DIGITAL TRANSFORMATION

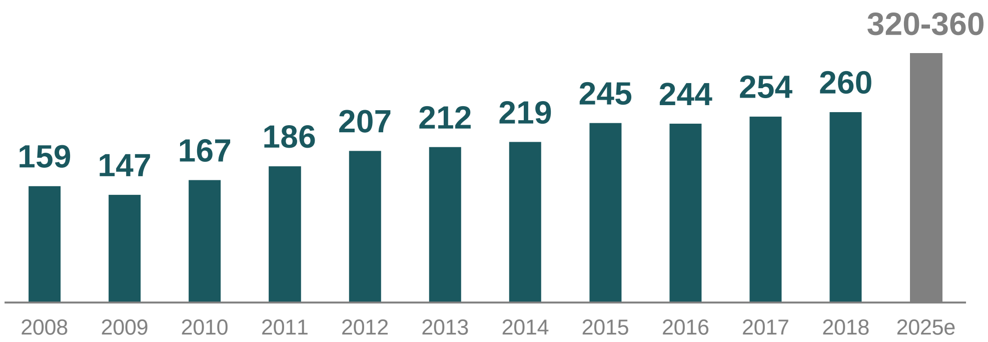
A WORLD OF OPPORTUNITIES FOR THE GROUP AND ITS HOUSES

KERING CAPITAL MARKETS DAY
JUNE 7, 2019

LUXURY INDUSTRY CHANGED RADICALLY OVER THE PAST DECADE AND WILL CONTINUE TO DO SO

PERSONAL LUXURY GOODS MARKET

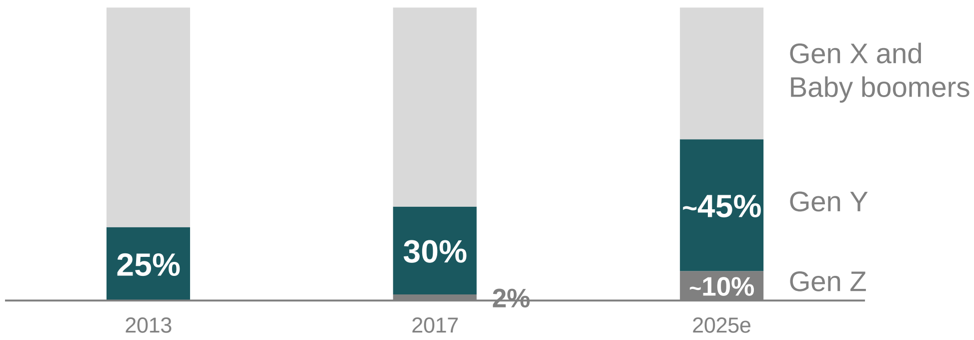
In €bn
Source: Bain/Altagamma



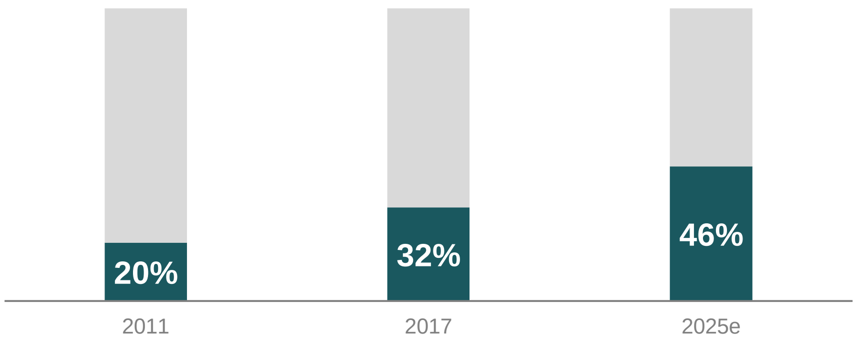
CAGR 2008-2018: +5%

