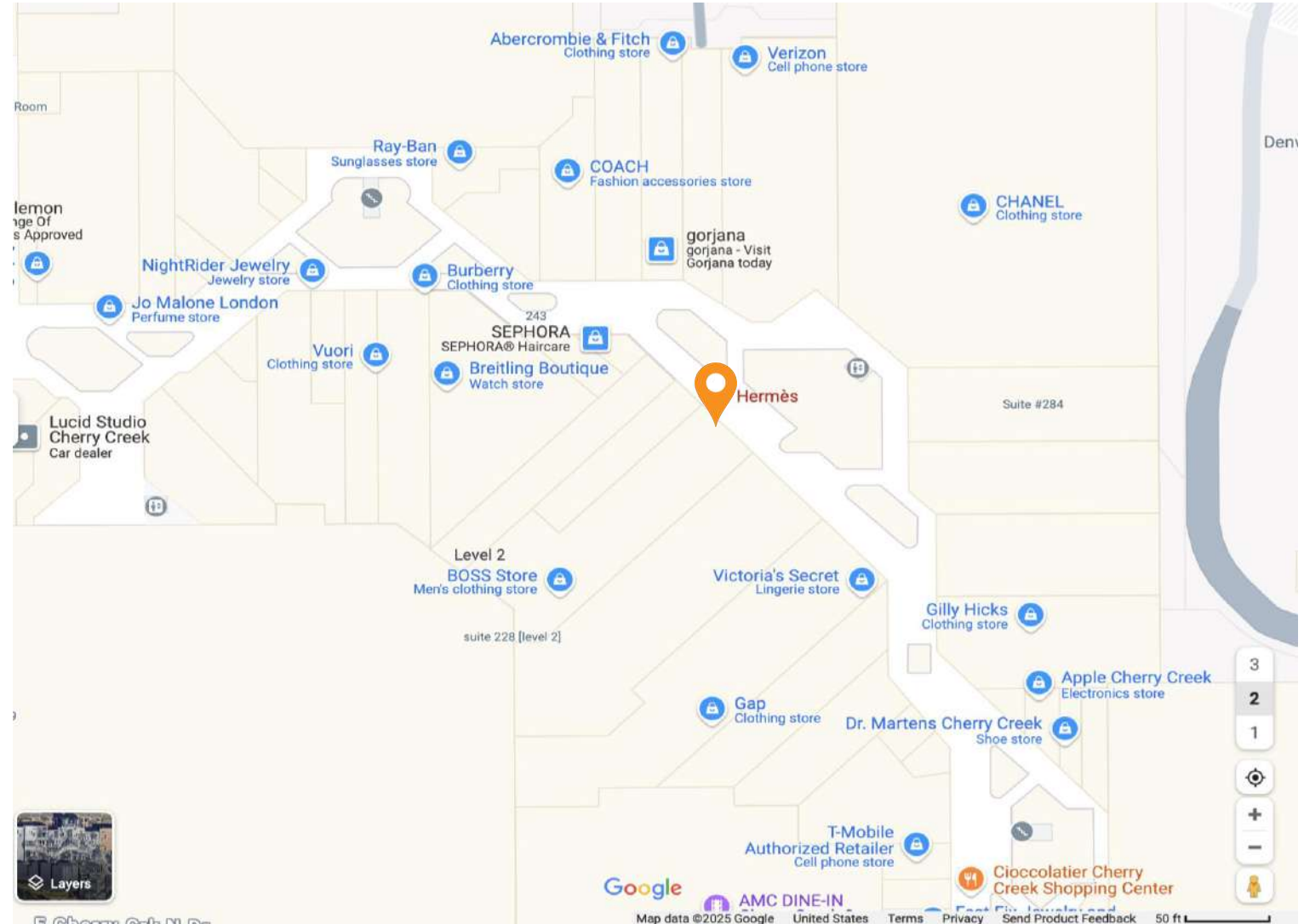
# STORE #1

## HERMES DENVER IN CHERRY CREEK SHOPPING CENTER

**LUXURY RETAIL HUB:** Positioned within Cherry Creek Shopping Center, enhancing visibility among high-end luxury competitors

**BRAND VISIBILITY & ACCESSIBILITY:** Located on the top floor, maximizing visibility and accessibility for affluent shoppers

**COMPLEMENTARY COMPETITION:** Adjacency to other luxury brands creates a synergistic shopping experience for discerning customers



# STORE #1

## HERMES DENVER IN CHERRY CREEK SHOPPING CENTER

1.98% OF SALES IS MADE UP BY THE DENVER CHERRY CREEK STORE

6-MONTH PLAN

Plan Sales	8,662,883
% LY	4%
LAST YEAR SALES	8,329,695
Plan Turnover	3.10
Average Stock	2,792,812
Reductions Value	259,886
Reductions, % Sales	3.00%
Plan IMU %	55.00%

Percent vs last year:

- Based on the 1.98% that the Denver store makes up now, our goal is to increase that to **4%** for this store.

