

An aerial, high-angle photograph of a courtyard at night. The ground is covered in dark, textured gravel. Several small, rounded, green trees are planted in dark, square, raised planters. Each planter contains a small, glowing lantern, casting a warm light. The trees are arranged in a circular pattern around the center of the courtyard. In the bottom left corner, a curved, dark metal railing is visible. The overall atmosphere is serene and elegant.

BVLGARI

HOTELS & RESORTS

Bulgari Resort, Thailand

Summer 2020

THE TEAM



Mitty Xiang

Best practice & key success factors
Consumer behavioral analysis
Expansion characteristics
Process book



Kudzayi Kanyama

Expansion strategy
Situational analysis
Consumer lifestyle analysis
Marketing mix
Executive pitch
Renders



Markia Brown

Key industry trends
Competitive analysis
Brand positioning strategy
Executive pitch



Fakirrah Brown

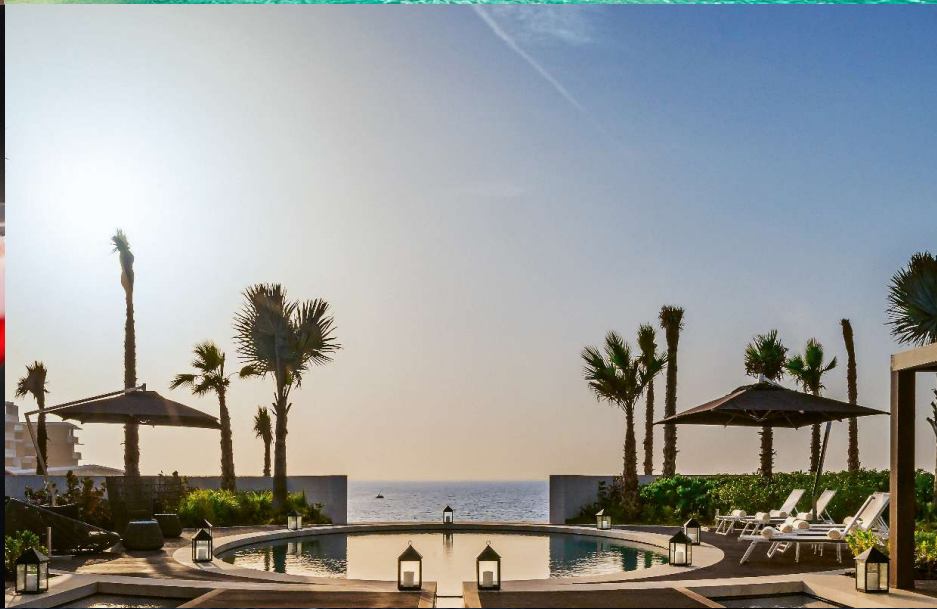
Business model
Consumer key factors
Value proposition

EXECUTIVE SUMMARY

The purpose of this proposal is to illustrate the planned geographical expansion for Bvlgari Hotels and Resorts, a leading luxury hospitality brand.

Our aim was to explore the fundamentals of the Bvlgari brand's current positioning in hospitality, identify potential expansion markets and a prime location in the selected destination, and understand the target consumers lifestyle and travel behaviors, enabling the team to craft a suitable value proposition that retains the Bvlgari brand identity while exploring opportunities for weaving in the local culture.