CAGR 2018-2025e: +3/+5%

Share by generation
Source: Bain/Altagamma

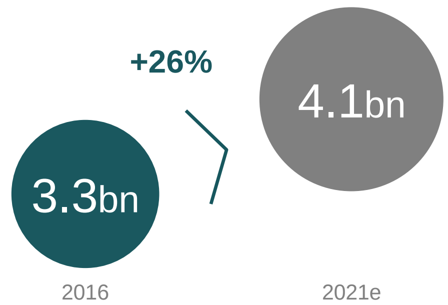


Share of Chinese spending
Source: Bain/Altagamma

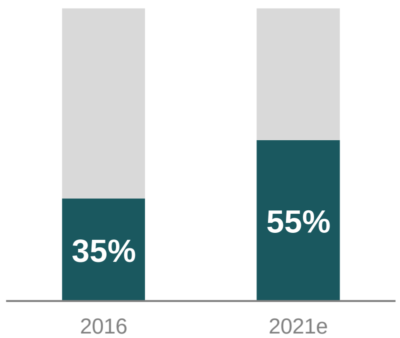


CONSUMER BEHAVIOR

Worldwide internet users
Source: eMarketer

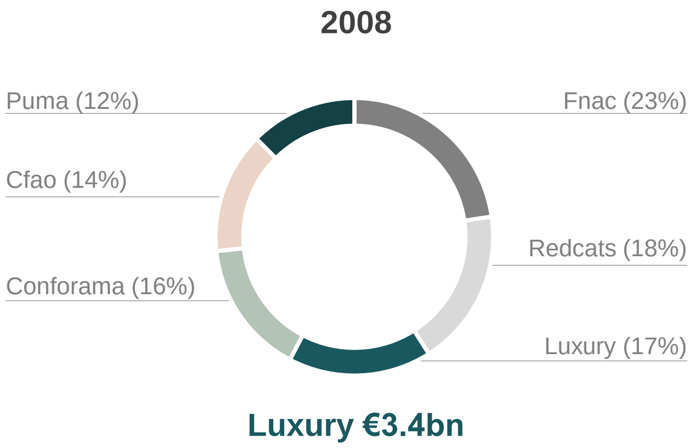


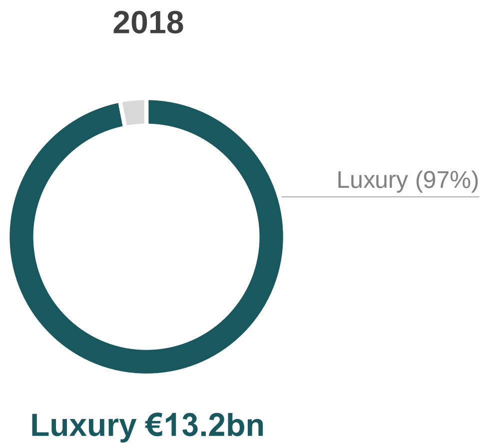
Worldwide share of mobile commerce vs. total e-commerce
Source: Euromonitor



