

# Boucheron luxury brand's market research

People



## **HISTORY**

The House of Boucheron is French family dynasty founded by Frederic Boucheron in 1858. Four generations of the Boucheron family helped the brand to become a worldwide leader in Haute-Couture Jewelry market, expanding the brand to the four corners of the globe. Frederic Boucheron was the first jeweler to move to Place Vendome which he did in 1983.

Legend has it that he chose 26 Place Vendome, where Boucheron remains to our days, because it was sunniest corner of this square. He believed that the diamonds in the windows will sparkle all brilliantly. Czar Alexander III was a client, as was his son, the doomed Nicholas II.

Her Majesty Queen Elizabeth, the Queen Mother was especially fond of Boucheron tiara which she inherited from Lady Greville, who originally purchased it from the House. Her grand son Prince Charles passed the tiara onto his wife Camille, Duchess of Cornwall as a wedding gift. Queen Elizabeth of England also has a collection of Boucheron jewels as did Wallis Simpson the Duchess of Windsor. American royalty are also collectors of Boucheron creations. Household names like Astors, Vanderbilts and Rockefellers have returned again and again to this jeweler for exceptional pieces of High Jewelry.

Actors and artists have also been fans of Boucheron since it opened its doors 150 years ago. Caroline Otero, the temptress known as La Belle Otero, when she was a cabaret dancer at the turn of the 19th century was a Boucheron enthusiast as was the famed theater actress Sarah Bernhardt and the writers Oscar Wilde and Marcel Proust. Why film stars including Greta

Garbo, Rita Hayworth, Penelope Cruz, Cameron Diaz, Kristin Scott Thomas, Rachel Weisz and Diane Kruger have all come under the Boucheron spell of spectacular creations.

**TIMELINE:**

1858- Frederic Boucheron opens his first store in the Galerie de Valois at Palais Royal, during the heyday of the Second Empire. 1866- Boucheron creates its atelier. 1867- Paris Universal Exhibition: Frederic Boucheron wins his first Gold Medal only 9 years after opening his first boutique. 1878 – Paris Universal Exhibition: The Foliage necklace, a sapphire and diamond set with a central sapphire of 159 carats, created for Mrs. H. Mackay, wins the Grand Prize. 1883- The Russian Prince Felix Yousouppoff purchases a corsage decorated with 6 detachable diamond bows during one of his visits to Paris. 1893- Frederic Boucheron moves to 26 Place Vendome in the residence of the Countess of Castiglione. He opens the largest boutique on the square.

1898- Boucheron opens a store in Moscow, later transferred to St. Petersburg in 1911. 1902- Frederic Boucheron dies, his son Louis succeeds him. 1921- Boucheron is commissioned to make tiara for Lady Greville; it was later given to England's Queen Elizabeth, the Queen Mother. 1928- Louis Boucheron is asked by the Maharajah of Patiala to set the stones of his treasure, which are brought to the Place Vendome boutique by the private guards of the Prince. 1930- The Shah of Iran asks Louis Boucheron to assess the Imperial Treasure of Persia and issues a decree naming him Official Curator and Guardian of the Treasure. 1959- Louis Boucheron dies, leaving his sons Fred and Gerard in charge of the business. Edith Piaf, the most popular French singer of her time, purchases a Boucheron watch for the love of her life, Marcel Cerdan.

1962- Fred Boucheron retires, leaving his brother Gerard as head of the establishment.

1970- In the 1970s the best selling snake line was created. 1973- Boucheron's first boutique opens in Japan. 1980- Gerard Boucheron retires and Alain Boucheron becomes a president and General Director. 1988- Boucheron launches its first women's fragrance in a ring shaped bottle. 1994- Boucheron takes of a new development in the sector of fashion accessories: The Boucheron Eyewear Collection. Boucheron sells to Schweizerhall. 2000- Gucci Group acquires the House of Boucheron. 2002- Boucheron launches the "Beaute geois" collection. 2003- Boucheron launches the "Not Bourgeois" collection 2004- Gucci Group is fully acquired by PPR. Jean-Christophe Bedois is appointed CEO.

