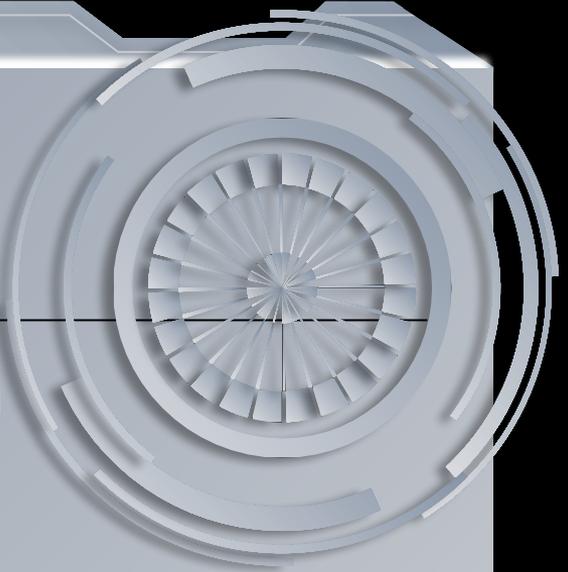
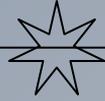


ITC3224E
Interim Group
Presentation
Balmal



n
Hui Hei Yan, Catherine 20046098D
Jim Yu Ching, Natalie 20045605D
Ko Sze Nga, Koko 21029564D
Chau Yin, Yvette 21029343D
Lai Chu Yi, Joey 20014809D

2022



0

**Executive
ive**

1

**Summ
ary**

Proposal Significance & Relevance

amidst the digital changeover in recent years. Olivier Rousteing reframed Balmain, presenting a new brand image of **BOLD**, **FUTURISM** and **FASHION FORWARD**. They have established the world's first all-digital modelling agency- Balmain's New Virtual Army as their first step responding towards the growing virtual fashion world.

Inspired by story how the Chief Director of Balmain pushes the brand forward, being innovative and emphasises their uniqueness in product development. Topping up the trending **smart home furniture** market, we propose the creation of **smart wearables** and furniture with a **VR space** where explorers could engage with the brand and anticipate in their new events.

This project aims to make Balmain an **innovative futuristic** brand that





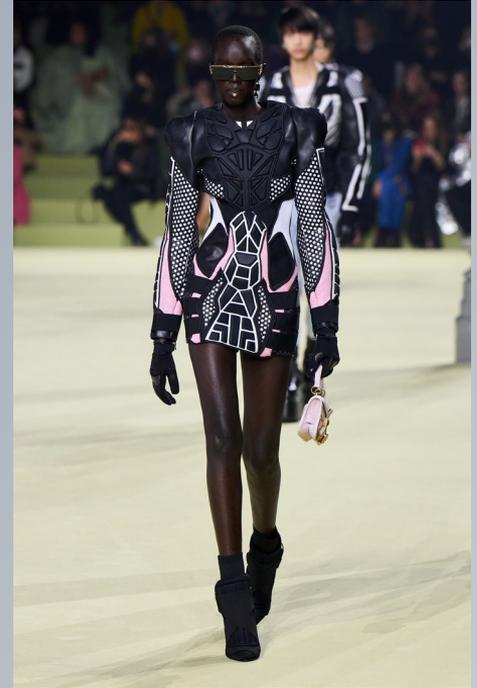
0 **NEW
BUSINESS
CONCEPT**

2

Design Aspiration

Referencing to the 2022 F/W runway, Olivier Rousteing's design has proposed an **armor** against online image dysmorphia. The metaphorically illustrative **protective wear** was inspired by the bandaging and recovery gear Rousteing had been forced to wear after suffering burns in his house fire.

The use of motorsport equipment, ancient armor, modern militaria and, by the look of it, Marvel costume direction in this collection strongly portrayed the revolutionary battle Balmain has been through these years. Prior even to Christian Dior, Balmain's imagination was the fashion green shoot most at the **vanguard of Paris's post-war reconstruction and emergence.**

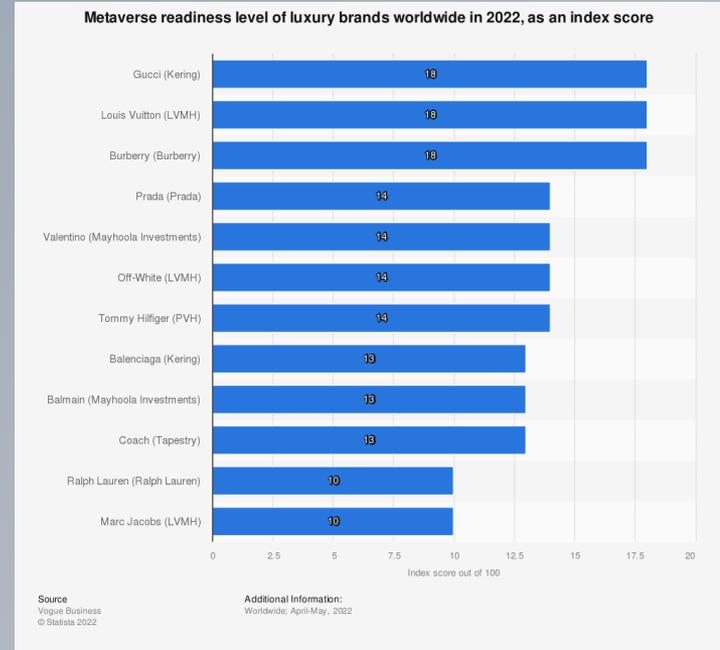


Design Aspiration

Understanding Balmain is gradually setting up their market in metaverse to engage new customers and buyers.

They have created their virtual model army, virtual showroom and even avatar for the creative director himself to house their collection.

Statistics also shown Balmain as one of the top brands with metaverse readiness that could develop in advance.



Design Concept

Futuristic & Experimental

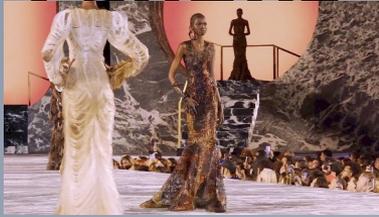
- ❖ Create a **spacious space** (REALITY) base on the theme of an **outer space** theming futuristic nothingness
 - Echoes with the story how Olivier Rousteing build up the current Balmain that he changes everything, reframing it all over again
- ❖ Build a space (VIRTUAL) where new target customers can **interact** with the brand
- ❖ Calls up customers' **anticipation and engagement** in the making of garment and runway show

“Aiming to attract and expand Balmain’s audiences to cover a younger generation and create a loud market noise”