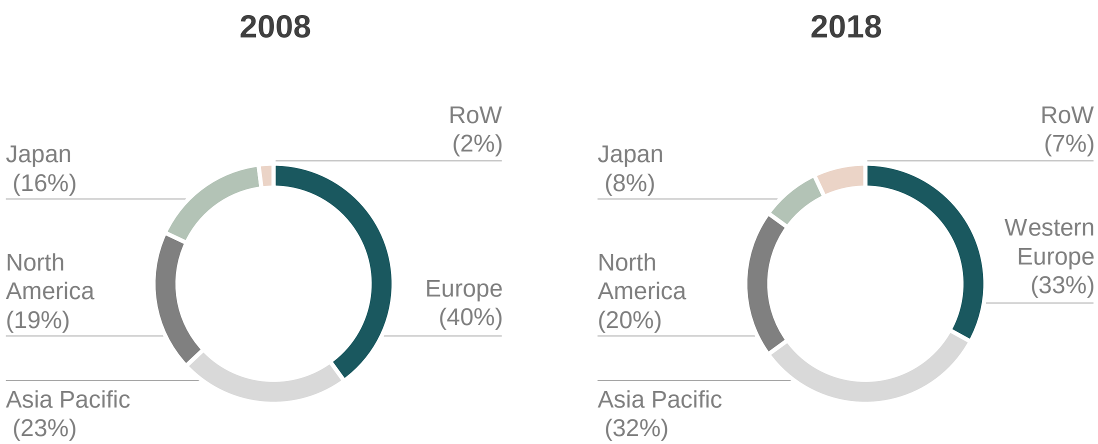
KERING COMPLETED ITS TRANSFORMATION…

KERING REVENUE BREAKDOWN

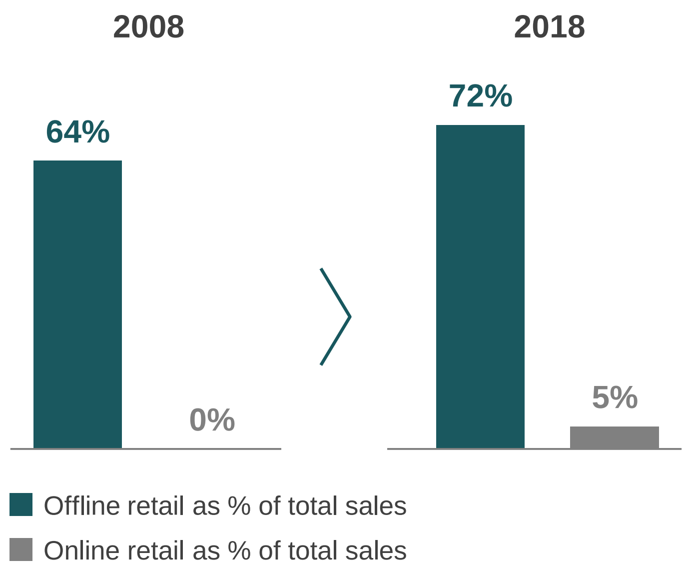




KERING LUXURY GEOGRAPHIC MIX



KERING LUXURY CHANNEL MIX



... AND IS WELL POSITIONED TO LEVERAGE THE NEW LUXURY ENVIRONMENT

A DEMAND-DRIVEN SUPPLY CHAIN

AGILITY TO MEET INSTANT REQUESTS

OMNICHANNEL AS A MUST

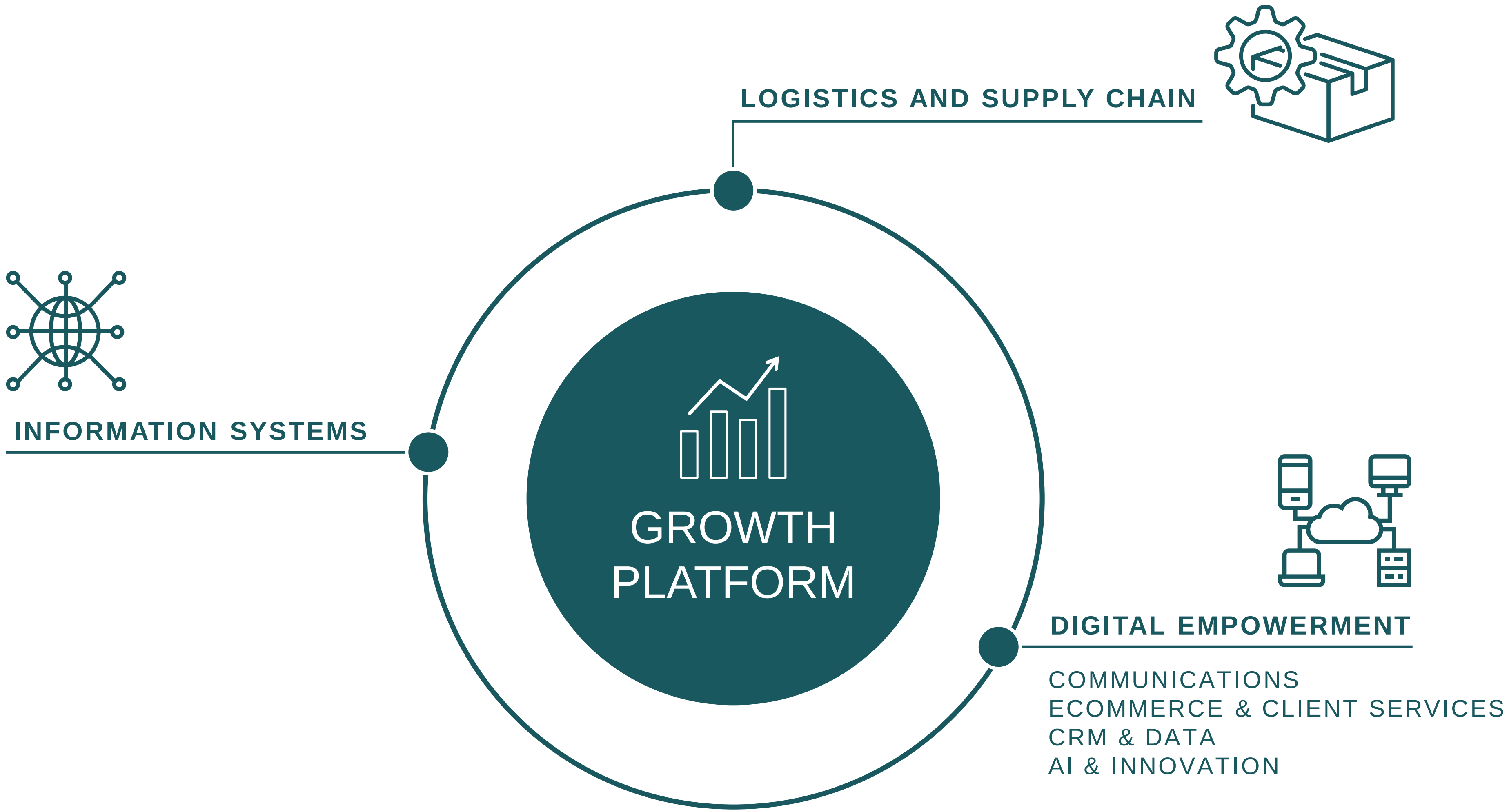
SEAMLESS EXPERIENCE ACROSS CHANNELS AND GEOGRAPHIES

NUMEROUS TOUCHPOINTS

BALANCING SCALE AND PERSONALIZATION

GROWTH PLATFORM TO SUPPORT OPERATIONS AND IMPROVE EFFICIENCY

A GROWTH PLATFORM ENCOMPASSING THREE KEY COMPONENTS



INFORMATION SYSTEMS ENABLER

REAL-TIME ACCESS TO A SINGLE SOURCE OF DATA THANKS TO ERP ROLLOUT

STATE-OF-THE ART AND INTEGRATED IT SOLUTIONS

NEW AGILE METHODOLOGIES

CYBERSECURITY AND PROCEDURES

KEY MILESTONES

JUNE 2018
Global CRM solution in all regions

JUNE 2019
Digital App for SAs in all regions