The "Jaipur" High Jewelry line and the "Dechaine" collections are launched. 2005- Launch of four new jewelry lines: Trouble, Quatre, Diablotine, Vingt-Six. Boucheron opens its first boutique in Shanghai and its first flagship in Dubai. The start of the "Trouble Desir" High Jewelry Collection. 2006- Boucheron and Alexander McQueen collaborates together to create a limited edition Novak bag that incorporates the snake motif of Boucheron's Trouble line. Boucheron opens its first boutique in Hong Kong and Kuala Lumpur. Launch of the "Exquises Confines" line. 2008- Boucheron marks its 150th anniversary with a yearlong celebration.

## **CONCEPT AND UNIQUENESS**

The concept of Boucheron is to appeal to high-end customers who look for something unique in their jewelry. Through meeting target customers standards about design, materials, price and brand Boucheron has created a

market for luxury haute couture jewelry. Customers also appreciate the fact that all collections are manufactured in small quantities and that stones of the highest quality are used; in addition to diamonds, also sapphires, amethysts, emeralds, coral, onyx, and jade.

We wanted to develop innovative and creative way to introduce our rich heritage and approach to fine jewelry in way that enchants, amazes and amuses. We have a rich history that is beautifully brought alive. " Jean Christophe-Bedos, President, Boucheron The Responsible Jewellery Council (RJC) has announced in 2011 that Boucheron has achieved certification by meeting the ethical, human rights, social and environmental standards as established by the RJC's Member Certification System. " RJC warmly congratulates Boucheron on its certification.

The successful verification assessment of Boucheron was conducted by Philippe Arnaud from KPMG France, one of the independent third-party auditing firms accredited to the RJC's Member Certification System" Michael Rae, RJC's Chief Executive Officer. " Since 1858, Boucheron has adhered to the highest standards not only in the spectacular designs of its creations but also in upholding its strong ethical code. The RJC certification corresponds to the House's continued endeavor to embody excellence and responsible business practices both internally and externally; a commitment we share across the PPR Group" Pierre Bouissou, Boucheron's CEO

## **BUSINESS STRATEGY**

With the understanding that the conservative way was not an option, Boucheron plays on its long history of rousing the passions of sensual desire. This attitude has driven Boucheron's design and delicate craftsmanship and

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resulted in a heritage of enthusiastic stories and myths. Today it could motivate an entirely new approach to the market. The House's individual legacy shaped a way to connect the new luxury consumer on a essentially more personal, more passionate and less superficial level.

Boucheron has formed a marketplace approach that brings many industry innovations - a new service that redefines how the HNWI can experience and enjoy luxury jewelry; an exclusive retail concept that can voyage to the client rather than sit and wait for them; and product idea that raises the craft of the brand to the peak levels of art and business. When Boucheron has entered the US market the first element of the strategy was a "Desir", a collaboration with the creators of Spiegelworld, that brings alive the rich history of Boucheron in an personal and inspirational 100 year old hall of mirrors.

It was launched in New York in August 2008 and was set to benefit from a sellout three-month run at the South Seaport before opening two-year tour of US's most significant Luxury markets. "Set in a turn of the fin-de-siecle nightclub, Desir is meeting place for showgirls and soldiers, bejeweled courtesans and maharajahs, a carnival world devoted to the pursuit of beauty, clever seductions and breathtaking displays of acrobatic wonder. It is a sparkling merry-go-round where the last love affair is merely an entree to the next encounter.

More than any show in New York I can think of, Desir, with its cavalcade of professional beauties, does inspire thoughts of a time when well-dressed admirers queued up at dressing-room doors bearing gifts of flowers and jewelry. As for me, I'm thinking of coming back with a bouquet of catnip for

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that charming, fluffy-haired Persian who stopped the show when it walked a tightrope. " Ben Brantley, New York Times. Additionally to the show there was the Boutique Desir, a traveling boutique where, guests can find out Boucheron's universe and its creations; can touch, try and familiarize themselves with the pieces in a private ambiance.

Clients were then invited to the exclusive Bar Vendome, a VIP lounge where they could get pleasure from an memorable evening under the stars. Boucheron chose to launch their products in the BRIC countries as well, which consists of some of the most emerging markets in the world today. Additionally, the Middle East and India are also two extremely important markets for Boucheron, partly due to the strong responsiveness for jewelry. The sales in these countries are larger than in the western countries and the luxury company is exploiting the new wealth of the generations with high luxury awareness and taste.