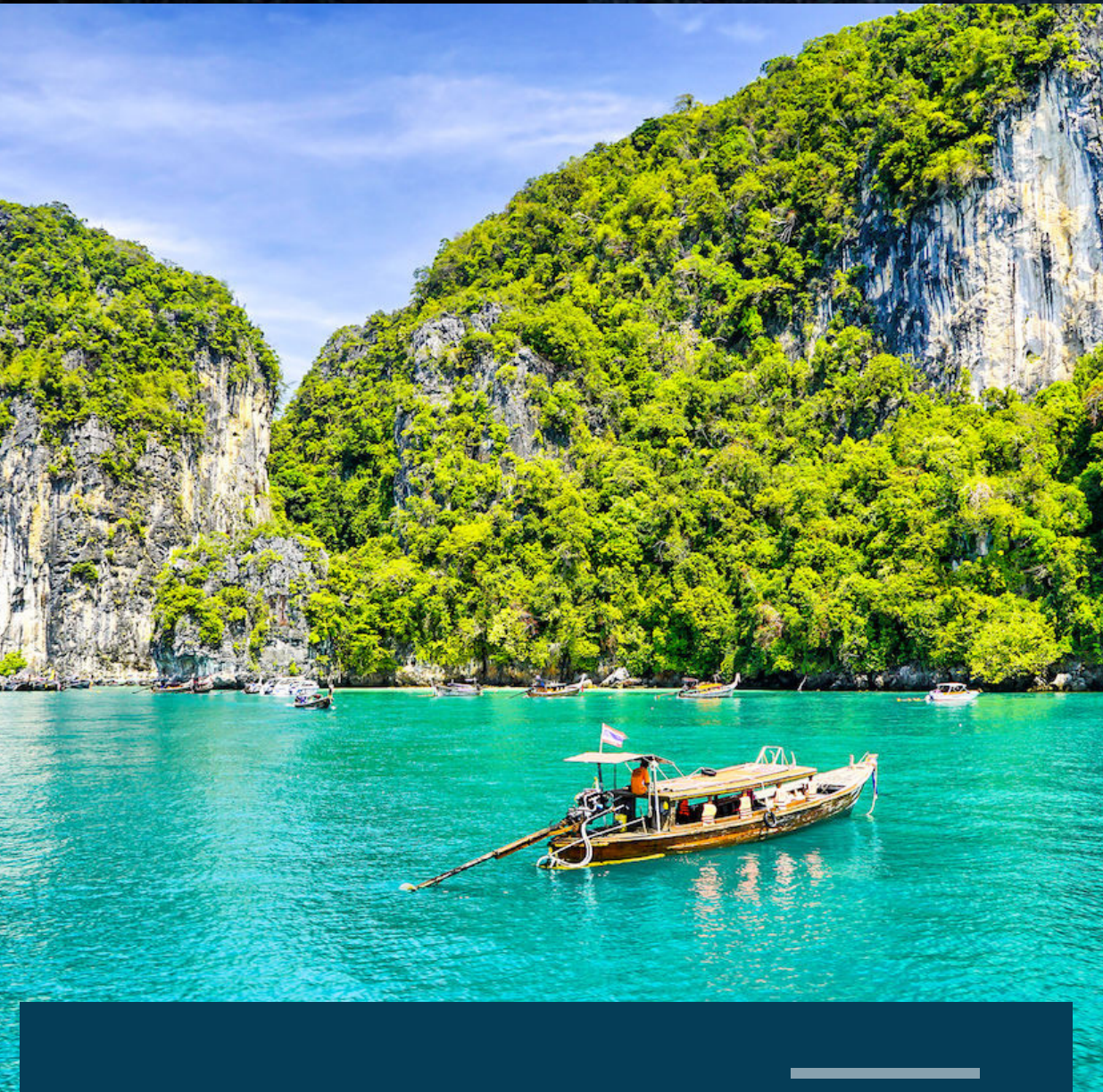
This exploration enabled the team to develop a viable expansion strategy which we believe will work to strengthen Bvlgari Hotels & Resorts stronghold in a critical region.