Q2 2020
New ecomm channel

2019-2020
SAP rollout in EMEA

2020-2022
SAP rollout in AMER and APAC

OPTIMIZED LOGISTICS AND SUPPLY CHAIN

NEW LOGISTICS FOOTPRINT WITH INCREASED CAPACITY AND STATE-OF-THE-ART AUTOMATION

FASTER TIME-TO-MARKET FOR COLLECTION SETUP

SHORTER LEAD-TIME FOR IN-SEASON REPLENISHMENT

WIDER RANGE OF OMNICHANNEL SERVICES

INVENTORY MUTUALIZED ACROSS CHANNELS

EFFICIENT INVENTORY COVERAGE

NEW OPERATING MODEL

MORE SCALABLE FOOTPRINT

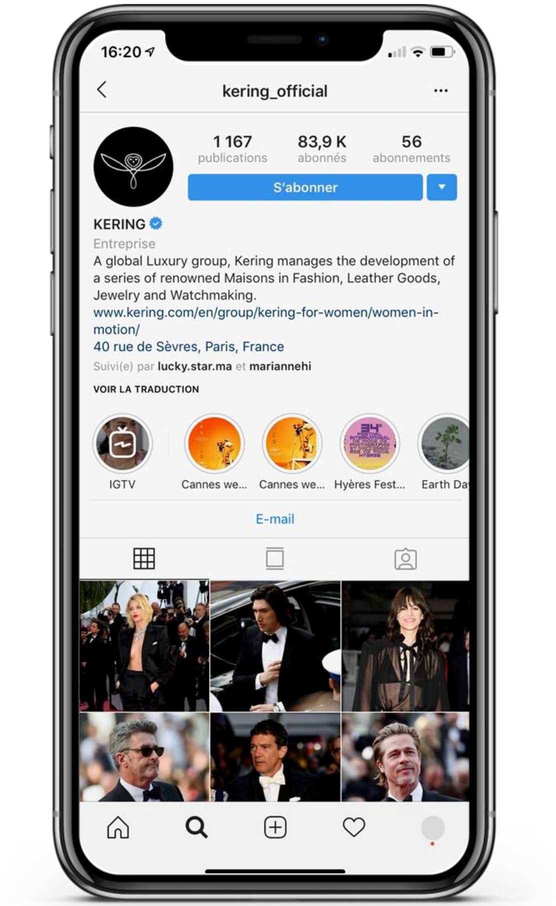
PROCESSES & EQUIPMENT

KEY MILESTONES

- New Logistics Distribution Centers
- Regional/Country DC
- Local DC
- City Hubs

SEPT 2019	Q1 2020 / Q1 2021	2021-22 (tbc)
New Wayne, NJ (USA) Distribution Center	Trecate (Italy) DC Phase I & II	APAC and Middle-East

DIGITAL EMPOWERMENT



ACCELERATING
OUR DIGITAL TRANSFORMATION

FEDERATING AND INTERNALIZING
ECOMM AND CLIENT SERVICES

BUILDING TOP CRM AND DATA
SCIENCE CAPABILITIES