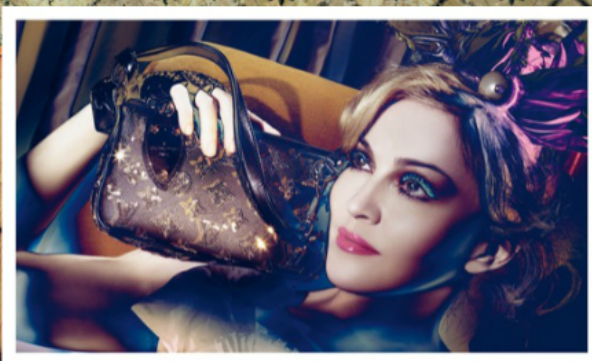




Moët Hennessy Espana





Overview of LVMH

• Founded «house of Louis Vuitton» in 1854
• Headquartered in Paris
• Louis Vuitton merged with Moët Hennessy in 1987
• Distinguished five business lines

Wine & spirits **Fashion & leather**
Watches & jewelry **Perfumes & cosmetics**
Selective retailing

• Operating around 1500 stores and 50 brands over the world

Value Proposition
The long history, exceptional quality, creativity, innovation, association with art, position Louis Vuitton as the Master of Luxury in consumer mind.

Key success factors of the luxury sector
• Exclusive and limited size production
• Price as value premium
• Focus on the B to B market
• Focus on the B to C market
• Focus on the B to C market
• Focus on the B to C market

Strategic decisions

Strategic Defaults
• Acquisition of Christian Louboutin
• Acquisition of Dior and given 10% shares
• Acquisition of the French

Problems as a result
• How to achieve the full value of value?
• How to manage the different brands?
• How to manage the different brands?

Strategic challenge
Diversify customers choice includes Acquisition of products

SWOT

Political
• Political stability
• Political stability

Economical
• Economic growth
• Economic growth

Social
• Social stability
• Social stability

Technological
• Technological innovation
• Technological innovation

Porter Analysis

A Moët & Chandon champagne bottle with a golden liquid splash, surrounded by a circular Porter Analysis diagram.

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Niche Positioning

The long history, exceptional quality, creativity, innovation, association with art, position Louis Vuitton as the Master of Luxury in consumers' mind.



Fashion & leather



LVHM Segmentation and Targeting

Geographic Segmentation

By expanding in countries with high density, such as China, India, Russia and lately Brazil.

Demographic Segmentation

targeting both genders, men and women, from 16 to 80 years and obviously wealthy.

Business men and women with yearly high income and disposable income.

Psychographic Segmentation

Louis Vuitton uses psychographic segmentations: in countries such as China and Brazil people need to show their social status, and wealth. Louis Vuitton appeals to this customers with status related motives.

Key success factors of the luxury sector

- *Innovate and develop new products
- *Have an online presence
- *Invest in the distribution channels
- *Know how to manage the gross margin
- *Invest in advertising and media to develop the brand perception



TAGHeuer

FONDE  EN 1743
MOËT & CHANDON
CHAMPAGNE



GUERLAIN
PARIS



Château d'Yquem

FENDI

SEPHORA
- MAKEUP - SKINCARE

Christian Dior
PARFUMS