Altagamma Social Luxury Index
2020

ALTAGAMMA
CREATIVITÀ E CULTURA ITALIANA

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The relevance of now and next

**LUXURY IS MORE THAN
EVER A DYNAMIC CONTEXT**

**TO PREDICT TRENDS IN ORDER
TO EVOLVE AND INNOVATE**

The competitive landscape is changing
rapidly and unpredictably, especially on
social media. Addressing change and
predicting cultural evolution is key.

**WHERE YOU REQUIRE A
DISTINCTIVE STRATEGY**

**TO BUILD AND DISTRIBUTE CONTENT
AT THE SPEED OF CULTURE**

In order to stay relevant in people's life, you
need to monitor and assess your content
performance, your media ecosystem
maturity and your innovation edge.

**USING A MULTI-DIMENSIONAL
AND BALANCED SCORE CARD**

**TO MEASURE PERFORMANCES, UNRAVEL
OPPORTUNITIES, DISCOVER PREFERENCES**

The aim is to measure your brand's social
media impact and consistency, revealing
possibilities among the most suitable ones
for your category.

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9 Millions relevant Mentions*

↑ **80%**
(vs 5 millions in 2018)

1 year
Time period considered

2019

8 categories
of Altagamma members

9 languages

35+ digital media channels

1 tech platform

sprinklr

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Modern

It enables MARKETING, ADVERTISING, RESEARCH, CARE AND ENGAGEMENT.

Across 35+ DIGITAL MEDIA CHANNELS including social media, messaging platforms, news, blogs and forums.

+

Unique

With an UNIFIED FRONT-OFFICE ARCHITECTURE.

That is OMNI-CHANNEL
And is built on CMX* DATA.

sprinklr
CXM PLATFORM

*Legally available unstructured, unsolicited digital data from modern channels and millions of sites including forum, blogs, and reviews powered by AL

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Measuring Social Performances on 5 Pillars

20% Social Presence
Quality of brands' social media presence

20% Share of Voice
Total and average volume of industry mentions

20% Sentiment Analysis
Net sentiment score

20% Reach and Engagement
Total reach and engagement rate

20% Top Authors Resonance
Total mentions by KOLs

KEY DRIVERS OF ANALYSIS

0/1 Channel coverage: absence/presence of a specific brand on a social media channel.

20% Channel completeness.

20% Geographical and linguistic consistency.

50% Channel activity level: 3+ post / month.

50% Total volume of online mentions generated by the active members.

50% Adjustments based on the dimension of each category.

100% Delta between percentage of positive and negative mentions.

50% Brands' audience reach (earned + owned reach) in absolute value.

50% Engagement rate per category.

100% Sum of KOLs with relevant number of interactions/category.

0-10   **0-10**   **0-10**   **0-10**   **0-10**

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What is driving the improvement of Social Luxury Index?

SOCIAL PRESENCE

MAIN KPI:
Quality of Social Presence

Some luxury brands cover new channels and consolidate the previous presence with a complete page, with linguistic and geographic consistency and with an adequate posting rate.

SHARE OF VOICE

MAIN KPI:
Total Volume + Average of Industry Mentions

A higher volume of conversations were generated by the increasing virality of Asian celebrities.

SENTIMENT ANALYSIS

MAIN KPI:
Net Sentiment Score

A widespread increase in positive sentiment can be registered thanks to successful creative campaigns and initiatives.

REACH AND ENGAGEMENT

MAIN KPI:
Reach and Engagement Rate

This year, Altagamma's brand registered a diffused growth in the engagement rate.
Stronger leverage on audiences reached by influencers.

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Social Luxury Index 2019 Results

10
9
8
7
6
5
4 — 4,3
3
2
1
0

● 2018   ● 2019
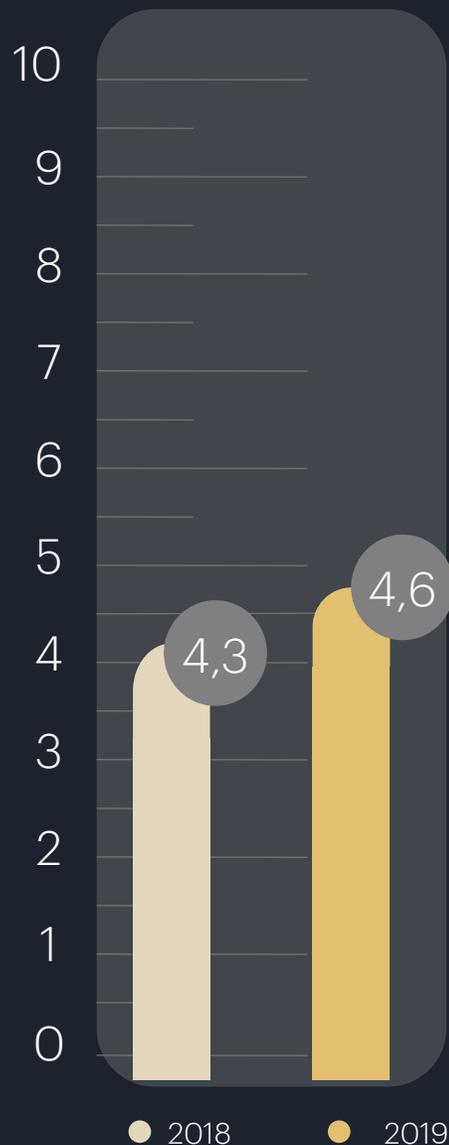
4,6
Average Social Luxury Index 2019

