

COURSE INFORMATION

Course: MRKTB8697-1-The Marketing of Luxury Products

Term: MBA - A Term - 3.0 credit hours

Schedule: TR 2PM – 5:15PM

Seat Capacity: 24

Location: TBA

Instructor Information:

Ketty Pucci-Sisti Maisonrouge

Adjunct Professor, Marketing Division

E-mail: km@kmandcoinc.com

Office Hours: Tuesday after class and Thursday before class, by appointment only

Teaching Assistants:

Allison Bart

2023 MBA Candidate

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COURSE DESCRIPTION AND OBJECTIVES

The class addresses the unique properties, opportunities, and challenges of the luxury industry by studying issues relevant to the field in the various aspects of the business. The course structure includes presentations by faculty and industry executives, discussions, and the team project.

In the current challenging global environment, luxury can seem either out of touch or a way to indulge in self-care and positivity. Today, is luxury the ultimate sign of personal success, the fulfillment of individual dreams, or an inappropriate display of financial disparities? What are the challenges inherent to this industry today? This class addresses the idiosyncrasies of the luxury industry by studying issues relevant to the field in the various aspects of the business, from production and management to distribution and promotion.

In this intense program, Columbia Business School MBA students will work in teams to solve three actual projects created exclusively for this class by **Chanel, Audemars Piguet, and Cartier**. Each student will be assigned to one project and will work in smaller groups according to each project's needs. Students will work on specific aspects of the projects and the teams will coordinate their research and recommendations to present to the company's executives during three class sessions and a final press conference. **Students are required to attend the final press conference on October 27, 2022.**

Thus, the objectives of the course are:

- To understand the importance of thorough research, customer experience, retail observation, and psychographics to develop new strategies for the evolution of the luxury industry
- To use your previous experience and knowledge and apply it to this specific industry and project
- To sharpen your presentation skills in front of the participating company's senior executives
- To learn how to work efficiently in teams under tight time constraints

- To take advantage of the unique opportunity to interact with senior executives of these world-renowned firms and understand from their feedback what makes a good solution to the real-life issues at hand

APPLICATION PROCESS

The course will be offered to 24 Columbia Business School MBA students. 8 MBA students will work on each project. **Students are selected to participate in the class by application only.**

The application will close on **Friday, June 24th, 2022 at 5pm ET.**

The application will require the student's resume, a brief bio, as well as a 250-word paragraph on why you are interested in participating and what skill sets and knowledge you would contribute to the project. Students will also need to rank their preferences (Chanel, Audemars Piguet, and Cartier). We cannot guarantee that students will get their top choice but will do our best to match them with their preferences.

All applications must be submitted here: <https://forms.gle/EgjGsWE5nXnLCAYF7>

Students will be notified of their assigned project, team, and topic by **July 7th, 2022 and will need to confirm their seat in the class by July 15th, 2022.**

ATTENDANCE POLICY

The Fall 2022 Master Class will be offered in-person and all classes are mandatory.

There will be **four company** meetings that occur during the designated class time; they will take place on Tuesday, September 6th, Tuesday, September 20th, Thursday, September 29th, and Thursday, October 13th.

These company meetings will take place in-person at the company headquarters, if possible.

Due to the length of company meetings, they will be scheduled between 12:30pm-5:15pm on the second, third, and fourth meetings. Students will only be expected to attend their company meeting for the duration of 1.5 hours.

The final press conference will include all teams and is after the A-term on Thursday, October 27th (timing TBC).

Attendance at all classes is mandatory. Failure to attend class and/or company meetings will impact your final grade. Please also note that unexcused tardiness will also impact your final grade. Attendance will be conducted promptly at the beginning of the class. If a student misses two (2) unexcused sessions, the student's grade will automatically be lowered by two (2) full grades (e.g., H to P, HP to LP, P to fail). If a student misses three (3) unexcused sessions or more sessions, they will fail the class.

Constructive participation in team activities is also expected from every student. If you are ill, you must contact Professor Maisonrouge and your TAs prior to class and arrange to deliver your work to your team.

PROJECT DESCRIPTION BRIEFS

CHANEL

What is important to the US luxury consumer in terms of CSR and how is it evolving?

- Consider Chanel's various categories (e.g. beauty, jewelry, fashion) and how CSR applies (e.g., clean beauty, synthetic diamonds, sustainable fashion)
- How does CSR impact purchasing and how important is it to consumers?
- How can Chanel communicate its CSR to consumers?
- How will CSR evolve in the future?