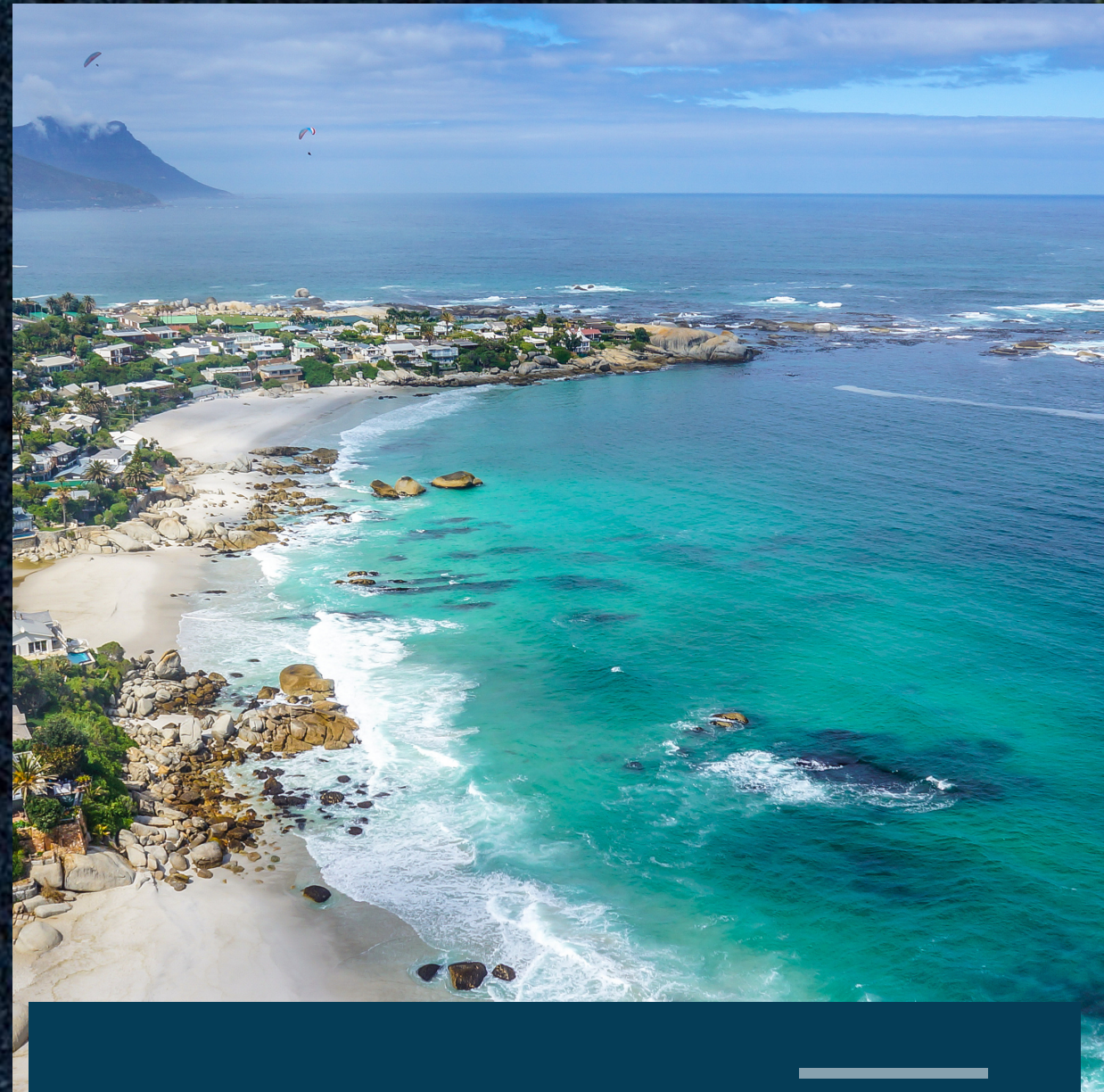
MARKET SHORTLIST

Through extensive research and market analysis, three potential markets were shortlisted with Casablanca (Morocco) and Cape Town (South Africa) earmarked as markets for future entry, which currently trend favorably as future travel destinations in global travel and tourism.

MARKET SHORTLIST



Phuket, Thailand
South East Asia



Cape Town, South Africa
Southern Africa



Casablanca, Morocco
North Africa

MARKET SHORTLIST

Thailand was identified as the largest opportunity as expansion in the market allows for increased penetration of Bvlgari luxury resort destinations in the South East Asia region.

In 2018, Thailand had the highest contribution of international travelers in the South East Asia region and the value of tourism spend in Thailand in 2019 was US\$73.3bn*, largely driven by Bangkok and Phuket and attributed to significant share of international traveler spend.

The Asia-Pacific region remains an important region for global luxury brands, including Bvlgari, and given the high concentration of luxury resorts and villas in Thailand for affluent tourists and HNWI, Bvlgari has a great opportunity to position a resort destination with a differentiated luxury offering.