### **MARKETING MIX Product:**

Boucheron sells hand-made haute-couture luxury jewelry made from fine materials like gold, platinum, diamonds, emeralds and sapphires. Along with every purchase the buyer receives superior service and is entitled to service which assists users with exclusive services like delivery and customization. One of the Boucheron`s specialties is color. Clients easily can distinguish Boucheron's line of jewelry by its designs. Its signature is visible in the form of motifs like floral, peacock feathers and snakes. Boucheron produces:

- Necklaces
- Pendants Bracelets
- Brooches

- Cufflinks
- Earrings
- Rings
- Wedding Jewelry
- Watches
- Perfumes (18 editions)

Sunglasses Price: Boucheron prices range: Rings from 2. 000 eur up to 30. 000 eur Earrings from 4. 000 eur to 41. 800 eur Necklaces from 12. 000 eur to 1. 000. 000 eur Brooches from 5. 000eur to 10. 400 eur The prices vary with the different collections and the materials that are used in them. Place: Boucheron jewelry is very selectively distributed. It is available at company-owned boutiques and flagship stores like London Jewelers, Goldsmiths, and Colette.

They recent store was opened in Doha`s West Bay community in Middle East. In keeping with its global design concept, the space is decorated using its signature aubergine and gold colour palette and affluent wooden decor. The Doha boutique domiciled Boucheron's iconic most collections, along with a range of exquisite high jeweler's creations. Boucheron locates its stores in luxury shopping districts, famous " Golden Triangles" of large metropolitan areas and opens relatively few stores.

Today, Boucheron operates more than 50 boutiques and over 100 certified retailers worldwide in addition to an online sales website. The boutiques are, intimate and have a luxury feeling. All sale locations can be found on [www. boucheron. fr](http://www.boucheron.fr) . Promotion: Boucheron acquires much publicity from sales to celebrities like: \* Chanel Iman \* Diane Kruger \* Natalia Vodianova \* Kira <https://assignbuster.com/boucheron-luxury-brands-market-research/>



Knightley \* Julianne Moore \* Raquel Zimmermann \* Anne Hathaway \* Mary-Kate Olsen \* Natsha Poly \* Lily Donaldson \* Salma Hayek \* And many others  
As well Boucheron has collaborated with Vertu.

Boucheron launches diverse collections at different times and only makes a certain number of some jewels in order to keep a prestigious image and be a focus for HNWI. Boucheron has an own website for publicity which features product descriptions and prices. Mostly promotion is running in Fashion Magazines like Vogue. POSITIONING Seeking to embody the opulence and grandeur of Parisienne life, Boucheron draws often upon iconic French women, each epitomizing a facet of the golden age, to act as muses in the creation of distinct sets of jewelry.

Each woman has its own distinctive way of wearing jewelry, which is the privilege of a woman, but she can vary own excitement strategy. Blink of an eye, the center will become a decorative pattern of brooches, pendants into earrings, necklace, or a deduction into a multifaceted hairpin. Boucheron blends the art of seduction and a charm with a woman`s desire to wear jewelry. Boucheron has positioned itself as the top-of-the-line targeting HNWI. Boucheron achieving this by using only the finest materials to create their products which are all handcrafted ensuring that every product is of perfect quality.

Boucheron will launch different collections each featuring different materials and designs which make the collections unique and prestigious; their most expensive line ever was a necklace Julia which cost 800, 000eur and Boucheron snake necklace for Maison du Chocolat which costs 900. 000 eur.

Boucheron collaborated with VERU luxury mobile phone maker, to extend their success and increase awareness in the luxury product world.

Boucheron offers superior and personalized service to its clients, guaranteeing customer satisfaction and loyalty. They also position themselves by showcasing the celebrities who own their products as an indication that their products are for the rich and famous. Boucheron has flagship stores all over the world in 50 countries however they open relatively few boutiques solely in luxury shopping districts of large cities and thus are considered selectively distributed. Boucheron boutiques are decadent, small, intimate venues which offer personalized service to clients wishing to make a purchase. Boucheron house very successfully preserves a prominent image with its ultra-luxurious products and superior service through its positioning.