Category Variability
3,3-7,3

HOTELLERIE   FASHION

2019 saw an increase (+0,3) compared to the previous edition.

The score is the average of 5 pillars analyzed in 8 Altagamma industries.

Overall, the pillars show an improvement: in particular, the sentiment score has increased sharply, while top authors' resonance slightly decreased.

one.

Social
Presence

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New social media channels are hot

Established social media are challenged by new platforms

Altagamma's luxury brands performed well in this area of the Index: they strengthened their Social Presence and faced new challenges, experimenting with new channels and new content approaches.

Consolidation on Asian and Russian channels in Automotive :
- +5% WeChat
- +26% VK

Yachts

+13%

Automotive

+5%   +26%
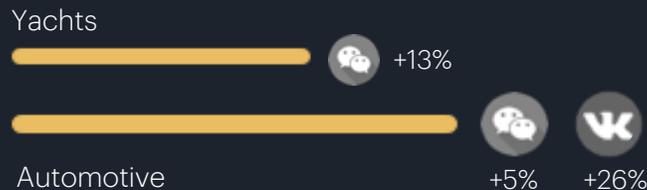
Opportunities are like sunrises. If you wait too long, you miss them.

William Arthur Ward

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Social
Presence

Moving forward: gaps and new opportunities

2018 registered a strong Social Presence of Altagamma members on established social media, while, on average, only **28% of brands** were covering **new local platforms** (WeChat, Weibo, VK).

2019 showed an **improvement** in Altagamma brands' **presence on local social media**.

However, emerging channels such as TikTok, Douyin and Little Red Book, still result as weakly covered.

TikTok and Chinese social channels are growing fast

TikTok, its Chinese version **(Douyin)** and **Little Red Book** are fast-growing channels in terms of active users: they are strongly dominant in **highly populated Asian** countries such as China and India and **increasingly relevant for younger generations**.

2018
Only ~28%

WeChat 45%
Weibo 37%
VK 2%

Presence on local social media

2019
Only ~32%

WeChat 51%
Weibo 41%
VK 4%

Presence on local social media

~8%

Altagamma's members are present on emerging local social media

Local Social Media Channels

New Emerging Channels in Scope

	Facebook	YouTube	WeChat	Instagram	Weibo	Twitter	LinkedIn	Pinterest	VK	TikTok	Douyin	Little Red Book
Monthly active users (in Bn)	2,6	2	1,2	1	0,51	0,33	0,38	0,366	0,1	0,8	0,5	0,1
Fashion	🟢	🟢	🟢	🟢	🟡	🟡	🟢	🟡	🔴	🔴	🔴	🔴
Automotive	🟢	🟢	🟡	🟢	🟢	🟢	🟢	🟡	🟡⬆	🔴	🔴	🔴
Others	🟢	🟢	🟡	🟢⬆	🟡	🟢	🟢	🟡	🔴	🔴	🟡	🟡
Hard Luxury	🟢	🟢	🟡	🟢	🟢	🟡	🟡	🟡	🔴	🔴	🔴	🔴
Design & Furniture	🟢	🟢⬆	🟡	🟢	🟡	🟡	🟡	🟢	🔴	🔴	🔴	🔴
Food & Wine	🟢	🟢	🟡	🟢	🟡⬆	🟢	🟡⬇	🟡	🔴	🔴	🔴	🔴
Hotellerie	🟢	🟡	🔴	🟢	🔴	🟢	🟡⬇	🟡	🔴	🔴	🔴	🔴
Yachts	🟢	🟢	🔴	🟢⬆	🔴	🟡	🟢	🟡	🔴	🔴	🔴	🔴

🟢 >80% of category members cover the channel

🟡 <80% but >20% of category members cover the channel

🔴 <20% of category members cover the channel

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# 2019

2018

Social Presence

11/12
Channels covered;
All channels proved to be
Complete,
Consistent,
and Active.

GUCCI

9/12
Channels covered;
All channels proved to be
Complete,
Consistent,
and Active.