RATIONALE



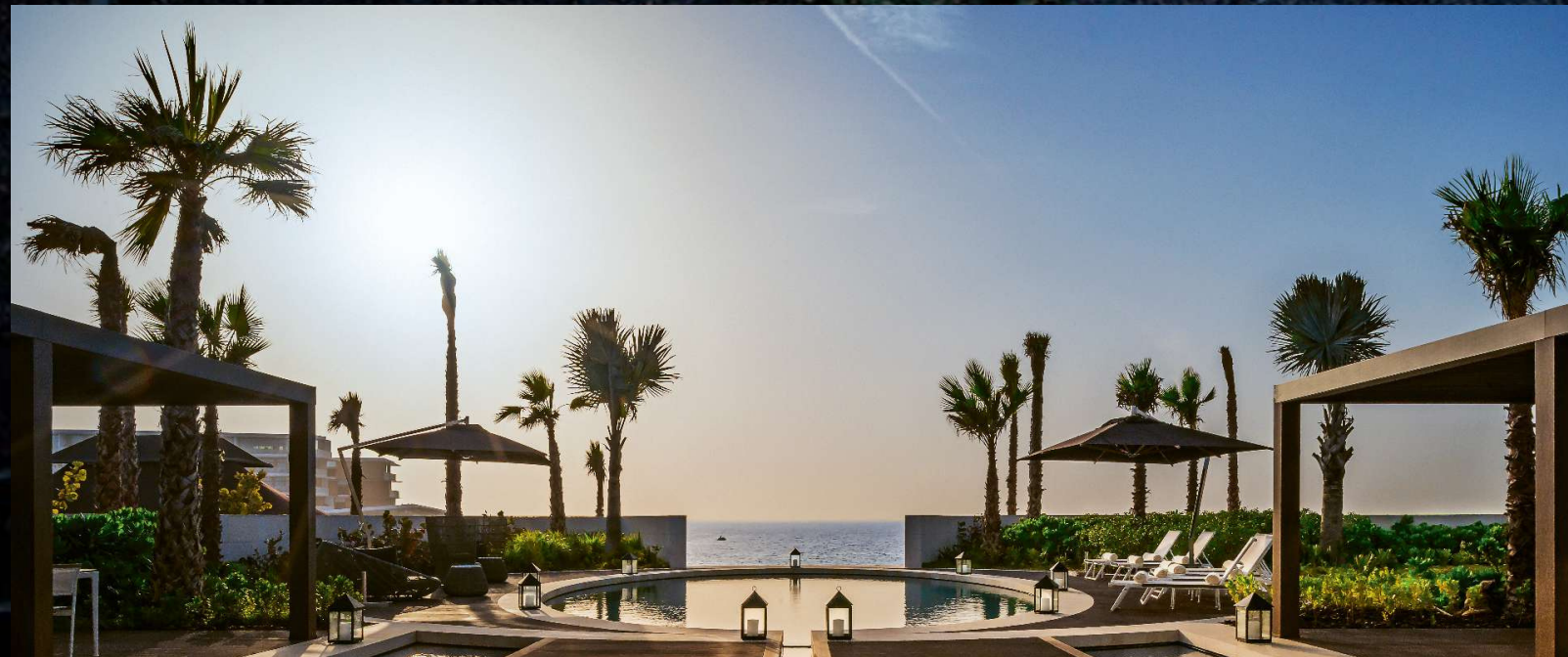
Highest contribution of international travelers in the South East Asia region in 2018

~38 million

Value of tourism spend in Thailand in 2019

US\$73.3 million

KEY SUCCESS FACTORS



KEY SUCCESS FACTORS: PRIME DESTINATIONS

Bulgari's luxury destinations leverage the brand's striking Italian contemporary style and offer the finest amenities, cuisine and experiences and as a leading luxury lifestyle brand with strong brand awareness and visibility a secluded resort for pleasure seeking travellers would have strong appeal.

Additionally, the prestigious location would maintain a small key count consistent with the other global destinations, allowing Bulgari to personalize experiences and establish exclusivity. Bulgari Resort Phuket will adopt a premium pricing structure and no deal policy on hotel rooms, allowing the brand to preserve its ultra-luxury image.