Planned EOM stock:

- Based on the other EOM stocks and lack of markdowns, we took a general average of the months we had, and got **\$2,800,000**

6 Month Buying Plan								
SPRING SUMMER	February	March	April	May	June	July	Total Spring	
Net Sales	\$ 1,212,804	\$ 1,472,690	\$ 1,299,432	\$ 1,559,319	\$ 1,732,577	\$ 1,386,061	\$	8,662,883
% Spring/Summer Sales	14.0%	17.0%	15.0%	18.0%	20.0%	16.0%		100.00%
Plan BOM Stock (Beginning of Month)	\$ 2,364,967	\$ 2,857,019	\$ 2,689,825	\$ 2,947,113	\$ 3,118,638	\$ 2,772,123		
Stock / Sales Ratio	1.95	1.94	2.07	1.89	1.80	2.00		
Plan EOM Stock	\$ 2,857,019	\$ 2,689,825	\$ 2,947,113	\$ 3,118,638	\$ 2,772,123	\$ 2,800,000		
Plan Reductions	\$ 43,314	\$ 43,314	\$ 43,314	\$ 43,314	\$ 43,314	\$ 43,314	\$	259,886
% Spring/Summer Markdowns	16.67%	16.67%	16.67%	16.67%	16.67%	16.67%		100.00%
Purchases, Retail	\$ 1,748,170	\$ 1,348,811	\$ 1,600,034	\$ 1,774,158	\$ 1,429,376	\$ 1,457,253	\$	9,357,802
Purchases, Cost	\$ 786,676	\$ 606,965	\$ 720,016	\$ 798,371	\$ 643,219	\$ 655,764	\$	4,211,011

## STORE #2

### HERMES FLAGSHIP MIAMI IN THE DESIGN DISTRICT

**LOCATION:** 163 Northeast 39<sup>th</sup> Street, Miami Design District

**STORE HOURS:** Mon-Sat 11 a.m. – 7 p.m. / Closed Sunday

**STORE SIZE:** 13,000 sq. ft. & 2 stories

**STORE TRAFFIC:** Customers spend an average of 35-45 minutes within the store

**SERVICES OFFERED:** Leather goods (Birkin, Kelly, and other iconic bags), Ready-to-wear collections for men and women, Accessories & silk scarves, Fine jewelry & timepieces, Home furnishings & décor.

**LIFESTYLE:** Residents enjoy a high-quality, upscale lifestyle characterized by a blend of luxury shopping, fine dining, and an abundance of recreational opportunities, like parks and cultural events, all within a vibrant, walkable community that fosters a strong sense of safety and accessibility



## STORE #2

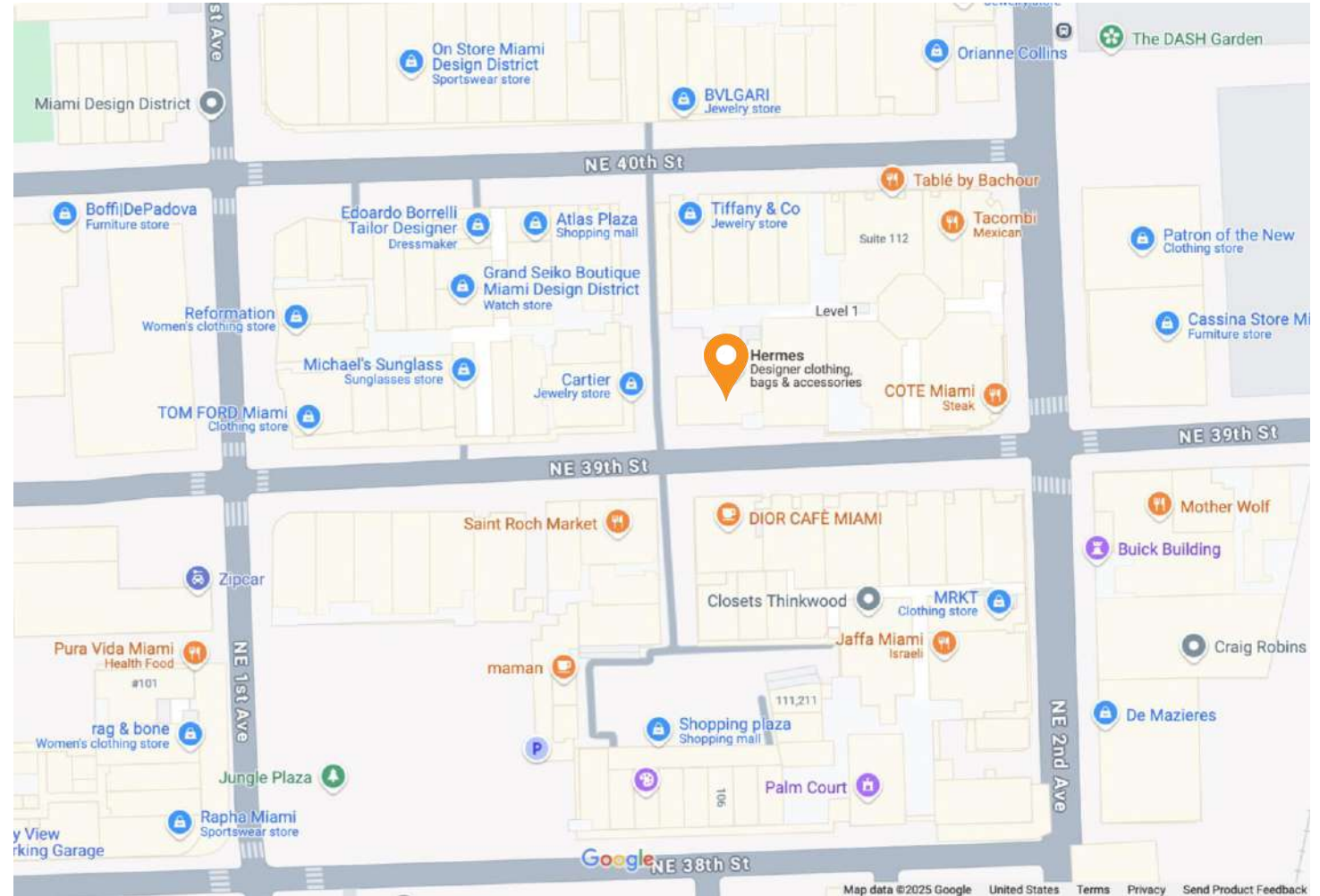
### HERMES FLAGSHIP MIAMI IN THE DESIGN DISTRICT