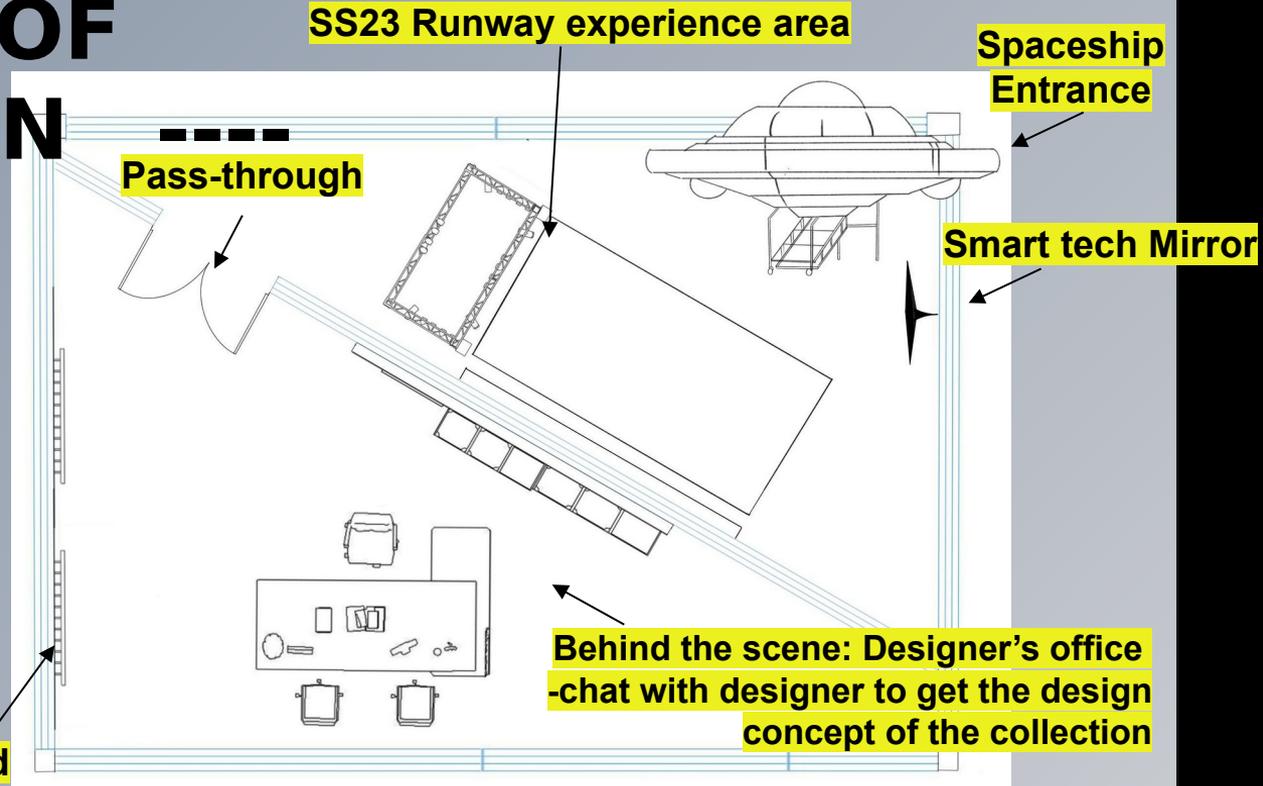
Theme Board



HOUSE OF BALMAIN Layout



Moodboard



HOUSE OF BALMAIN

-ZEPETO
WORLD-



House of Balmain



Spaceship
Capsule



Designer's office



Runway



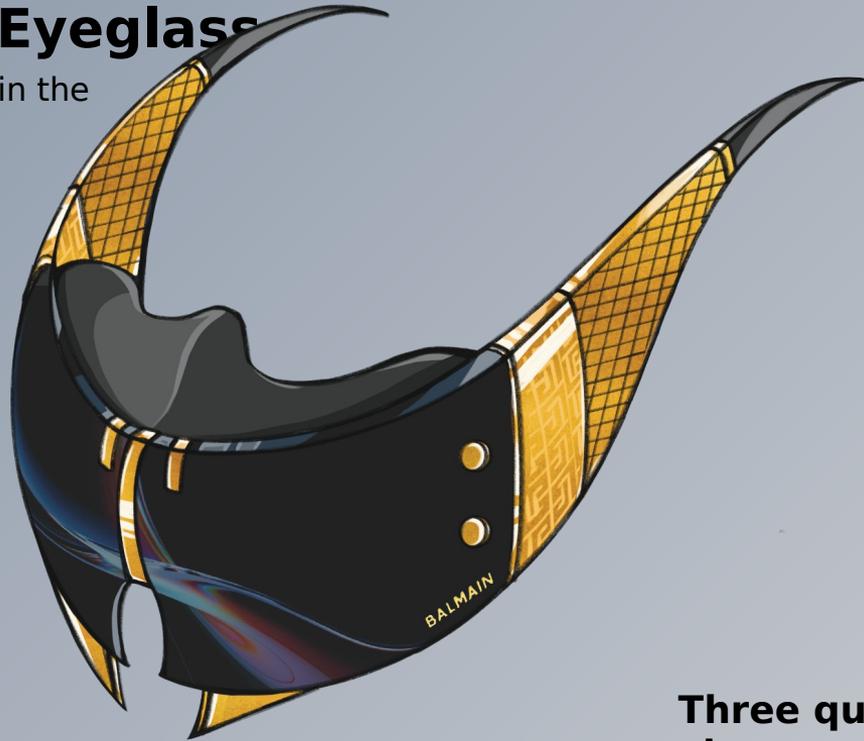


0 **Product
Design**

3

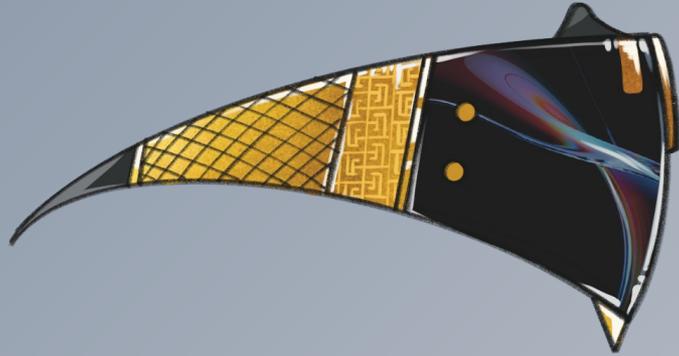
Balmain AR Eyeglass

- Visualize the place in the metaverse.



**Three quarters
view**

Balmain AR Eyeglass



Side View



Top View

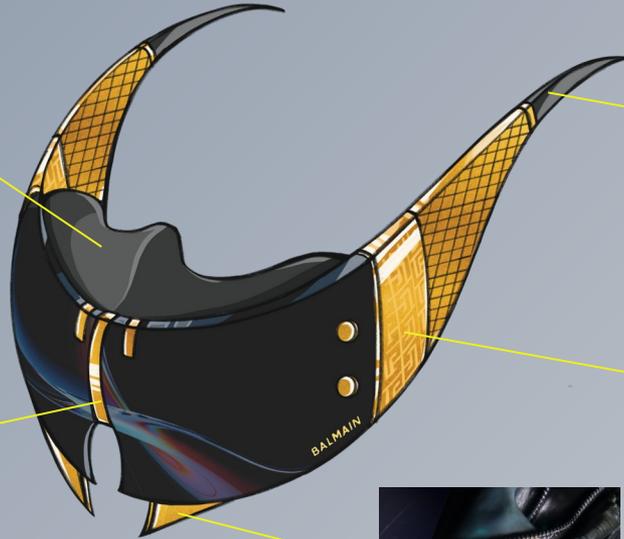
Product Inspiration & Functions



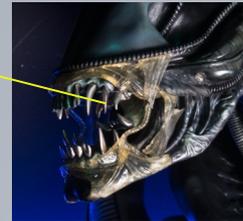
- Can completely protect the eye and prevent light from affecting visual sight through the eyeglass.