LAMBORGHINI

		5.7
Luxury	██████░░░░	5.7
Fashion	███████░░░	6.7
🏆 Gucci	█████████░	**9.2**

Luxury	██████░░░░	5.4
Automotive	███████░░░	7.4
🏆 Lamborghini	█████████░	9
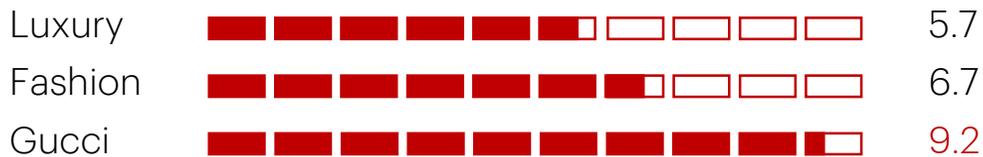
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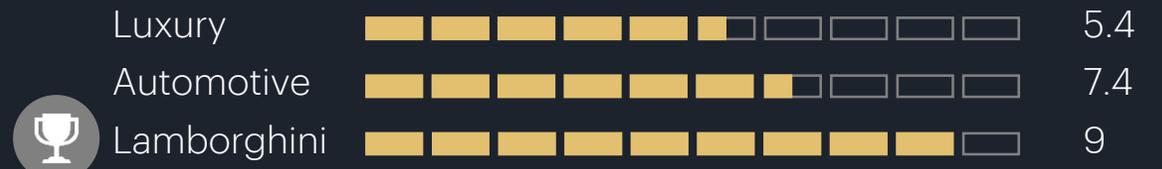
New social media emerge as an opportunity

Despite positive steps forward in enhancing their Social Presence, the majority of Altagamma's brands are still **not present** on these emerging channels.

LITTLE RED BOOK
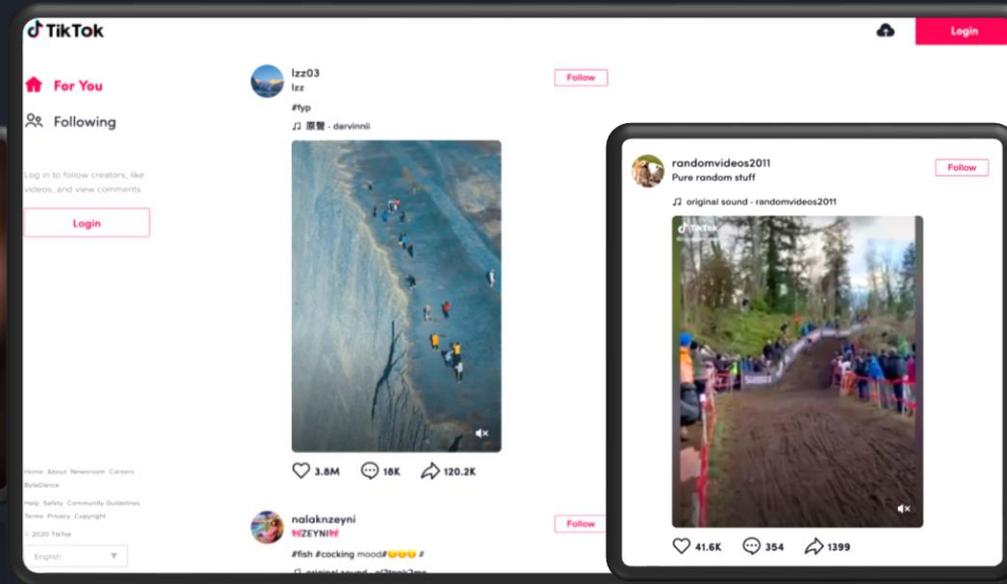
TIKTOK
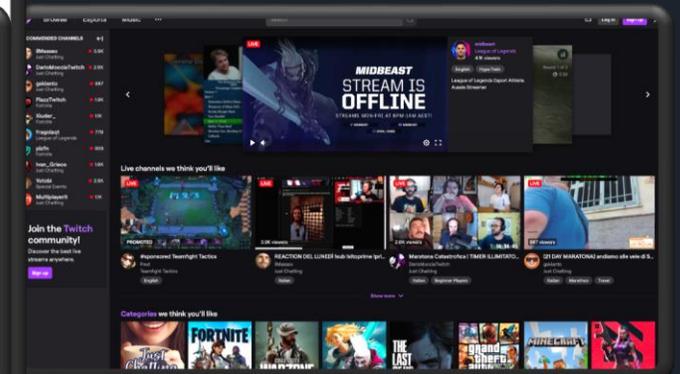
TWITCH

Given their unique features and audience, they might become the **biggest opportunities to be invested in for the long run**.

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TikTok: a 2019 opportunity

TIKTOK APP IS "TRAINING WHEELS" FOR FUTURE INFLUENCERS AND CONTENT CREATORS:

TikTok is making it easier for them to become content creators. It allows them to easily create content that they would not otherwise be able to make as easily on their own, and gives them a framework they can play or create within.

DELIVERS AN IMMERSIVE EXPERIENCE:

TikTok allows you to have fun with full screen videos, 3D lenses and augmented reality.