KEY SUCCESS FACTORS

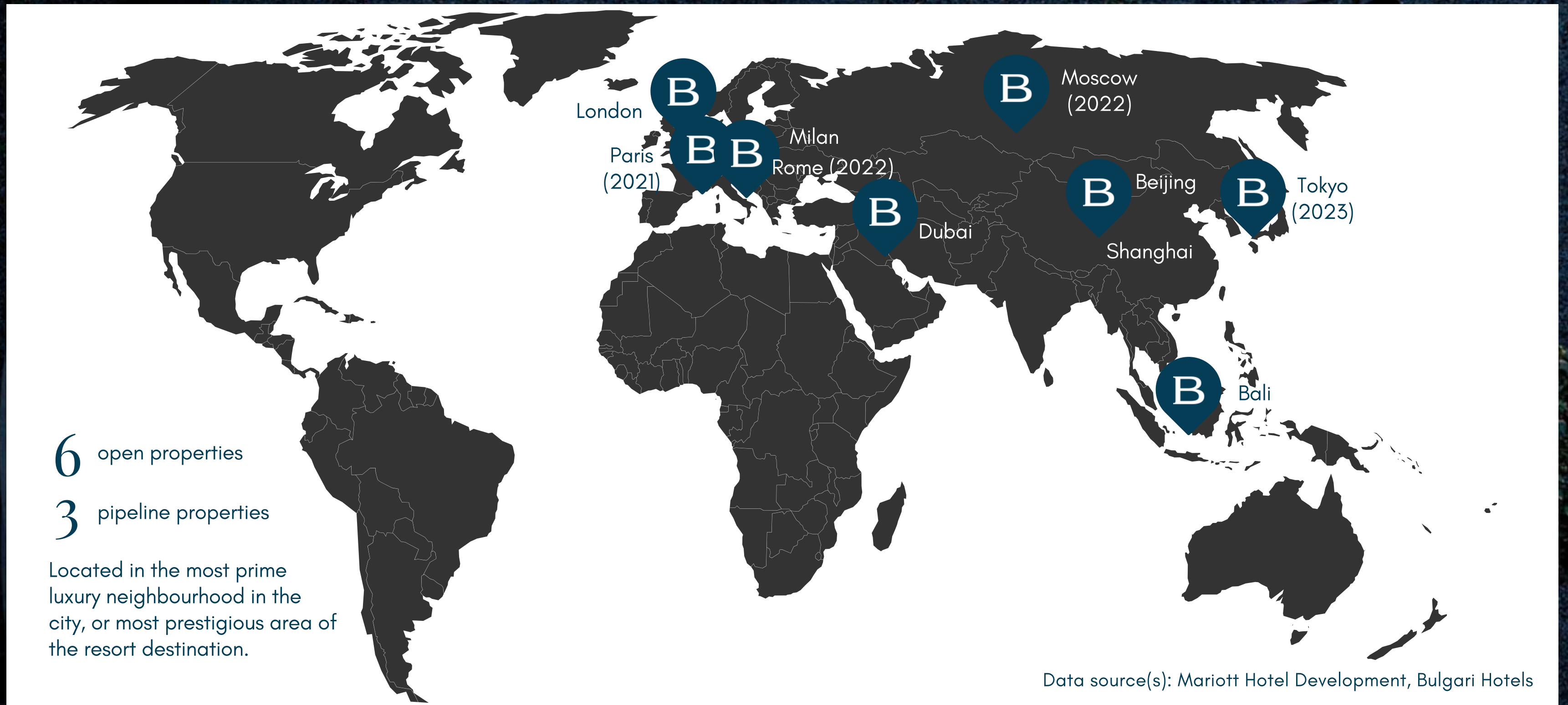


KEY SUCCESS FACTORS: STRATEGIC PARTNERSHIP

Bulgari's partnership with Marriott allows both companies to grow strategically, and further strengthens Bulgari's diversification and expansion strategy.

Currently the small global footprint and distribution (in terms of number of locations and rooms), aligns with the element of exclusivity of the brand and in extending the Marriott partnership for global reach, any future expansions would build in these considerations to ensure the desire for heightened appeal.

KEY SUCCESS FACTORS: FOOTPRINT



BUSINESS MODEL

Bulgari's service concept is 'Informal yet Impeccable', delivering a fresh approach to luxury.

The location of each property is specifically chosen for its prestige and prominence, and the interiors combine local culture and traditional design with Italian contemporary architecture.

The localized interior design makes each destination in the Bulgari Hotels & Resorts collection unique through bespoke touches.



The proposed resort in Phuket, Thailand will ultimately be a fusion of contemporary Italian and Thai culture and will follow the brands existing international expansion strategy.