- Thick golden bridge with a futuristic appearance
- Can cover a larger area—similar to a safety goggle



- The pointy part replicates the sharp teeth of aliens.
- It is also use to place perfume tablets to

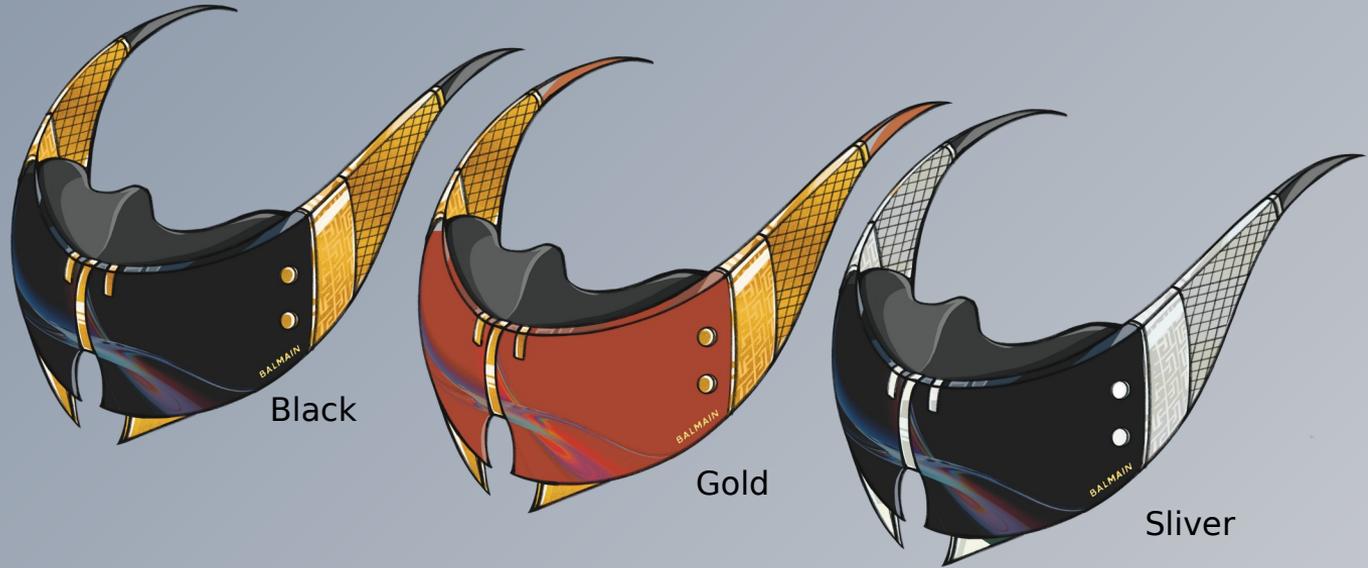


- Sharp and clean streamlines earpieces resemble the body design of spaceship



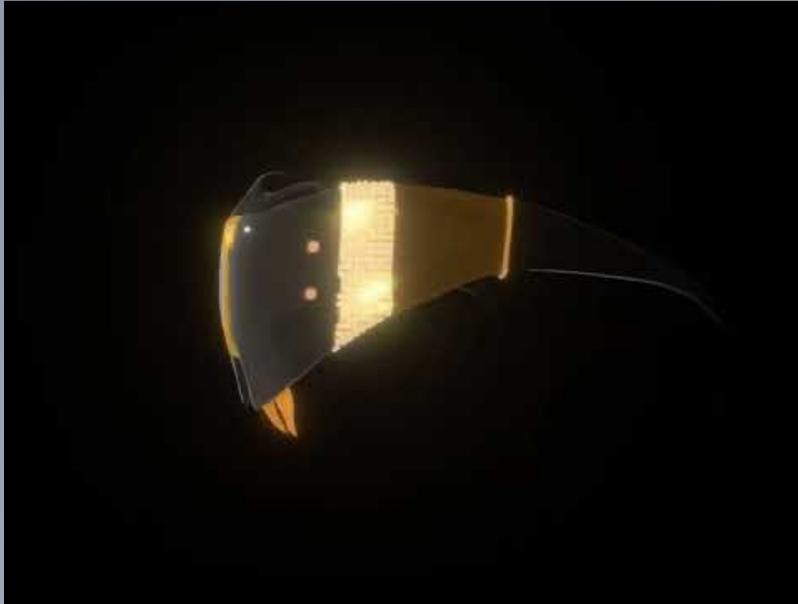
- Logo print at the arm which inspired by the Latest Balmain eyewear
- Thick hinge also reflects the main characteristic of Balmain eyeglass

Color variation



- A range of colour schemes are in line with youngsters buying preference and can also attract diverse types of clients.

3D Render of Glasses

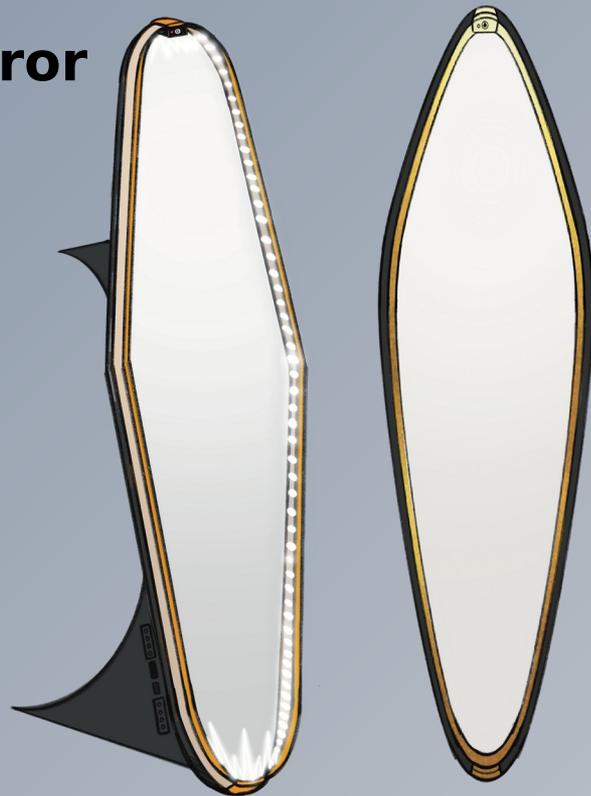


3D Render made by
NOMAD showcases
the design details of
the product,

Including monogram
of brand logo

<https://youtu.be/ajAMmKaC1Lc>

Smart Mirror



**Front & three quarters
view**

Mirror Structure

Gold Frame

Matching with Balmain's brand DNA

Capacitive touch

Support the operation of smart mirror

Pointy backstand

The shape is inspired from the spaceship's fuselage echoing the design of the Ar eyeglasses.