#### PRIME LOCATION:

Positioned in a luxury retail hub, Hermès benefits from high visibility among affluent shoppers

**ARCHITECTURAL DESIGN:** The store features a modern, eye-catching design that enhances customer experience while reflecting the artistic nature of the Design District

**UNIQUE PRODUCT RANGE:** They host exclusive collections and is the first U.S. shop-in-shop for Saint-Louis crystal, uniquely catering to local tastes and preferences



# STORE #2

## HERMES MIAMI IN THE DESIGN DISTRICT

### 6-MONTH PLAN

3.97% OF SALES IS MADE UP BY THE DENVER CHERRY CREEK STORE

Plan Sales	17,908,845
% LY	7.5%
LAST YEAR SALES	16,659,390
Plan Turnover	3.29
Average Stock	5,435,933
Reductions Value	537,265
Reductions, % Sales	3.00%
Plan IMU %	55.00%

### Percent vs last year:

- Based on the 3.97% that the Miami store makes up now, our goal is to increase that to **7.5%** for this store.

### Planned EOM stock:

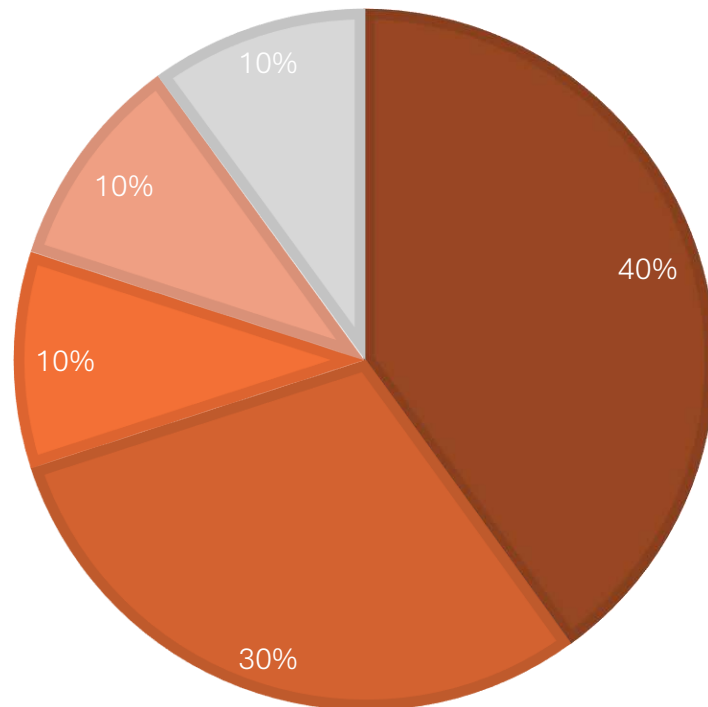
- Based on the other EOM stocks and lack of markdowns, we took a general average of the months we had, and got **\$3,500,000**