LEISURE TOURISM SEGMENT: THAILAND 2019



61.7 billion

value of Thailand's leisure segment



92%

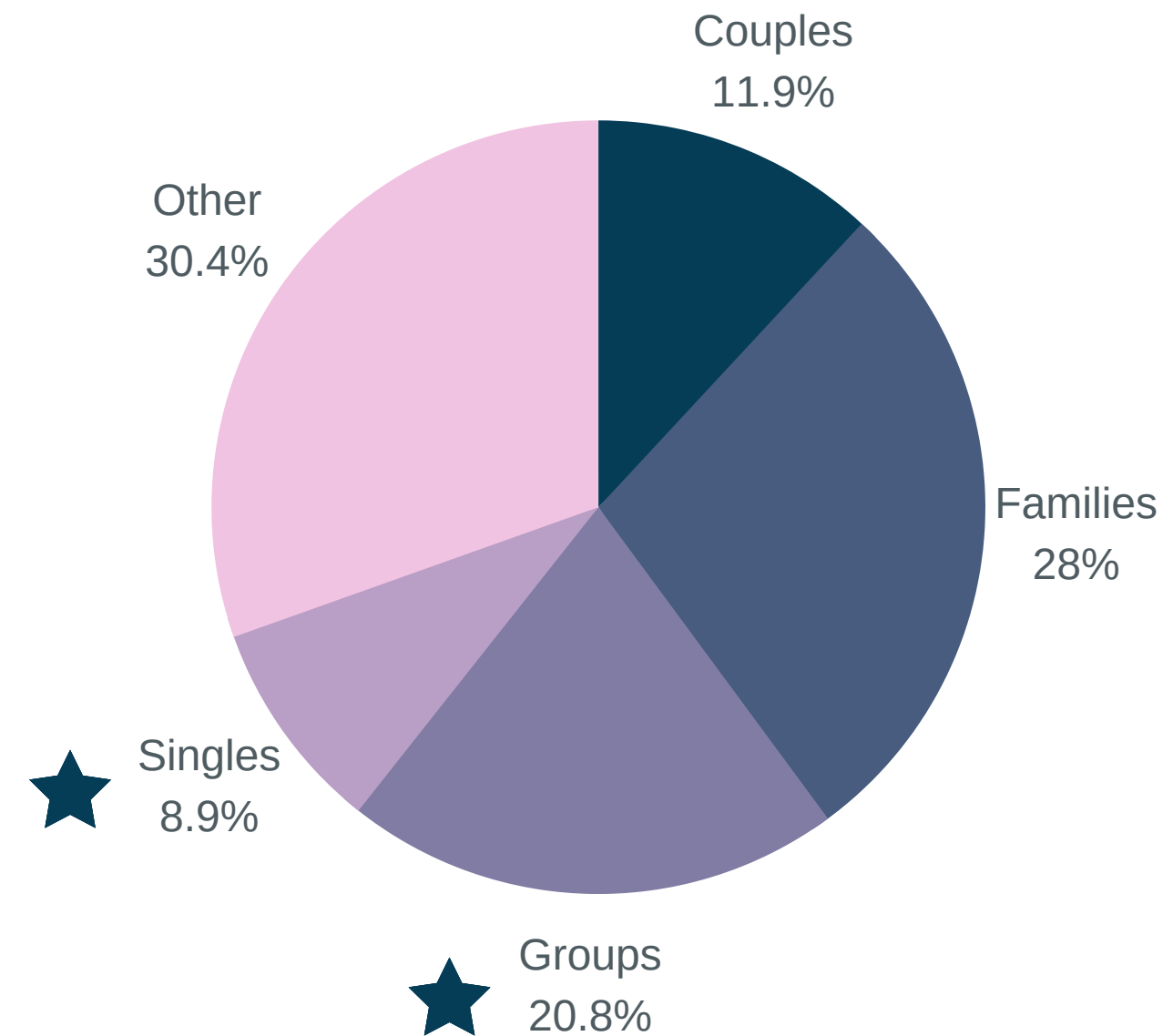
percentage value of leisure segment



41.6%

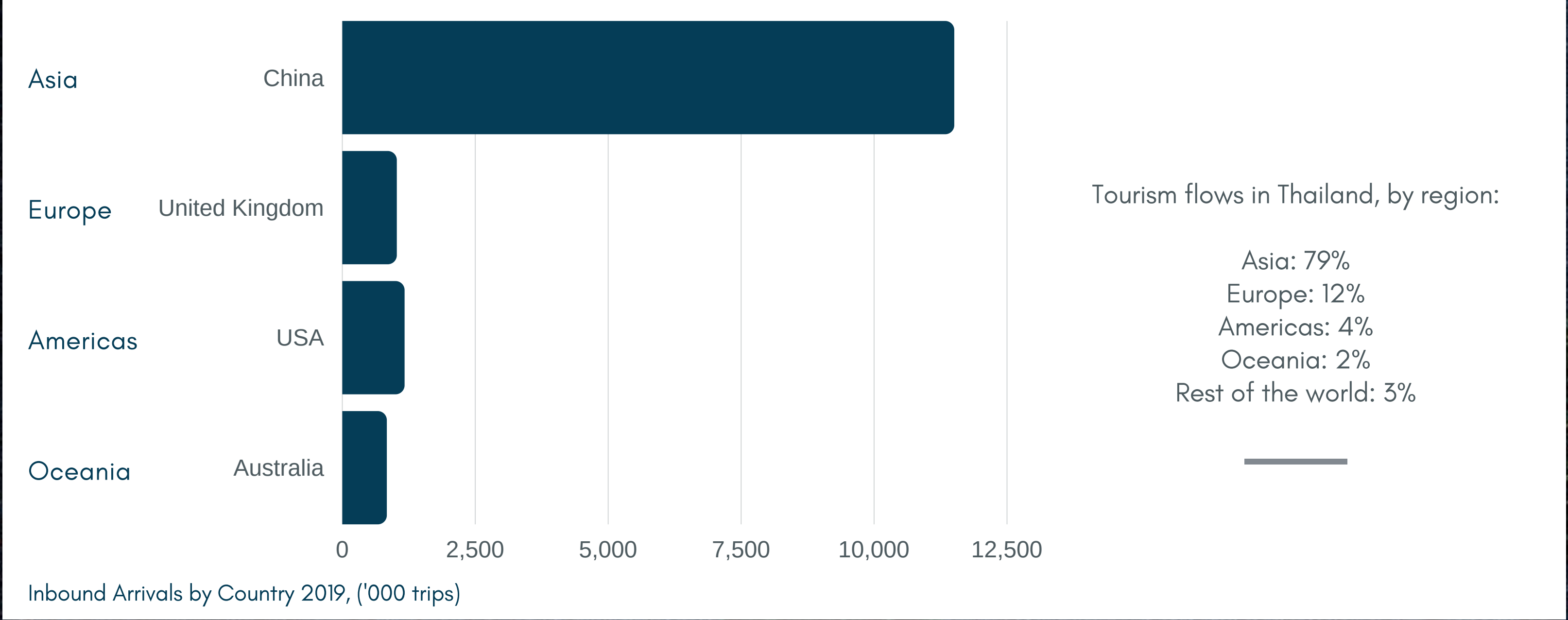
composition of couples, singles and groups as ideal target segments for Bvlgari's resort expansion