Camera

Projection purpose

Electroplate

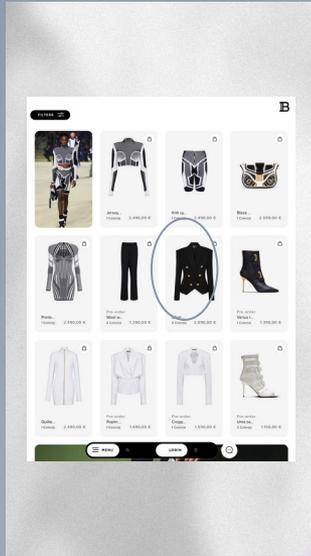
It is long-lasting. Also used by NASA to increase the reflectivity of their astronomical telescopes.

LED light

Provide extra light for fitting

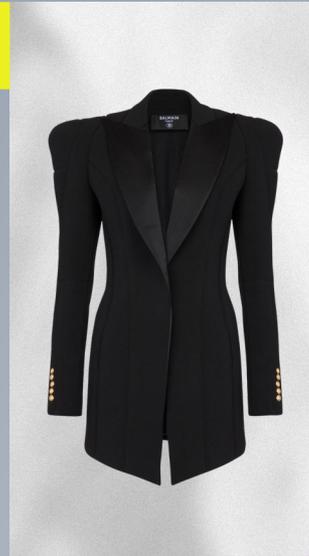
Operations

1



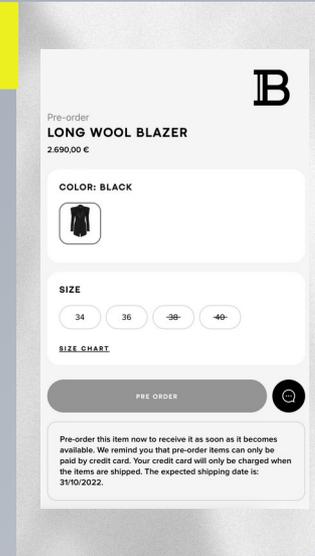
The most recent season will be displayed on the mirror

2



Customers are free to make their own selections.

3



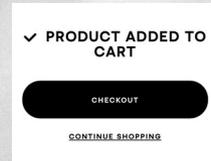
Displaying design details such as item origin, color, material and sizes

4



The camera will project the chosen item onto the customer's body, allowing them to preview the design.

5



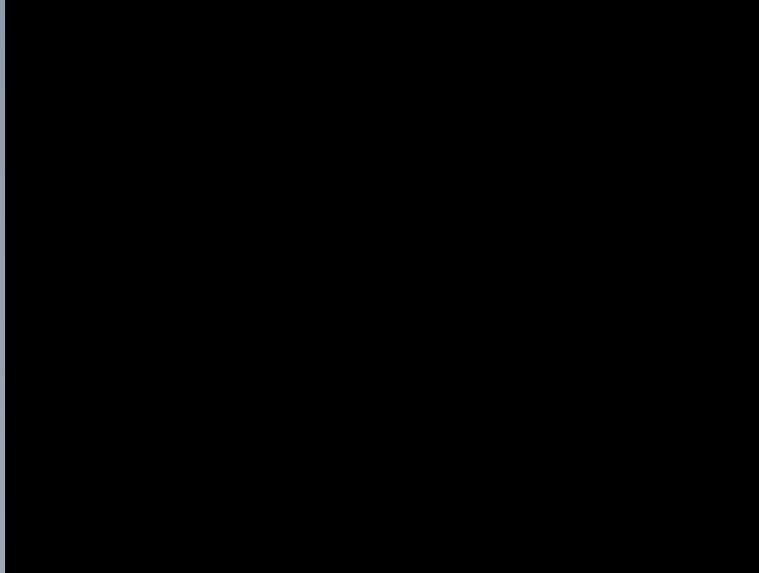
Following customer confirmation, the item will be added to the cart and await payment.

6

Thank You for purchase

Customers will only receive their purchases after they left the venue, preventing them from carrying too many items and enhancing their shopping experience.

3D Render of Mirror



3D Render made by
NOMAD showcases
the design details of
the product

Including camera and
shimmering lighting
function

[https://youtube.com/shorts/dgUlgzTKn-A?
feature=share](https://youtube.com/shorts/dgUlgzTKn-A?feature=share)

Balmain Operation

<https://youtu.be/mGfBRUS07WU>



04

**MARKE
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ANALYS
IS**



Market

Trend

Luxury Furniture

- Covid-19 changes consumer's lifestyle and behaviour.
- People enable to work from home.
- Turning home into a workplace.
- Increasing the standard and requirement of furniture.
- Total production of furniture in

(Hong Kong Trade Development Council, HKTDC, 2022)

2021 grew by 14.5% from 1.12 billion pieces.



Market



Trend

Luxury Furniture

- Many luxury fashion brands have branched out into the business of interiors.
- Luxury Furniture Market size was valued at USD 21.08 billion in 2020
- Making the furniture market of luxury fashion brands become saturated
- High competitive &

Louis Vuitton



Hermes



Gucci



Ralph Lauren

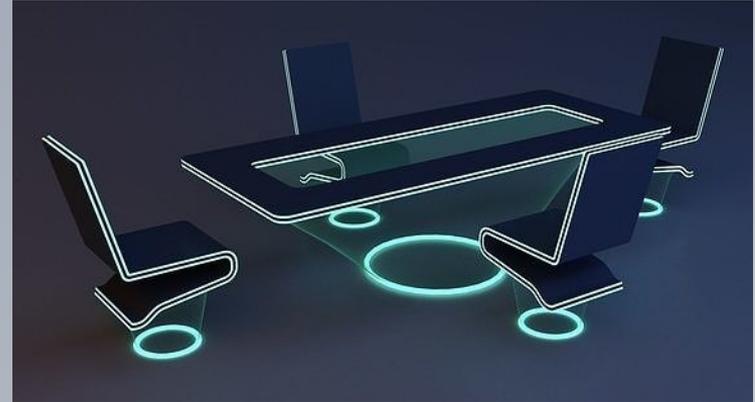
Market



Trend

Smart Furniture

- Smart furniture technology is an extension of the smart home trend that has become especially popular over the last couple of years, since the start of the COVID-19 pandemic.
- Smart home furniture is designed for meeting the needs of modern-day lifestyles (Saltzman, 2021)
- Providing a fresh and innovative lifestyle



Market



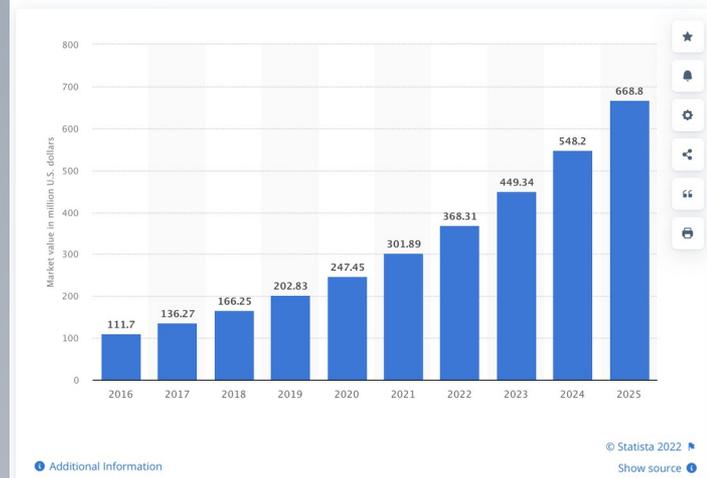
Trend Smart Furniture

- People are looking for a space that could satisfy their different needs in daily life.
- There's so much more they want to be done in their an area now... The definition of furniture has been elevated to a different level