Why is it so popular

FAST LEARNING ALGORITHM – ALWAYS PROVIDING THE "NEW"
Binary Feed
Followed accounts' contents are separated from automatically proposed content, emerging thanks to Engagement Rates.

ENGAGEMENT IS THE KING
4% higher average Engagement Rates than Instagram.
Achieving high Engagement Rates allows wide spreading branded contents to users which are not yet your fans.

SPONTANEOUS OR IGNORED
Fast Scrolling features gives no room for brand-centered content which can be easily ignored.
The brand's message should pivot on spontaneous advocates and leave the stage to users' entertainment.
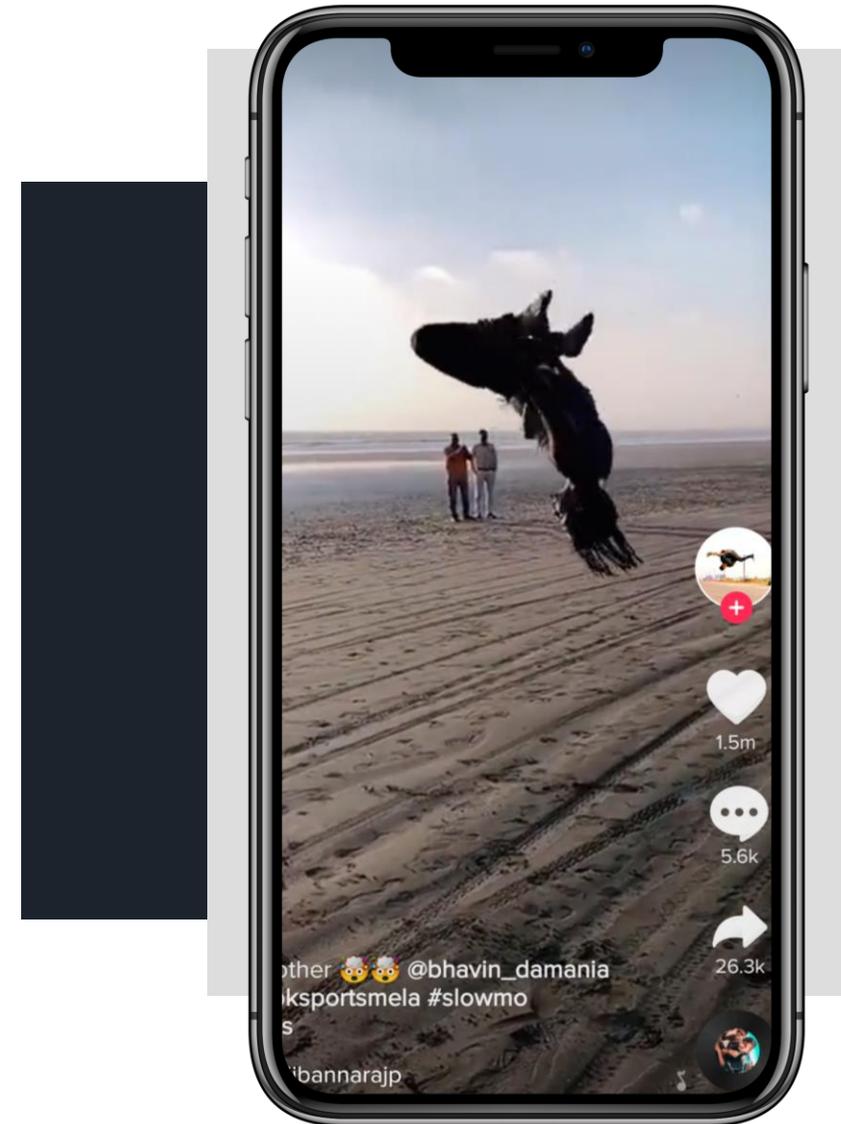
Social
Presence

# TikTok is the channel for the new generation

The fastest growing phenomenon

+68% of app downloaded between 2019 and 2020.

+60% daily active users between 2019 and 2020.

TikTok App download

| 400, |
| 320, |
| 240, |
| 160, |
| 80, |
| 0, |

| 187 mln | 156 mln | 176 mln | 199 mln | 315 mln |
| Q1 2019 | Q2 2019 | Q3 2019 | Q4 2019 | Q1 2020 |
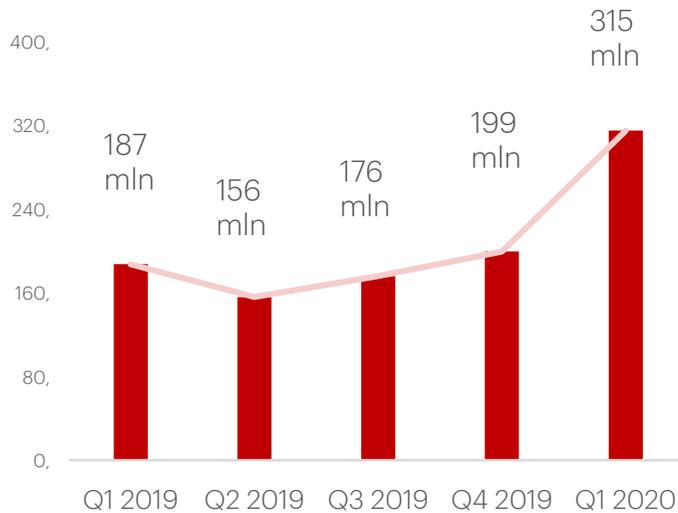
The need for speed

15 to 60 seconds to capture users' attention and communicate your message.