6 Month Buying Plan								
SPRING SUMMER		February	March	April	May	June	July	Total Spring
Net Sales	\$	2,507,238	\$ 3,044,504	\$ 2,686,327	\$ 3,223,592	\$ 3,581,769	\$ 2,865,415	\$ 17,908,845
% Spring/Summer Sales		14.0%	17.0%	15.0%	18.0%	20.0%	16.0%	100.00%
Plan BOM Stock (Beginning of Month)	\$	4,813,897	\$ 5,906,337	\$ 5,560,696	\$ 6,092,589	\$ 6,447,184	\$ 5,730,830	
Stock / Sales Ratio		1.92	1.94	2.07	1.89	1.80	2.00	
Plan EOM Stock	\$	5,906,337	\$ 5,560,696	\$ 6,092,589	\$ 6,447,184	\$ 5,730,830	\$ 3,500,000	
Plan Reductions	\$	89,544	\$ 89,544	\$ 89,544	\$ 89,544	\$ 89,544	\$ 89,544	\$ 537,265
% Spring/Summer Markdowns		16.67%	16.67%	16.67%	16.67%	16.67%	16.67%	100.00%
Purchases, Retail	\$	3,689,222	\$ 2,788,407	\$ 3,307,764	\$ 3,667,731	\$ 2,954,959	\$ 724,129	\$ 17,132,213
Purchases, Cost	\$	1,660,150	\$ 1,254,783	\$ 1,488,494	\$ 1,650,479	\$ 1,329,732	\$ 325,858	\$ 7,709,496