(Leung, 2022)

- USD 368.31 million in 2022
- This market was forecast to reach a value of around USD 668.8 million in 2025

Smart furniture market size worldwide from 2016 to 2025
(in million U.S. dollars)



(Global Smart Furniture Market, 2022)

(Statista Research Department, 2022)

Industry Analysis



Common Smart Furniture Items



Mirror



Sofa



Tea Table



Bed



Desk

SWOT Analysis



STRENGTHS: Unique Brand Positioning

- ❖ Olivier Rousteing is the billboard for Balmain, with rebel and disruptive uniqueness
- ❖ Rich in historical craftsmanship, adopting bold and forward aesthetics
- ❖ Create market noise through fashion forward runway presentation and celebrity endorsement
- ❖ Solo design presentation of Olivier, build irreplaceable and representative brand characteristics



SWOT Analysis



STGENTHS: Online Communication Strategy

- ❖ Since Olivier take over Balmain, he invest a lot in social media and digital platforms, that are dominating the future of fashion
- ❖ Social influence are largely built across the social media platforms by engaging with customers with the belief of "Online does not only provide shopping experiences but a



2019-11-27	Wed	10,470,760	+19,769
2019-12-08	Sun	10,470,760	-15,794
2019-12-09	Mon	10,477,751	+6,976
2019-12-17	Tue	10,485,890	+8,145
2019-12-24	Tue	10,488,453	+2,557
2020-01-04	Sat	10,490,770	+2,317
2020-01-13	Mon	10,497,736	+6,966
2020-01-24	Fri	10,526,466	+28,730
2020-02-03	Mon	10,552,326	+25,860
2020-02-14	Fri	10,573,173	+20,847
2020-03-17	Tue	10,646,963	+73,790
2020-02-23	Wed	10,795,946	+149,023
2020-12-28	Mon	10,803,301	+7,315
2021-01-06	Wed	10,814,582	+11,281
2021-01-21	Thu	10,821,970	+7,388
IG Total Summary		Followers	+1,168,438

Balmain has significant increase of followers on Instagram

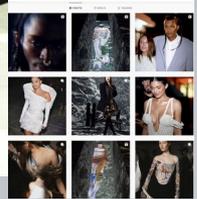
SWOT Analysis

WEAKNESSES: Trend Forward

- ❖ Olivier Rousteing has always be labelled a boundary-pushing designer, translating his design as bold and fashion forward
- ❖ Breakthrough, Innovative, Experimental becomes three key terms in his design philosophy
- ❖ Collection has a distinct presentation season to season that are unable to reinterpret
- ❖ Showy & Costume-like



**"When you're young, you don't care about the system; you want to create your own system."
-Olivier Rousteing**



SWOT Analysis



OPPORTUNITIES: Rapid Collaborations Between Brands

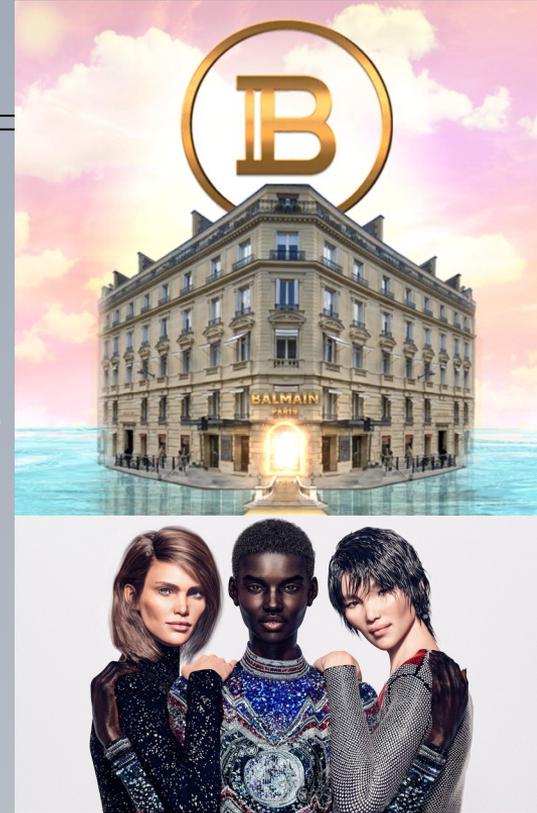
- ❖ Collaboration with brands are one of the main strategy for both brands to attract new audiences and gain market influences
- ❖ Balmain has built significant collaborations with H&M, Barbie, Pokemon which receive positive market feedback
- ❖ Balmain should consider increasing collaborations with other brands and expand their influences in multiple industry



SWOT Analysis

OPPORTUNITIES: Virtual Fashion

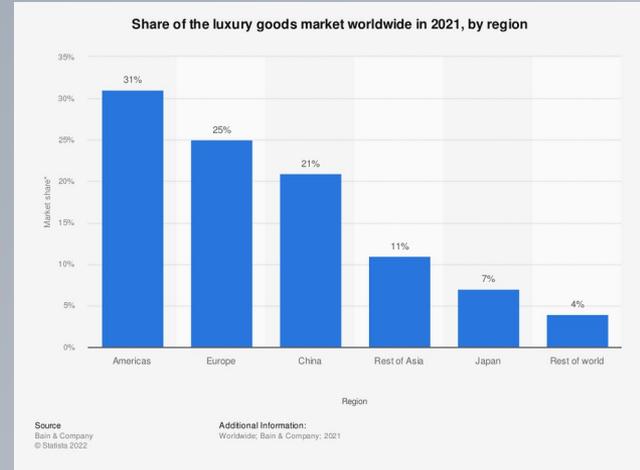
- ❖ Dedicated in searching new opportunities at the metaverse
- ❖ Creative Director of Balmain- Olivier Rousteing become the first designer created his own avatar
- ❖ BALMAIN established their world's first all digital modelling agency- Balmain's Virtual Army showcasing the key looks in their virtual showroom
- ❖ Believing metaverse would be another platform for the brand to engage with new audiences
- ❖ The advancement in VR and AR



SWOT Analysis

THREATS: Growing Market Value of the Asian Market

- ❖ The Asian market mainly China, being the emerging market of luxury fashion
- ❖ Competitors of Balmain has expanded their market share towards China, adapting the traditional festivals into their product design considerations, increasing market noises
- ❖ Balmain should expand their market and broaden their customer base especially when the Chinese has increasing fashion influence through the



0 COMPET
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ANALYSI
5 S



Luxury Brand Competitor

	Gucci Décor 2017	Versace Home 1992	Armani/ Casa 2000
Year of launch			
Design Philosophy	<ul style="list-style-type: none"> - Gorgeou, vintage and romantic - Renaissance style 	<ul style="list-style-type: none"> - Grandeur, luxury and drama 	<ul style="list-style-type: none"> - Elegance, essentiality and simplicity - Focuses on simple lines and perfect
Design Style	<ul style="list-style-type: none"> - Bright contrasting colours - Vividly striking prints - Motifs of tigers, birds, and large florals 	<ul style="list-style-type: none"> - Bold motifs - Main colours is black, gold, and white - Medusa, Baroque and Cheetah prints 	<ul style="list-style-type: none"> - Combines art and design - Enriched by precious materials, refined finishes, and elegant textiles.