Leisure Inbound Demographics 2019, ('000 trips)



Data source: Euromonitor

THAILAND ARRIVALS 2019: TOP COUNTRY BY REGION



Data source: Euromonitor

LEISURE TRAVEL HABITS: TOP 3 SOURCE MARKETS

China

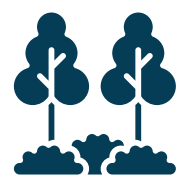
Millennials (26 – 40 y.o.)
Gen X (41 – 60 y.o.)



1 – 3 international trips per year



immersion in local culture



nature and outdoor activities



arts and heritage



Key features:
relaxation, safety, convenience,
quality of food/dining experiences

United Kingdom

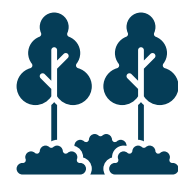
Millennials (26 – 40 y.o.)
Gen X (41 – 60 y.o.)



1 – 3 international trips per year



immersion in local culture



nature and outdoor activities



arts and heritage



Key features:
city breaks, relaxation, safety,
quality of food/dining experiences

United States

Millennials (26 – 40 y.o.)
Gen X (41 – 60 y.o.)



shopping



immersion in local culture



nature and outdoor activities



sports or adventure activities



Key features:
relaxation, safety, family oriented,
quality of food/dining experiences

LUXURY TOURIST: PERSONA'S

Yu Yan

25, High-End Fashion Designer
Shanghai, China



Ella

33, Tech CMO
Chelsea, United Kingdom



Feremiah

45, Architect
New York City, United States



Our deep dive revealed China, the USA, the UK and Australia as the key source markets for leisure travellers to Thailand which we then used as a base in developing leisure travel profiles and consumer profiles. This information further informed the tailoring of our destinations products, services, and experiences for our target luxury traveler.

PRODUCT



PRODUCT

Bulgari Resort Phuket is envisioned to be a serene and intimate beach escape for pleasure seekers, and to ensure the delivery of a full product experience, all touchpoints in the resort will create cohesive multi-sensorial moments woven with authentic Thai elements and subtle Bulgari brand cues.