AUDEMARS PIGUET

What is the consumer decision journey for high net worth women under 30 in the luxury watch space?

- What is the overall consumer journey for high net worth women under 30?
 - Who are these consumers and what are their attitudes towards luxury watches?
 - What do their day-to-day lifestyles look like?
 - Where do they learn about new brands?
 - What channels (e.g., stores, newsletters, blogs, social media, commercials) do they engage with?
 - How do they make purchasing decisions?
- What recommendations would you give to Audemars Piguet to increase awareness and consideration?
 - What is the overall strategy / vision?
 - How would this be executed across channels (e.g., in-store, online, social media)?

CARTIER

How does Cartier align and maintain the highest level, seamless experience in both in-store and digital channels?

- What are the clients' expectations as far as customer experience and service? Is Cartier currently not offering certain services?
- How does Cartier continue to share knowledge, expert advice, and communicate on its value-added services to the younger audience? What opportunities are there to engage clients outside of new purchases? How does Cartier communicate the value so that they can keep their pieces for years to come?
 - Expectations prior to purchase
 - Care after purchase
 - Value-added or complimentary services (timepiece warranty, engraving, embossing, straps, etc.)

COURSE CONTENTS

Classroom activities are broken down into four parts:

1. Presentations and discussions focusing on the luxury landscape, luxury startups, and case studies, including: Introduction to Luxury Fundamentals, Luxury Dynamics, Luxury Startups, and Challenges of Luxury Startups
2. Group working time and review of students' presentations drafts ahead of company meetings
3. Three team presentations to the company's senior executives
4. Guest Speakers, CEOs, and other luxury specialists who will share their views on specific issues of the luxury industry, such as counterfeiting, the challenges of the luxury market, and their companies. Past guest speakers have included Robert Chavez, President & CEO, Hermès of Paris, Inc; Joanna Dubin, President, Fendi; Gianfranco d'Attis, Managing Director Americas, Dior; Ian McLernon, CEO Americas, Remy Cointreau

ASSIGNMENTS

September 2nd, 2022: ADMINISTRATIVE SUBMISSIONS

Students selected for the class will need to submit:

- 1) Signed NDA document (available on Canvas)
- 2) Contact details (best email and telephone number to reach you)

For all of the following assignments, guidelines, templates, and past student research will be posted on Canvas to help guide students on what is expected.

September 14th, 2022: INDIVIDUAL RESEARCH

1) Mystery shopping chart

The chart will be used to summarize the results of the Chanel, Audemars Piguet, or Cartier boutique mystery shopping (depending on assigned project). Please check Canvas for examples of good and unsatisfactory assessment charts from past projects.

Please note: A chart that only has YES/NO/NA for answers will receive a poor grade. Please be thorough.

2) Powerpoint presentation summarizing individual research

The PPT deliverable will summarize the results of individual research on the client and one additional brand. Please refer to the full project descriptions to understand what each student must prepare. As a team, the various topics must be fully covered.

Please note: The research and work to be done to prepare for this deliverable represents around 10-12 hours of work. Therefore, we recommend students to review all deliverables and start their research as soon as they are selected for the class.

September 15th, 2022:

DRAFT OF TEAM RESEARCH

Each team will be responsible for compiling their team's individual research and presenting findings in a coherent PowerPoint presentation format.

The group research should include their competitive research including key insights across individual research and a draft of survey/focus group questions.

September 17th, 2022: FINAL TEAM RESEARCH

The team research should integrate comments from faculty. Students will present this team research to companies in the following class. This team presentation will count towards the presentations portion of the grade.

September 23rd, 2022: DRAFT PRELIMINARY RECOMMENDATIONS AND SECONDARY RESEARCH

Students will incorporate the feedback from the company teams to define a set of preliminary recommendations. Students will also share their secondary research and survey/focus group findings. Students will present these preliminary recommendations to the company for additional feedback.

September 27th, 2022: FINAL PRELIMINARY RECOMMENDATIONS AND SECONDARY RESEARCH

The team research should integrate comments from faculty. Students will present preliminary recommendations to companies in the following class. This team presentation will count towards the presentations portion of the grade.

October 7th, 2022: DRAFT FINAL RECOMMENDATIONS

Based on the company team's feedback, each team will detail their final recommendations. Students will receive comments from faculty and are expected to address them before they present their final recommendations to company executives.

October 11th, 2022: FINAL RECOMMENDATIONS

The team research should integrate comments from faculty. Students will present final recommendations to companies in the following class. This team presentation will count towards the presentations portion of the grade.