# ASSORTMENT PLAN

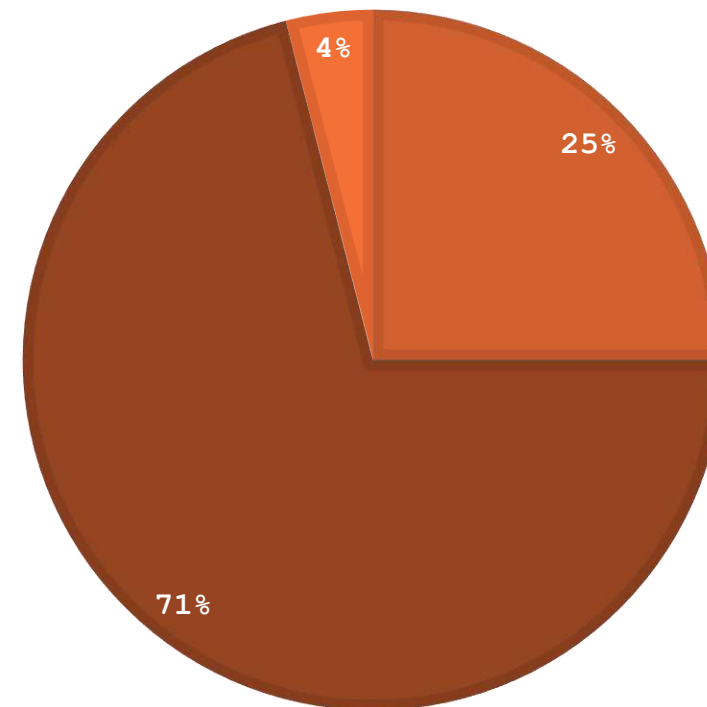
## WMNS BAGS FUNCTIONS

■ Totes ■ Top Handle ■ Travel ■ Clutches ■ Crossbody



## WMNS BAGS MATERIALS

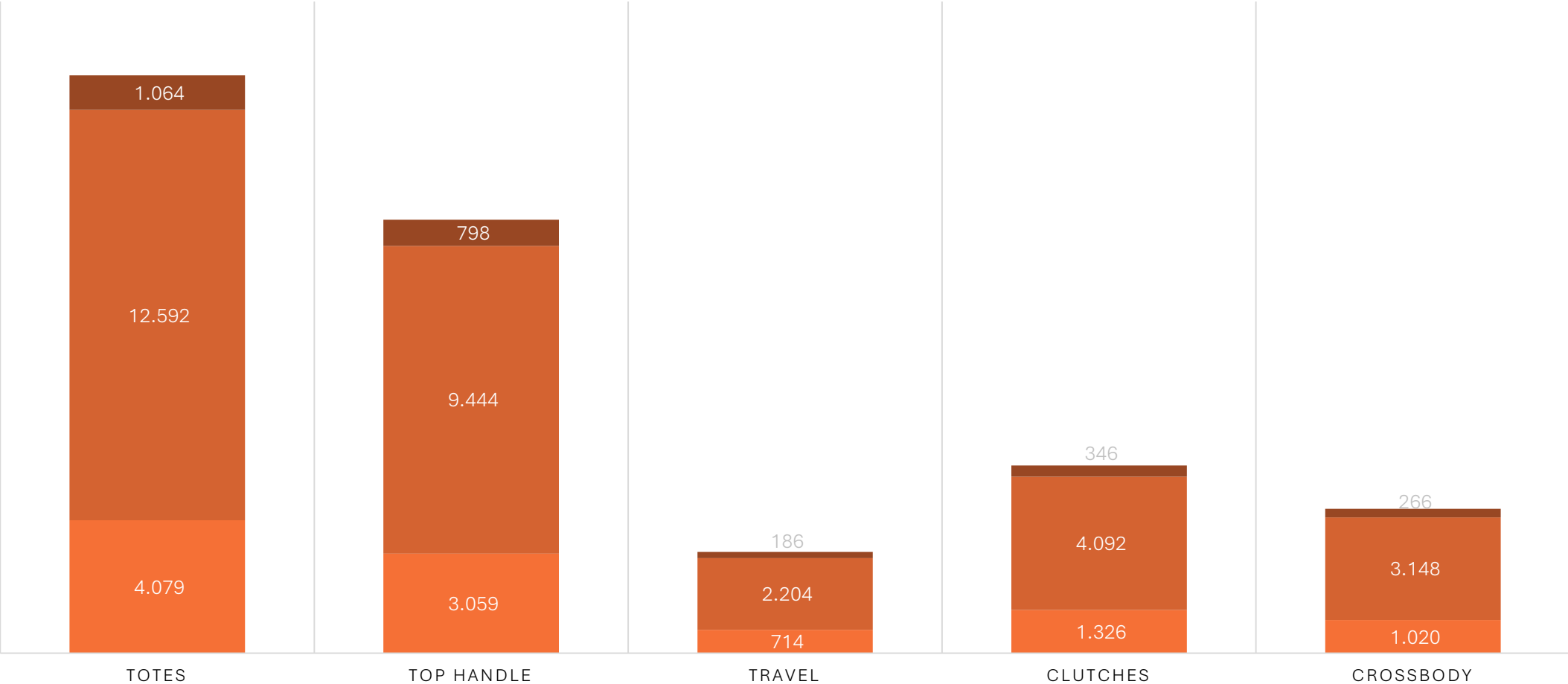
■ Canvas ■ Leather ■ Silk



# ASSORTMENT PLAN

## WMNS BAGS FUNCTIONS/MATERIALS PREDICTIONS

■ Canvas ■ Leather ■ Silk



# OPPORTUNITIES FOR PRODUCT ASSORTMENT

## EXCLUSIVE EXPERIENCES & PERSONALIZATION

Because the small, top percent of clients account for a majority of revenue, offering an exclusive experience - like private styling appointments - coupled with a unique product assortment of made-to-order pieces, would give these clients further incentive to shop with Hermès.

Strengthens brand loyalty and customer retention through memorable and unique experiences and products.



## GROWING DEMAND FOR LEATHER

Hermès' artisanal craftsmanship continues to drive strong growth.

**14% increase in leather goods** and saddlery sales in Q3 2024 indicates that the leather sector will continue to grow and offering more leather products could boost revenue.

## LIMITED-EDITION COLLABORATIONS WITH ARTISTS & DESIGNERS

Limited-edition collections attract younger, fashion-forward consumers while keeping the exclusivity and "one-of-a-kind" branding of Hermès.

Potential to partner with emerging artists for modern interpretations of Hermès classics.

## INTEGRATION OF AUGMENTED REALITY

Virtual try-ons and interactive brand experiences with their current and future product assortment via mobile apps would help further push the brand into the digital space without sacrificing the exclusivity of their product assortment that is available for purchase online.

Enhances digital engagement while maintaining exclusivity.

# RISKS FOR PRODUCT ASSORTMENT

## LIMITED SCALABILITY

Strict quality control & handcrafting methods restrict production expansion.

Risk of supply shortages leading to long waitlists and unmet demand.

## PRODUCT LINE EXPANSION RISKS

Adding more clutches or lower-priced bags could dilute brand positioning.

Potential loss of exclusivity and ultra-luxury appeal.

## SHIFT IN CONSUMER PREFERENCES

Travel bags and large handbags may see declining demand due to evolving lifestyles.

Need for adaptive product strategies while maintaining brand heritage.

## SUSTAINABILITY CHALLENGES

Leather sourcing and ethical production require greater transparency.

Consumers increasingly demand eco-friendly luxury alternatives.



# REFERENCES

## ANNUAL REPORT

[https://assets-finance.hermes.com/s3fs-public/node/pdf\\_file/2024-02/1707422069/hermes\\_20240209\\_pr\\_2023fullyearresults\\_va.pdf](https://assets-finance.hermes.com/s3fs-public/node/pdf_file/2024-02/1707422069/hermes_20240209_pr_2023fullyearresults_va.pdf)  
[https://assets-finance.hermes.com/s3fs-public/node/pdf\\_file/2024-04/1713264064/hermes\\_20240416\\_2023activityreport\\_en.pdf](https://assets-finance.hermes.com/s3fs-public/node/pdf_file/2024-04/1713264064/hermes_20240416_2023activityreport_en.pdf)

## DEMO & PSYCO GRAPHICS

<https://www.hermes.com/us/en/find-store/>  
<https://keeganedwards.com/who-buys-hermes-a-deep-dive-into-their-luxury-target-market/>  
[https://thebrandhopper.com/2024/02/11/marketing-strategies-marketing-mix-and-stp-of-hermes/#google\\_vignette](https://thebrandhopper.com/2024/02/11/marketing-strategies-marketing-mix-and-stp-of-hermes/#google_vignette)

## TIMELINE

<https://www.fashiondive.com/news/hermes-2024-revenues-increase-q3-luxury/731043/>  
<https://www.hermes.com/us/en/content/271366-six-generations-of-artisans/>  
<https://keeganedwards.com/who-buys-hermes-a-deep-dive-into-their-luxury-target-market/>  
<https://www.behance.net/gallery/183230105/Hermes-Silhouette-Magazine>  
<https://www.pinterest.com/pin/44754590043072192/>