### **TARGET CONSUMER**

The Boucheron jewelry is a highly luxurious product, which doubtlessly is made to fit the extremely wealthy population of this world. The main customers are rich and found in the urban areas, who are constantly searching for the extraordinary products. Furthermore, their flagship stores are situated in the finest areas, in order to attract the highly rich international shoppers.

### **CONSUMER-BASED BRAND EQUITY PYRAMID**

Brand Salience For Boucheron achieving right brand identity involves brand salience. Only richest people are aware of Boucheron because promotion is quite narrow.

However their target consumer for sure can recall and recognize this brand. So conclusion here is that Brand salience is more depth than breadth. This

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basically means that even though there are not yet many people knowing Boucheron, but those who do, they know all insights of it, can easily remember it and realize what this brand is about. Brand Performance The product itself is at the heart of brand equity, as it is the primary influence of what consumers experience with a brand, what they hear about the brand from others, and what the brand can tell customers about the brand in their communication.

Brand Performance relates to the ways in which the product or service attempts to meet customers' functional needs. This is on top level for Boucheron brand. It is crucial to contribute to customers' desires, wants and needs. Boucheron brand highly represents all what their HNWI customers want to have for paying a high price. The product is highly durable; it has distinctive logo, premium pricing and quality handcraft. All customer services provided for clients by Boucheron also attributes to brand's performance.

#### Brand Imagery

Another variable CBBE Pyramid is second type of brand meaning which involves brand imagery. Imagery deals with such a properties of a product, which meets customers' psychological needs. It is more about what people think of it, how they see it. Boucheron imagery is extremely individualistic and stylish. When customer is buying Boucheron cell he/she buys a beauty of it. As of Boucheron customer has a strong judgment of a brand as high quality luxury product. Credibility is high and customer see Boucheron as superior, advantageous brand. Brand Judgments

Brand judgments focus upon customers' personal opinions and evaluation with regard to brand. This involves how consumer put together all from <https://assignbuster.com/boucheron-luxury-brands-market-research/>

performance and imagery association to make kind of an evaluation. Boucheron clients evaluate this brand as a high quality luxury brand. Brand Feelings This variable shows emotional response with respect to Boucheron brand. It shows what feelings are evoked by the marketing strategy for the Boucheron and how does it affect feelings about themselves and relationships with others. Customer of Boucheron is for sure status-conscious person.

Customers of Boucheron have a unique and warmth feeling about the brand. It can be exciting due to special relationship of beauty and handcraft in brand's products. Customer feels it is trendy and relates to special status and therefore social approval. Customer feels high security within this brand due to all advantages provided. As Boucheron makes consumer feel better self-respect, pride, fulfillment and accomplishment also occurs. Brand Resonance Final variable of pyramid shows brand relationships with a customer based on Salience, Performance, Imagery, Judgments and Feelings.

As for Boucheron even if general awareness is low the behavioral loyalty is very high, customer want to get back to this brand, consequently repeat purchase is possible. Brand loyalty is necessary but not sufficient for resonance to occur. Within Boucheron brand customer is not returning to this brand again due to, for example, scarce of substitutes. Boucheron attained their main goal- strong personal attachment to brand.

### **SWOT ANALYSIS FOR BOUCHERON STRENGTH**

- Masterpiece of design and craftsmanship
- Innovative brand Strong reputation (Products have established strong reputation in their field)

- Global expansion (Includes significant growth over last 10 years)
- Customer service \* Control of Quality

## **WEAKNESSES**

- Extremely high production price (which leads to high product price)
- Limited access as distribution is exclusive and limited
- Not enough practical promotion and advertising

## **OPPORTUNITIES**

- Emerging markets
- Mix Boucheron styling with some big Fashion Brand like Gucci
- Change of consumer lifestyle (growing demand from young and senior people)

## **THREATS**

Increasing Quality of Competing Products and Number of those

Importance of counterfeiting COMPETITORS GRAFF VAN CLEEF ; ARPELS  
PIAGET

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