Position Map



Protential Smart Furniture Competitor

Lutron

Crestron

Control4

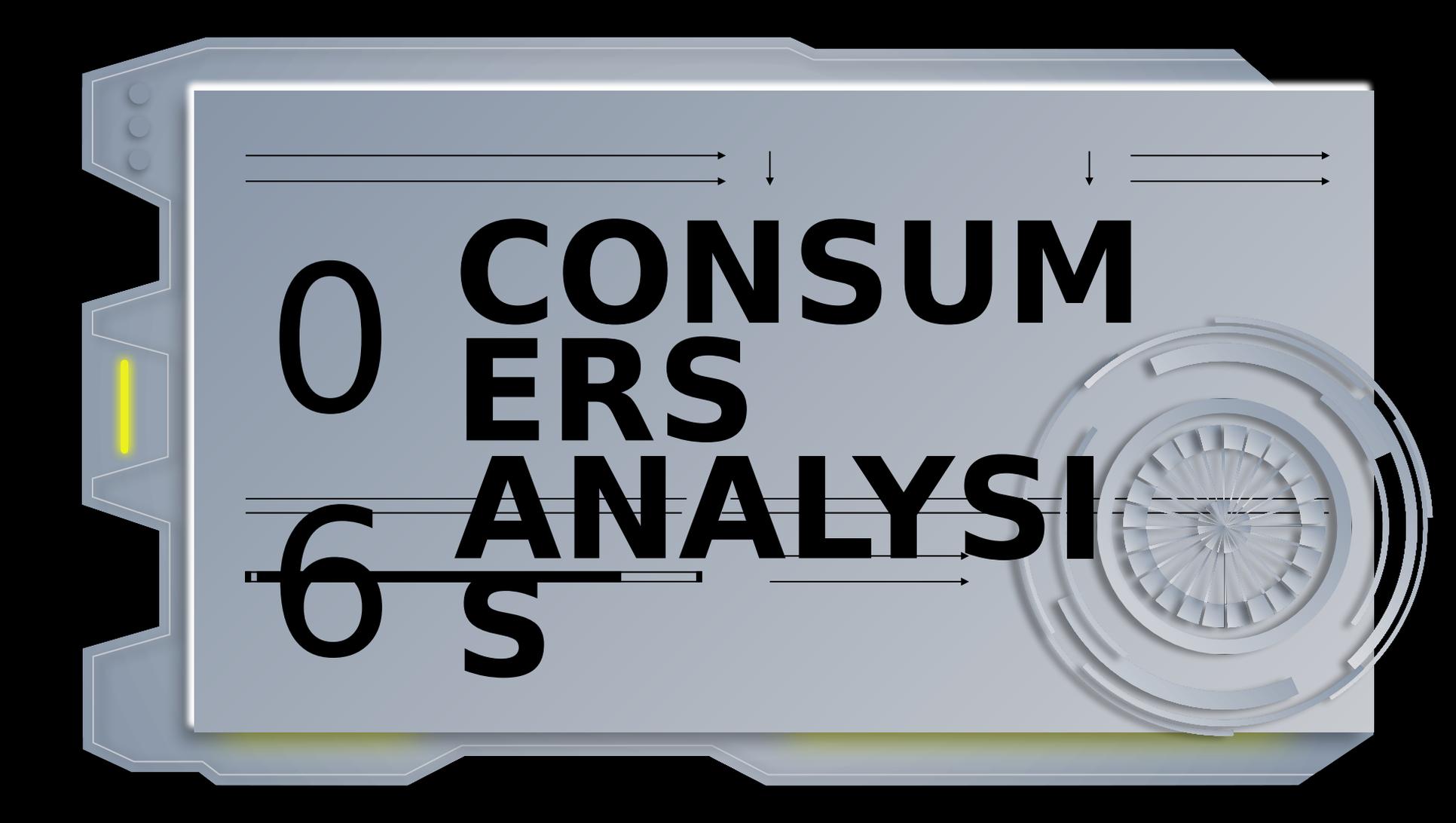
	Lutron	Crestron	Control4
Year of launch	1961	1971	2003
Founding location	America	America	America
Brand Mission	Technology-centered and people-driven	- create automation solutions that transform the way people live their lives and working	- Deliver an elegant and more affordable way to control and automate in a single room or throughout an entire property
Main Product	Lighting Controls Make extra	Home Automation	Smart Home Control

Potential Competitor Position Map



COMPETITOR ANALYSIS

- Balmain has not been involved in the furniture business in the past
- If Balmain wants to expand new markets, it will face different competitors
- Luxury Fashion Brand Competitor
- Although Balmain faces many competitors, according to market analysis, we can see that the smart furniture market will show a good trend in the future.
- When Balmain develops smart furniture market, this help the brand customer



0 CONSUMERS
6 ANALYSIS

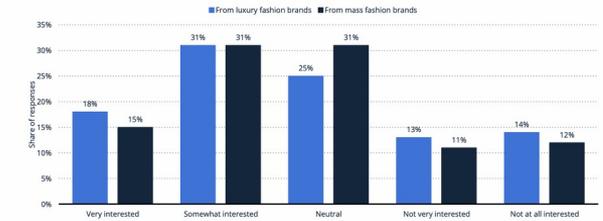
Demographic

Gender	Female & Male
Age	18-40
Generation	Mainly focused on the Millennials and Gen Z
Income	Higher income level & middle

- Shift in the market towards an ever younger consumer to upper social class
- The Millennials make up about a quarter of the world's population with about 1.7 billion people. (CABIGIOSU, 2021)
- Higher acceptability and interested in the digitalization of luxury fashion industry

Level of interest in purchasing digital assets from luxury and mass fashion companies among Gen Z, Gen Y and Gen X consumers in the United States in 2021

Interest in purchasing digital fashion assets among Gen Pop in the U.S., 2021



Source: Statista, based on a survey of 1,000 U.S. consumers aged 18-40, conducted in August 2021. The survey asked respondents to rate their interest in purchasing digital fashion assets from luxury and mass fashion brands. The chart shows the percentage of respondents who chose each interest level for each brand type. [Statista](#)

Psychographic



Millennials use social media to contribute with their posts, share experiences, search information & participate to a community >>
Make noise and increase Balmain's brand exposure on social media

Personalities
unique,

independent, creative,
resourceful

Lifestyle
edge, open-mind,

lifestyle; interested in
art, fashion,

Bold, edgy,

Cutting-

chic

music,

Behavioural

Benefit soughts
Entertainment, Craftmenships,
concepts
Product usage rate
Frequency of
frequent "I buy what

Design

Light user

Less

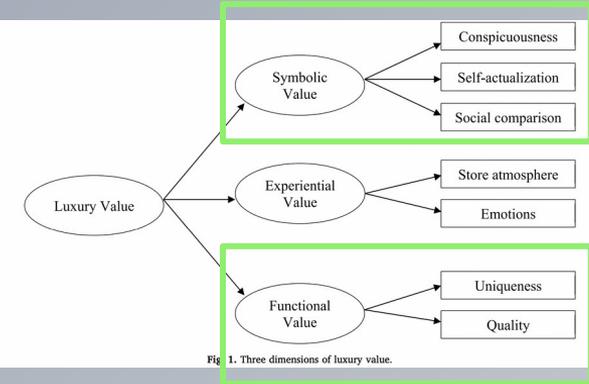


Fig. 1. Three dimensions of luxury value.