<50 characters (emoji included) is the average comment length under TikTok videos.

A young platform for the young

41% of users between 16-24 years old.

70% of users under 35 years old.

Early adopters in 2019

GUCCI **11 assets**

DOMORI **20 assets**

Sources: Emarketer.com, Ocean Insights

Sources: omincoreagency.com

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Little Red Book / Xiaohongshu: A 2019 OPPORTUNITY

A SOCIAL COMMERCE EXPERIENCE:

Xiaohongshu is a social commerce in which users can find inspirations by looking at posts, decide to buy by looking at users' feedbacks, and buy directly within the app.

CLOSER TO CELEBRITIES:

Xiaohongshu also brings Chinese celebrities closer to their fans. Actress Fan Bingbing has apparently joked that she should stop reviewing products on the app because they get sold out and she can never find them.

LIVE STREAMING:

Introduced live-streaming, a feature already in some other popular shopping apps, which makes for a shopping experience that's sort of mash-up of YouTube tutorials, Facebook Live and Amazon.

A good way to close the loop between content and e-commerce.

KOL - oriented platform drivers sales

Social
Presence

**FAST LEARNING ALGORITHM –
RECOMMENDATION MECHANISM**
It creates a customized homepage based on users'
browsing and search history. It also offers an "Explore"
feature based on this same data.
This function allows users to focus on topics they are
interested in and sort out unwanted information.

TRAFFIC DISTRIBUTION - 80/20 RULE
80% of traffic comes from head accounts that make
up only 20% of the community (mainly influencers and
celebrities).

HIGH CONVERSION RATE
8% of Little Red Book's users make an order on its app
after reading posts compared with 2.6% who do the
same on Tmall.

Sources: Dragonsocial, Value China, Capital Watch

Little Red Book showed higher Conversion Rates

Social Presence

A fast growing phenomenon

+200% of app download between 2018 and 2019.

Little Red Book registered users volume (mln people).

300
100
50
15

2015.6   2017.6   2018.6   2019.7

小红书
标记我的生活
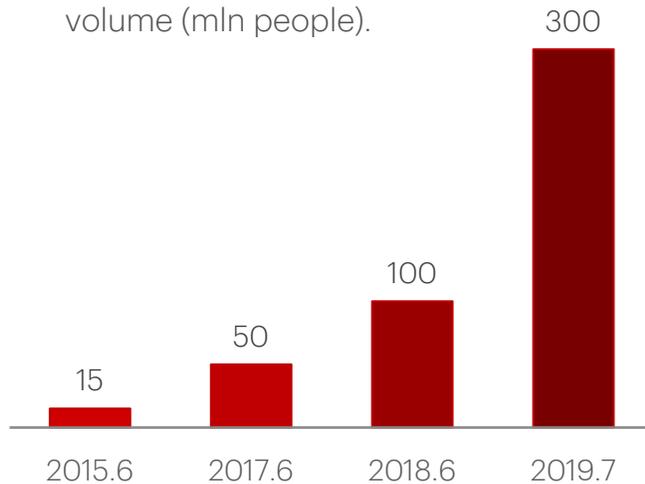
A platform for young females living in big cities

86% users are females.

84% are under 35 years old.

63% live in 1st and 2nd tier cities.

Avg Altagamma posting in 2019

35 post

Sources: Little Red Book website

Sources: Cbndata

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Twitch: a 2019 opportunity

LIVE STREAMING:

Twitch is the Amazon streaming platform that allows users to interact directly with influencers, brand ambassadors or brands in real time.

It can entertain users especially when they are at home raising awareness about the brand and stimulating conversion at the same time.

FROM E-SPORTS AND GAMES TO OTHER INDUSTRIES:

Twitch has been focusing on gamers and e-sports brands, but engages a huge and varied audience that can be targeted by multiple industries.

How brands can get involved

Social
Presence

IN GAME ACTIVATION
Creating ad hoc items or events used or followed directly within a videogame is a good way to reach both players and watchers.

WITHOUT INTRUSIVE ADVERTISING

63% of users have ad blockers.

AFFILIATE MARKETING
Facilitate and improve online purchases leveraging streamers.
In February 2019, 19% of the outbound link from Twitch were towards Amazon.

SPONSORSHIP
Streamers and pro gamers are a great way to breach into sports enthusiasts and niche audiences due to the high level of engagement and quality of the relation they build with their followers.