## SIZE/ #STORES...

<https://es.fashionnetwork.com/news/La-estrategia-de-hermes-para-su-crecimiento-perpetuo,1488005.html#ami-alexandre-mattiussi>  
[https://assets-finance.hermes.com/s3fs-public/node/pdf\\_file/2024-07/1721928495/hermes\\_20240725\\_pr\\_2024firsthalfresults\\_va.pdf?utm\\_source=chatgpt.com](https://assets-finance.hermes.com/s3fs-public/node/pdf_file/2024-07/1721928495/hermes_20240725_pr_2024firsthalfresults_va.pdf?utm_source=chatgpt.com)  
[https://assets-finance.hermes.com/s3fs-public/node/pdf\\_file/2021-10/1635281014/hermes\\_20210325\\_extract\\_esg\\_urd2020\\_doubleinfo\\_en.pdf](https://assets-finance.hermes.com/s3fs-public/node/pdf_file/2021-10/1635281014/hermes_20210325_extract_esg_urd2020_doubleinfo_en.pdf)

## MARKET SEGMENTATION

<https://cpp-luxury.com/the-secret-behind-the-continued-success-of-hermes/>  
<https://www.hermes.com/us/en/content/332841-an-entrepreneurial-spirit/>

## SALES CHANNELS

<https://martinroll.com/resources/articles/strategy/hermes-the-strategy-behind-the-global-luxury-success/>  
[https://issuu.com/snigdhaguntuka/docs/zefiro\\_final/s/23300637](https://issuu.com/snigdhaguntuka/docs/zefiro_final/s/23300637)

## MISc

<https://www.pinterest.com/pin/729231364706611035/>  
<https://www.pinterest.com/pin/729231364706610962/>

# REFERENCES

## COMPETITOR OVERVIEW

<https://www.statista.com/statistics/442803/global-revenue-share-of-bottega-veneta-by-product-category/#:~:text=In%202023%2C%20leather%20goods%20made,1.65%20billion%20euros%20in%202022.>

## FERRAGAMO

[https://www.ferragamo.com/shop/aus/en/women/women-handbags/mini-bag/oblo-760348--24?srsId=AfmBOopSN\\_JDO37WksQxX79LrYXnXA4iV33\\_TFCNXzzVw1e4DTkIxXTA](https://www.ferragamo.com/shop/aus/en/women/women-handbags/mini-bag/oblo-760348--24?srsId=AfmBOopSN_JDO37WksQxX79LrYXnXA4iV33_TFCNXzzVw1e4DTkIxXTA)  
<https://group.ferragamo.com/en/investor-relations/financial-documents/2023>

## PRADA

[https://www.prada.com/us/en/p/medium-prada-galleria-saffiano-leather-bag/1BA863\\_NZV\\_F0002\\_V\\_EOO](https://www.prada.com/us/en/p/medium-prada-galleria-saffiano-leather-bag/1BA863_NZV_F0002_V_EOO)  
[https://www.pradagroup.com/content/dam/pradagroup/documents/Shareholderinformation/2024/Inglese/E1913\\_AR.pdf](https://www.pradagroup.com/content/dam/pradagroup/documents/Shareholderinformation/2024/Inglese/E1913_AR.pdf)  
<https://www.statista.com/statistics/592350/net-sales-of-prada-operated-directly-stores-by-product-line/>

## BOTTEGA VENETA

[https://www.bottегaveneta.com/en-us/small-andiamo-black-813122207.html?utm\\_source=google&utm\\_source\\_platform=SA360&utm\\_medium=cpc&utm\\_campaign=US%7CEN%7CPMX%7CAll%7CBags%7CU%7C&utm\\_id=20329223904&gclid=Cj0KCQiAkoe9BhDYARIsAH85cDN9S0uHhiBmMFKNgJM349u56KfzdzmlC\\_AJZClczMMa3rkeFYAKpDlaAtuOEALw\\_wcB](https://www.bottегaveneta.com/en-us/small-andiamo-black-813122207.html?utm_source=google&utm_source_platform=SA360&utm_medium=cpc&utm_campaign=US%7CEN%7CPMX%7CAll%7CBags%7CU%7C&utm_id=20329223904&gclid=Cj0KCQiAkoe9BhDYARIsAH85cDN9S0uHhiBmMFKNgJM349u56KfzdzmlC_AJZClczMMa3rkeFYAKpDlaAtuOEALw_wcB)  
[https://www.kering.com/api/download-file/?path=Kering\\_Press\\_release\\_2023\\_Full\\_year\\_results\\_3388f09c4c.pdf](https://www.kering.com/api/download-file/?path=Kering_Press_release_2023_Full_year_results_3388f09c4c.pdf)  
<https://www.statista.com/statistics/442803/global-revenue-share-of-bottega-veneta-by-product-category/>

# REFERENCES

## TECHNOLOGY AND INDUSTRY TRENDS

"2025 Marketing Trends: Preparing Your Luxury Brand for What's Next." DuPont REGISTRY Advertising, 17 Dec. 2024, [advertise.dupontregistry.com/blog/2025-marketing-trends-preparing-your-luxury-brand-for-whats-next](https://advertise.dupontregistry.com/blog/2025-marketing-trends-preparing-your-luxury-brand-for-whats-next).