Was there a specific reason/occasion for buying fashion and accessories from a premium/luxury brand?										
	Grand Total		Age (generations)							
			Traditionals & Baby Boomer (1922-1964)		Generation X (Baby Bust) (1965-1979)		Millennials / Generation Y (1980-1994)		iGen / Gen Z (1995-2012)	
	960	in %	40*	in %	220	in %	455	in %	245	in %
Base										
To treat myself	571	59	20	50	124	56	283	62	144	59
A gift for a special occasion (birthday, wedding)	512	53	13	32	117	53	244	54	138	56
To fit in with my social circle	264	28	7	18	62	28	136	30	59	24
To show status	221	23	7	18	55	25	113	25	46	19
A gift for my partner	295	31	7	18	68	31	159	35	61	25
Abroad during a trip	154	16	6	15	30	14	87	19	31	13
To reward myself when I achieved something	468	49	14	35	85	39	248	55	121	49
To have the right look for an occasion	457	48	13	32	89	40	240	53	115	47
None of the above	23	2	4	10	11	5	4	1	4	2

Survey Name:

Content Specialist: Lutz Preuss

0

PRICING STRATE GY

7



Price Set Up



Criteria

- Pricing is incredibly important for luxury business.
- Driving down prices changes a brand's value perception
- Destroying brand equity when the price is setting too low or high

Criteria:

- Balmain → Luxury Brand (Langer, 2020)
- Price should be set based on the brand position in the luxury/smart furniture market
- Making sure target audience is affordable



Production Fee

AR Glasses		Smart Mirror	
Titanium Frame	USD \$47	Technological Touched Screen/Monitor	USD \$53
Function Processor	USD \$36	Decorative LED Light/Frame	USD \$74
Microdisplays (OLED/LCD)	USD \$53	Camera	USD \$39
Invention & Design & Laboratory Costs: USD 7 million		Function Processor	
Glass Components	USD \$14		USD \$57

Case Study: Google Glasses

- Selling at USD \$ 1,400
- Material cost: USD

The material cost is not as expensive as imagine

- More investment in Invention &

Design & Laboratory Costs

Market Price (Luxury Furniture Brands)

Brand	Price Range	
Gucci	Mirror : USD \$3,800 - \$7,900 	Sunglasses : USD \$ 291 - USD \$ 1542 
Louis Vuitton	Mirror : USD \$11,000 - USD \$17,300 	Sunglasses : USD \$ 511 - USD \$ 1,022 
Versace	Mirror : USD \$ 5,900 - USD \$ 10,900 	Sunglasses : USD \$ 245 - USD \$ 300 
Armani	Mirror : USD \$6,700 - USD \$ 800 	Sunglasses : USD \$ 159 - USD \$ 203 

Market Price

(Technological Items)



Item	Price Range
Smart Mirror	USD \$3, 821 - USD \$ 9, 800
AR Glasses	USD \$ 700 - USD \$ 1, 600

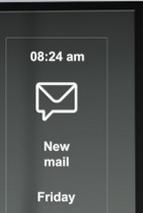
Discovery:

- The average price of smart items is sometimes similar or even higher than some luxury brands.

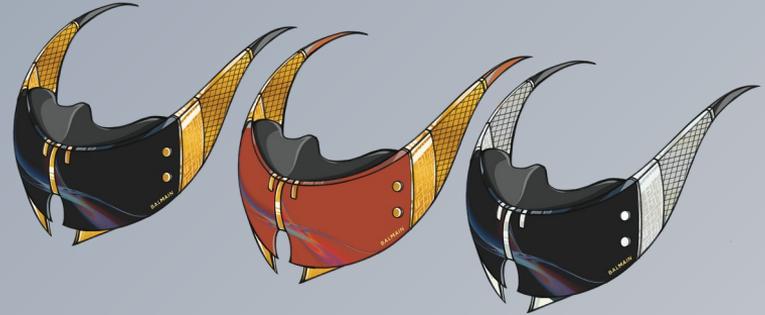
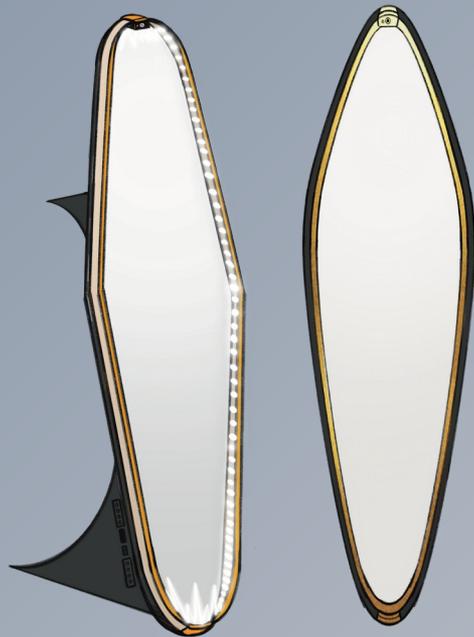


Pricing Research

- Smart Furniture is more expensive than traditional single-purpose furnishing.
- Key Features: Quality, style, durability and multi-functionality
- Making use of innovative technologies
- Enables them to perform multiple functions
- Combining with fashion,



Estimated Price



Estimated Price of Balmain Items

AR
Eyeglasses

USD \$ 1,700

08

**PLACE &
RETAILING
STRATEGY**



Distribution Channel

1. Exhibition (Physical)

- People can experience the products in the exhibition
- Pre-order service is provided
- More instant feedback and interaction
- Attracting attention, creating topics in town for attracting more people to visit