Sources: Baidu, lmtw, Zhihu

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Twitch is populated by millennials

A new Italian obsession

15 mln global daily users.

+31% of viewers from March 8th to March 21st.

+66% Italian views from February '20.

AVG CONCURRENT VIEWERS
(000 people)

102   208   351   536   592   748   1070   1260   1440

2012   2013   2014   2015   2016   2017   2018   2019   2020
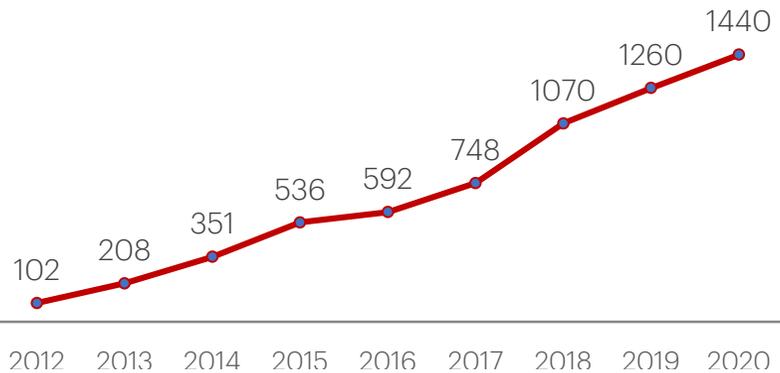
For Streamers

3,6 mln avg monthly streamers.

And Watcher

68% millennials.

57% from Asian markets.

31% female.

Sportswear brand plays a role

In January 2019, Nike used Twitch to introduce the launch of its Adapt BB Self-Lacing Shoe.

Sources: businessofapps

Sources: Baidu, lmtw, Zhihu

A Share of Voice improvement

Active conversations involving KOLs became essential for brands

Altagamma's luxury brands performed well in this area of the Index because they are able to increase the number of mentions received by qualified and relevant authors, especially during brand events and activations.

Strong impact of celebrities on online mentions

● Fashion Week Events
Generation of mention peaks greater than 150k mentions.

● Asian Ambassadorship
Peaks of 49k mentions (Chanyeol) and 18k mentions (Suho).

People are not remembered for the number of times they fail, but for those times they are successful.

Thomas A. Edison

Share of
Voice

Category Mix
TOTAL MENTIONS: 8.805.215

Fashion

27
brands

48%
of total mentions

190k
Avg sov

Automotive

7
brands

43%
of total mentions

608k
Avg sov

Hard Luxury

6
brands

4,5%
of total mentions

44k
Avg sov

Food & Wine

18
brands

1,5%
of total mentions

5,8k
Avg sov

Design & Furniture

19
brands

1%
of total mentions

6k
Avg sov

Others

5
brands

1%
of total mentions

19,7k
Avg sov

Hotellerie

14
brands

0,5%
of total mentions

2,5k
Avg sov

Yachts

8
brands

0,5%
of total mentions

5,8k
Avg sov

*compared to the previous edition, 4 brands have been excluded and 6 new ones added.

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How celebrities have boosted your 2019 Share of Voice

BECOMING YOUR BRAND AMBASSADOR

Celebrities' engagement by Altagamma's brands boosted online conversations, generating peaks of buzz over the year.

SHARING THEIR VIEWS ON SPONTANEOUS POSTS

The spontaneous sharing of posts on social media by celebrities contributed to increase the visibility of Altagamma's brands.

PARTICIPATING TO BRANDED EVENTS

By inviting celebrities to the first row of their fashion shows, Altagamma's brands have increased users' online conversations, strengthening their image. Furthermore, VIPs' outfits boosted online buzz.

ENGAGING WITH YOUR COMMUNITIES

The activities implemented by celebrities towards online communities intensified the relationship with their members and enhanced the Share of Voice of Altagamma's brands.

# Share of Voice trendline 2018 vs 2019

Share of
Voice

— 2018   — 2019

The graph shows a comparison between 2019 and 2018 in terms of Share of Voice, mentions and conversations.