[assets-finance.hermes.com/s3fs-public/node/pdf\\_file/2020-07/1595280621/hermesinternational-urd-2019-en.pdf](https://assets-finance.hermes.com/s3fs-public/node/pdf_file/2020-07/1595280621/hermesinternational-urd-2019-en.pdf).

Global Management Consulting | McKinsey & Company,

[www.mckinsey.com/~media/mckinsey/business%20functions/strategy%20and%20corporate%20finance/our%20insights/mckinsey%20on%20finance%20number%2080/mckinsey-on-finance-number-80.pdf](https://www.mckinsey.com/~media/mckinsey/business%20functions/strategy%20and%20corporate%20finance/our%20insights/mckinsey%20on%20finance%20number%2080/mckinsey-on-finance-number-80.pdf).

"Google Search." Forbes, 3 Jan. 2025, [www.forbes.com/sites/stephanegirod/2025/01/03/how-luxury-brands-can-build-strategic-resilience-in-2025/](https://www.forbes.com/sites/stephanegirod/2025/01/03/how-luxury-brands-can-build-strategic-resilience-in-2025/).

"Gucci's China Shock Reverberates Across the Luxury Landscape." The Economic Times, 24 Mar. 2024, [economictimes.indiatimes.com/news/international/business/gucci-china-shock-reverberates-across-the-luxury-landscape/articleshow/108751109.cms](https://economictimes.indiatimes.com/news/international/business/gucci-china-shock-reverberates-across-the-luxury-landscape/articleshow/108751109.cms).

"Hermes SWOT Analysis (2025)." Business Model Analyst, 20 Jan. 2025, [businessmodelanalyst.com/hermes-swot-analysis/](https://businessmodelanalyst.com/hermes-swot-analysis/).

"Hermès - The Strategy Insights Behind The Iconic Luxury Brand – Martin Roll." Martin Roll, 19 Mar. 2021, [martinroll.com/resources/articles/strategy/hermes-the-strategy-behind-the-global-luxury-success/](https://martinroll.com/resources/articles/strategy/hermes-the-strategy-behind-the-global-luxury-success/).

"The Hermès Price Increase of 2025: What It Means for Luxury Lovers." Redo Luxury, 16 Jan. 2025, [redoluxury.com/blogs/news/the-hermes-price-increase-of-2025-what-it-means-for-luxury-lovers](https://redoluxury.com/blogs/news/the-hermes-price-increase-of-2025-what-it-means-for-luxury-lovers).

"The Hermès Price Increase of 2025: What It Means for Luxury Lovers." Redo Luxury, 16 Jan. 2025, [redoluxury.com/blogs/news/the-hermes-price-increase-of-2025-what-it-means-for-luxury-lovers](https://redoluxury.com/blogs/news/the-hermes-price-increase-of-2025-what-it-means-for-luxury-lovers).

"Higher Hermès Bag Prices in 2025: What You Need to Know." Sothebys.com, 23 Jan. 2025, [www.sothebys.com/en/articles/higher-hermes-bag-prices-in-2025-what-you-need-to](https://www.sothebys.com/en/articles/higher-hermes-bag-prices-in-2025-what-you-need-to)

# REFERENCES

## TECHNOLOGY AND INDUSTRY TRENDS

"How Hermès Delivers a Luxury Customer Experience (CX) with Exclusivity and Personalized Services." Renascence - Customer Experience Design (CX) & Management Consulting, 11 Nov. 2024, [www.renascence.io/journal/how-hermes-delivers-a-luxury-customer-experience-cx-with-exclusivity-and-personalized-services](http://www.renascence.io/journal/how-hermes-delivers-a-luxury-customer-experience-cx-with-exclusivity-and-personalized-services).

"Just a Moment..." Just a Moment..,

[www.researchgate.net/publication/358646521\\_The\\_impact\\_of\\_brand\\_equity\\_status\\_consumption\\_and\\_brand\\_trust\\_on\\_purchase\\_intention\\_of\\_luxury\\_brands](http://www.researchgate.net/publication/358646521_The_impact_of_brand_equity_status_consumption_and_brand_trust_on_purchase_intention_of_luxury_brands).

"Luxury Brands & Digital Transformation." RTB House, 12 May 2022, [www.rtbhouse.com/blog/top-luxury-brands-digital-marketing](http://www.rtbhouse.com/blog/top-luxury-brands-digital-marketing).

"Luxury Digital Trends 2024 and Its Insights with Examples." ALCE Labs, 6 Feb. 2024, [alcelabs.com/luxury/luxury-digital-trends-2024-insights-examples/](http://alcelabs.com/luxury/luxury-digital-trends-2024-insights-examples/).