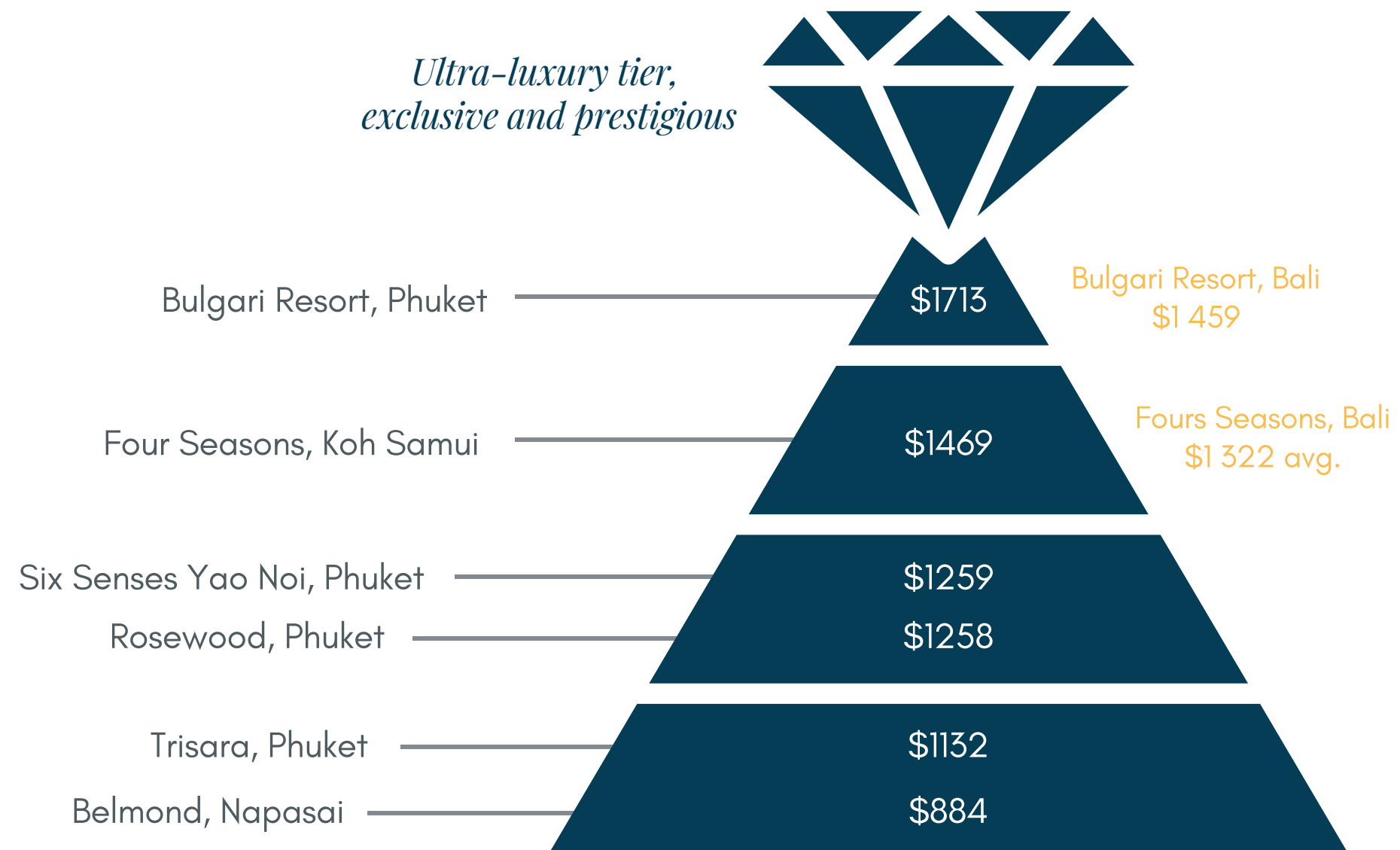
Key features include exquisite gastronomic Italian and Thai dining, a bar overlooking the ocean with enchanting views and signature cocktails, artful and luxurious Bulgari chocolate treats nestled in each villa, ocean view spa with contemporary treatment rooms and massage sala's, offering luxurious services with the embodiment of traditional Thai rituals, and an on-site Bulgari boutique carrying specially selected Bulgari lifestyle items.

PRICING

Bulgari Resort Phuket will adopt a premium pricing structure, small key count and no deal policy on hotel rooms, allowing the brand to preserve its ultra-luxury image and maintain exclusivity.

Pricing tiers are an estimated 10% premium to the Four Seasons and variable pricing will be applied against segmented villa and mansion types, ranging between \$1300 - \$7500.

PRICING



Above: price per night, formulated on 1 King bedroom
premier villa, oceanview/oceanfront, with private pool

VARIABLE PRICING

By type



Villa's

1 bed:
from \$1 348

Premier:
from \$1 713

2 bed:
from \$2 372 - \$2 686



Bulgari Villa

2 bed:
from \$5 807

Living room with bar
Spacious dining room
Private cinema
Kitchen
Spa treatment room
Meditation pergola



Mansions

2 bed:
from \$3 699

3 bed:
from \$4 510

5 bed:
from \$7 429











CONCLUSION

Extensive research and market analysis was conducted in exploring the most attractive and suitable opportunities for Bulgari Hotels & Resorts' geographical expansion. Morocco and Cape Town remain favourable markets for future penetration given their current and projected economic contribution to global travel and tourism.

With existing presence in Bali, entry into Thailand offers Bulgari an opportunity to establish stronger foothold in luxury hospitality in the South East Asia region and deliver a compelling proposition for pleasure seeking luxury tourists, looking for a truly luxurious and intimate beach escape.

We believe all the market, tourism and consumer data gathered and distilled in this exploration are positive indicators for Bulgari's next expansion and this is a worthwhile investment to grow Bulgari's hospitality collection and will further strengthen portfolio diversification.