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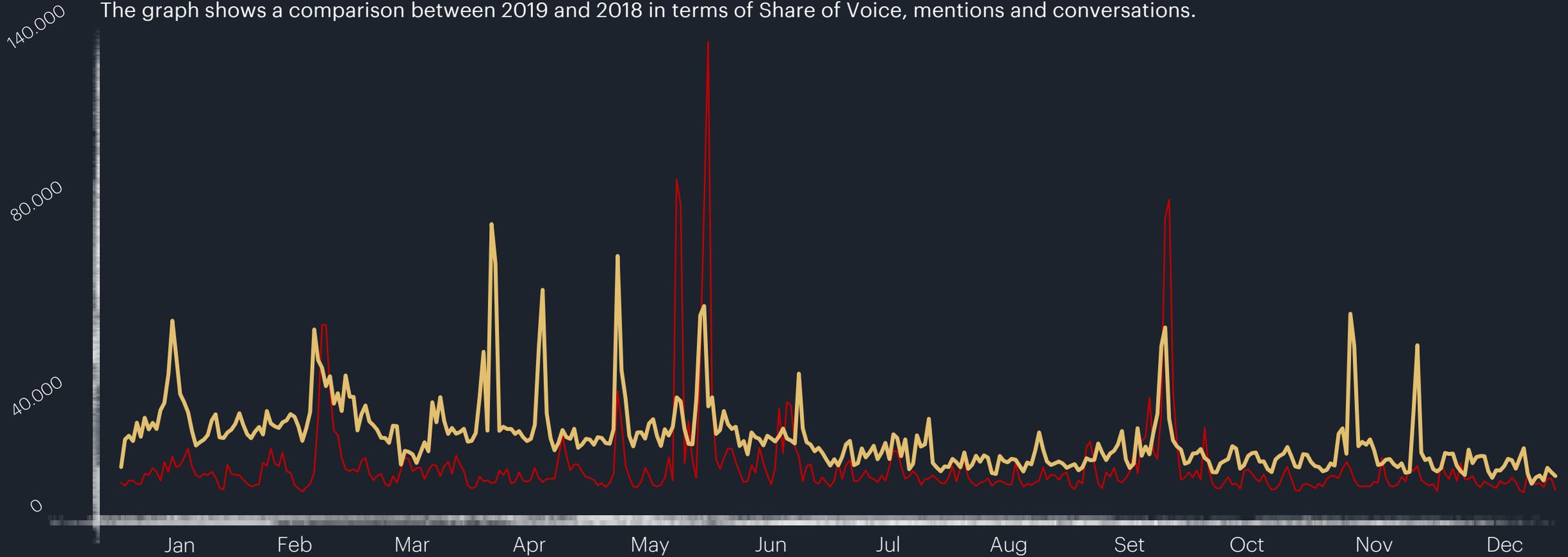
2019 events that performed better than 2018

— 2018   — 2019

○ **Better Performance in 2019**
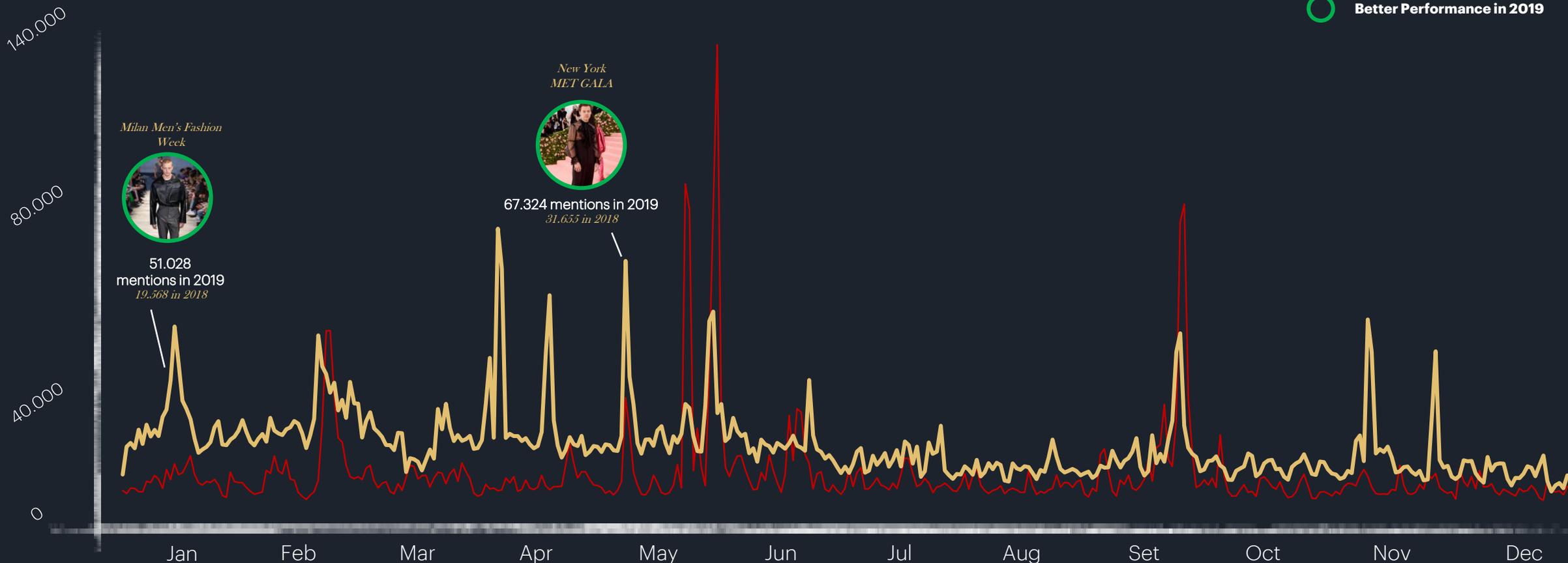
Milan Men's Fashion Week

New York
MET GALA

67.324 mentions in 2019
31.655 in 2018

51.028
mentions in 2019
19.568 in 2018

140.000

80.000

40.000

0

Jan   Feb   Mar   Apr   May   Jun   Jul   Aug   Set   Oct   Nov   Dec

In general, **2019** trendline has showed **a more sustained conversation level** throughout the year in comparison to 2018, where online conversations are less intense. The peaks in **2019**, although numerically greater than the previous year, **have registered lower overall mentions**.