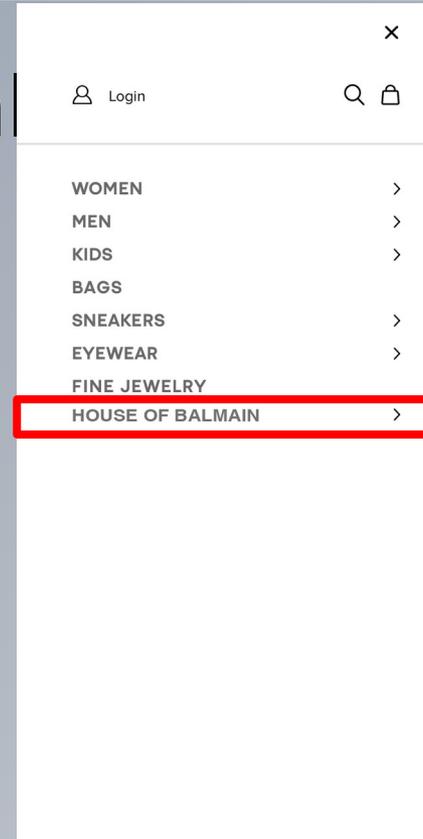
2. Website (Online)

- Online channel is also provided for those people cannot visit the exhibition
- Showing the details of product/information
 - No geographical and time limitation
 - High transparency in

Place Strategy - Online

Balmain Website

- Adding a new category in official website, 'HOUSE OF BALMAIN'
- Delivery service is also provided after ordering online.
- Online customer service for customers' inquiry



Place Strategy - Online

ENJOY BALMAIN ONLINE SALE ON OUR WOMEN AND MEN SELECTED ITEMS

Login

- WOMEN >
- MEN >
- KIDS >
- BAGS >
- SNEAKERS >
- EYEWEAR >
- FINE JEWELRY >
- HOUSE OF BALMAIN >**

BOUTIQUES

+1 646 343 9792

BALMAIN
PARIS

HOUSE OF BALMAIN

ENTER

Place Strategy - Online



HOUSE OF BALMAIN

IB

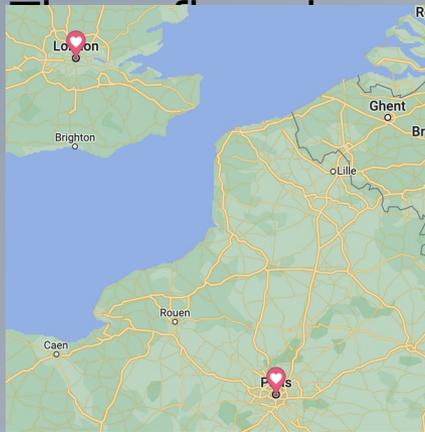
FILTERS



Place Strategy - Exhibition

Venue: Paris, London, Tokyo, Hong Kong, Shanghai

- Headquarters in France



Place Strategy - Exhibition

HK as an example

Address: K11 HACC

L2, K11 ATELIER King's Road, 728
King's Road, Quarry Bay Hong Kong

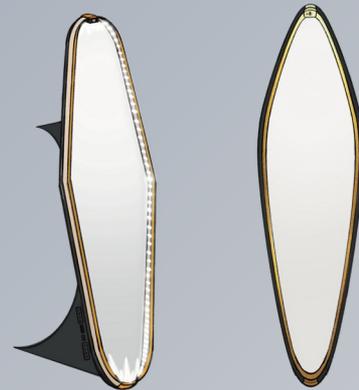
- K11 HACC is a multi-purpose art space
- Presents contemporary art in different forms
- Good location
- For artists, designers and organisations to exhibit and promote their work



Place Strategy - Exhibition

At exhibition:

- Customers will experience Balmain AR Eyeglasses and smart mirror
- The staff will introduce the products to the customers (such as product features, details, usage...)



- Products are available for pre-order

Place Strategy - Exhibition

Why choose an exhibition?

1. Face-to-Face Interaction

- Allows Balmain to interact personally with potential customers
- It provides an opportunity for two-way direct communication with the public. It is a highly centralized and efficient communication method.

1. Help build Balmain proximity

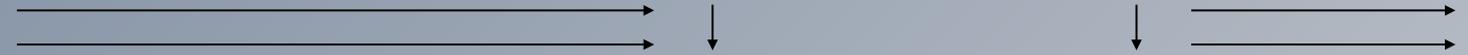
- With the help of engaging and appealing exhibition designs, to attract maximum visitors to our exhibition, get consumers to the Balmain exhibition and then connect with them through products and services.
- Once they develop a sense of brand closeness, they automatically connect to Balmain. This also helps Balmain in

Why choose an exhibition?

- 3. A good time to promote a new products**
 - Ability to make new products instantly gain a lot of attention (public, buyers, media...)

- 5. Increase brand awareness**
 - It can make the brand appear in front of the target audience, which is to enhance the brand image, obtain media and social media exposure

0 PROMOTION
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HOUSE OF BALMAIN

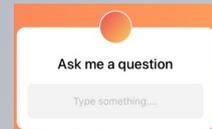
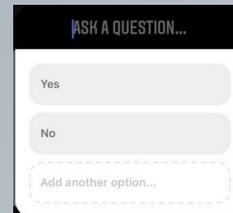
Exhibition

- On the open day, VIP, celebrities and influencers will be invited to attend, Use their influence to promote the exhibition and new products.
- Offer loyal customers an exclusive preview, AR eyeglasses and smart mirror are pre-sold in the exhibition, and loyal customers can pre-order and get new products at the first time.

They are most likely to not only buy it but also promote it to th

Pre-Product Launch Promotion

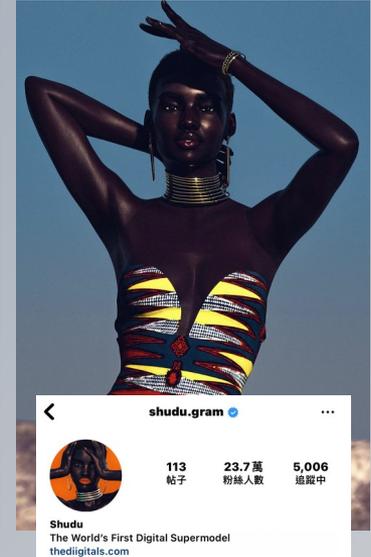
- Promote on Instagram, Facebook, and TikTok
- Instagram & TikTok & Facebook (Reels — Virtual world video, AR eyeglass manufacturing process video, AR eyeglass and smart mirror detail video.)
- Instagram & Facebook (Posts — Co-post with influencers, exhibition and products.



Stories

Collaboration with virtual influencers

- Invite three virtual influencers for a virtual runway.
- Their image fits our theme (Futuristic, Virtual and fashionable)
- Use their



Offline Promotion

- Set up street posters in popular places in five countries (Paris, London, Tokyo, Hong Kong, Shanghai)
- Sell advertising in fashion magazines (Vogue, Elle, Harper's Bazaar, Cosmopolitan...)
- Transport advertising (Bus



Work Distribution



Jim Yu Ching, Natalie 20045605D	Executive Summary, SWOT Analysis, New Business Concept, Product 3D rendering
Hui Hei Yan, Catherine 20046098D	Theme Board, Consumer Analysis, House of Balmain layout & ZEPETO world
Lai Chu Yi, Joey 20014809D	Brand Position, Products design , Product illustration, Mirror Website Video
Chau Yin, Yvette 21029343D	Market Trend (Luxury Furniture/Smart Furniture), Industry Analysis, Pricing Strategy, Place and Retailing Strategy

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-THE END-

**Thank
You!**