Morletto, Eva. "Luxury Goods Market: Hermès Set To Outperform In 2025." Luxury Tribune, 7 Jan. 2025, [www.luxurytribune.com/en/luxury-goods-market-hermes-set-to-outperform-in-2025](http://www.luxurytribune.com/en/luxury-goods-market-hermes-set-to-outperform-in-2025).

---. "Luxury Goods Market: Hermès Set To Outperform In 2025." Luxury Tribune, 7 Jan. 2025, [www.luxurytribune.com/en/luxury-goods-market-hermes-set-to-outperform-in-2025](http://www.luxurytribune.com/en/luxury-goods-market-hermes-set-to-outperform-in-2025).

Retail, LS. "6 Technology Trends Reshaping the Luxury Fashion Industry." POS and Business Management Software | Unified Commerce Software, [www.lsretail.com/resources/6-technology-trends-reshaping-luxury-fashion-industry](http://www.lsretail.com/resources/6-technology-trends-reshaping-luxury-fashion-industry).

Team DigitalDefynd. "5 Ways Hermes is Using AI [Case Study]." DigitalDefynd, 30 Nov. 2024, [digitaldefynd.com/IQ/hermes-using-ai-case-study/](http://digitaldefynd.com/IQ/hermes-using-ai-case-study/).

## SWOT ANALYSIS

Revenue of Hermes from 2007 to 2023 <https://www.statista.com/statistics/245917/total-revenue-of-hermes-worldwide/>

Brand Value of the Leading 10 Most Valuable Luxury Brands <https://www.statista.com/statistics/267948/brand-value-of-the-leading-10-most-valuable-luxury-brands-worldwide/>

HAVE - Reveny share of Hermes WorldWide in 2023 <https://www.statista.com/statistics/245922/revenue-share-of-hermes-worldwide-by-segment/>

# REFERENCES

## PRICE MAPS

[file:///Users/emersonwarburton/Downloads/Insights-The-BoF-Brand-Magic-Index-2023%20\(2\)%20\(1\).pdf](file:///Users/emersonwarburton/Downloads/Insights-The-BoF-Brand-Magic-Index-2023%20(2)%20(1).pdf)

[https://www.kering.com/api/download-file/?path=Kering\\_2023\\_Financial\\_Document\\_59f8c987cb.pdf](https://www.kering.com/api/download-file/?path=Kering_2023_Financial_Document_59f8c987cb.pdf)

[https://www.pradagroup.com/content/dam/pradagroup/documents/Shareholderinformation/2024/Inglese/E1913\\_AR.pdf](https://www.pradagroup.com/content/dam/pradagroup/documents/Shareholderinformation/2024/Inglese/E1913_AR.pdf)

<https://group.ferragamo.com/en/investor-relations/financial-documents/2023>

## FASHION TRENDS

<https://0-www-wgsn-com.library.scad.edu/fashion/article/66f578080c48d9f225d0d40c#page3>

<https://0-www-wgsn-com.library.scad.edu/fashion/article/66a26bcb4cc0cd79cf283c56>

<https://0-www-wgsn-com.library.scad.edu/fashion/article/678548f86d4337b4e468291d#page1>

<https://0-www-wgsn-com.library.scad.edu/fashion/feed?filters=%7B%22hashtags%22%3A%5B%22BowlingBag%22%5D%7D>

<https://www.whowhatwear.com/fashion/runway/hermes-paris-fashion-week-spring-summer-2025>

<https://www.vogue.co.uk/article/bowling-bag-trend-2025>

<https://0-www-statista-com.library.scad.edu/study/61582/luxury-goods-in-depth-market-analysis/>

## LIFESTYLE TRENDS

[https://assets-finance.hermes.com/s3fs-public/node/pdf\\_file/2024-02/1708613517/20240209\\_hermes\\_2023fullyearresultspresentation\\_en\\_.pdf](https://assets-finance.hermes.com/s3fs-public/node/pdf_file/2024-02/1708613517/20240209_hermes_2023fullyearresultspresentation_en_.pdf)

<https://goodonyou.eco/is-luxury-fashion-sustainable/>

<https://www.nytimes.com/2024/07/25/style/tiktok-underconsumption-influencers.html?searchResultPosition=3>

<https://www.businessoffashion.com/articles/sustainability/whats-behind-the-slow-fashion-recession/>

<https://0-www-statista-com.library.scad.edu/study/125082/consumer-trends-2023-sustainability-edition/>

# APPENDIX

GROWTH	
FIRST HALF	17.9%
FULL YEAR	16.7%

PRICE MAP #2 (SWOT) TABLE		
SWOT	USA STORES	USA DTC SALES LTHR GOODS
PRADA	51	289,256,284
HERMES	40	1,023,943,020
BOTTEGA	48	176,571,000
FERRAGAMO	54	17,204,454

PRICE MAP #1 (BRAND INDEX) TABLE		
BRAND MAGIC	INDEX SCORE	USA DTC SALES 2023
PRADA	86	289,256,284
HERMES	83	1,023,943,020
BOTTEGA VENETA	79	176,571,000
FERRAGAMO	83	17,204,454