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2019 events that performed worse than 2018

Share of Voice

— 2018   — 2019

◯ **Better Performance in 2018**
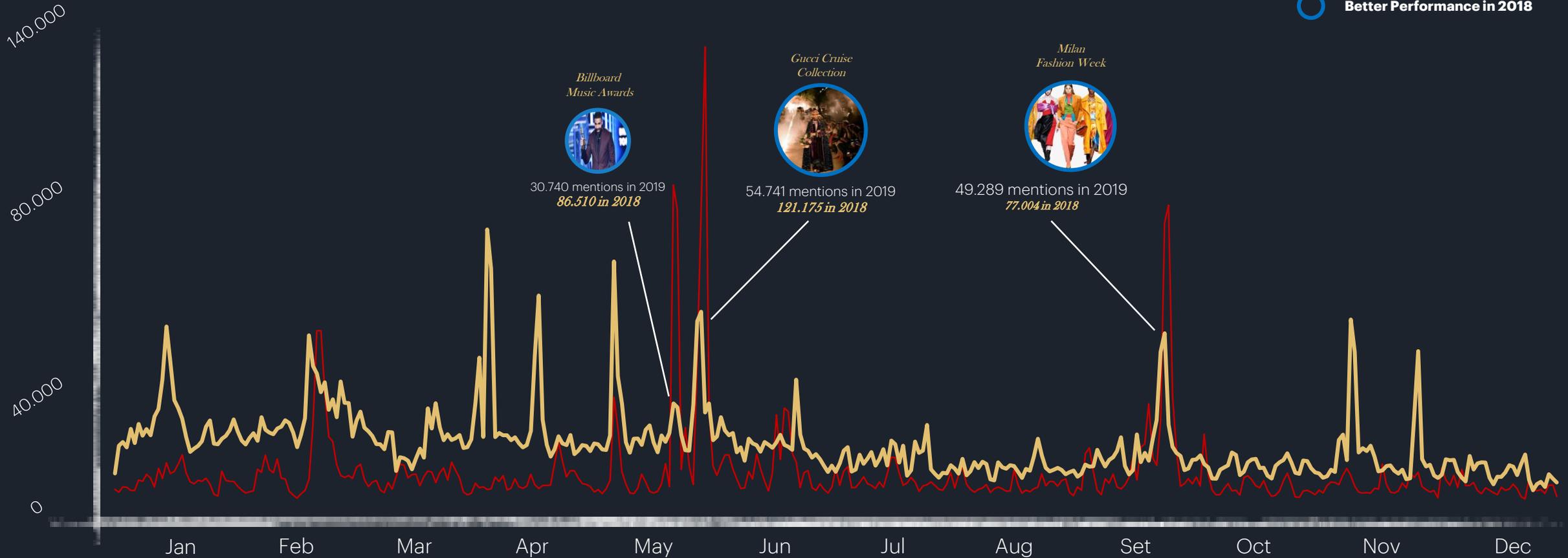
Billboard Music Awards

30.740 mentions in 2019
86.510 in 2018

Gucci Cruise Collection

54.741 mentions in 2019
121.175 in 2018

Milan Fashion Week

49.289 mentions in 2019
77.004 in 2018

140.000

80.000

40.000

0

Jan   Feb   Mar   Apr   May   Jun   Jul   Aug   Set   Oct   Nov   Dec

In general, **2019** trendline has showed **a more sustained conversation level** throughout the year in comparison to 2018, where online conversations are less intense. The peaks in **2019**, although numerically greater than the previous year, **have registered lower overall mentions**.

Automotive top performers 2019

60.928 mentions
5th April, 2019

LIL NAS X surprised the country star **BILLY RAY CYRUS** with a **RED CONVERTIBLE MASERATI** to celebrate the success of their hit song «Old Town Road».

Food & Wine top performers 2019

1.627 mentions
10th June, 2019

1.175 mentions
15th July, 2019

SAN PELLEGRINO announced initial line-up of young candidates selected for the **SAN PELLEGRINO YOUNG CHEF EDITION 2020**.

The CEO of Domori (part of the Illy Group), **ANDREA MACCHIONE** has been appointed **PRESIDENT OF PRESTAT**, the chocolate brand supplier of the British Royal House.

Hotellerie top performers 2019

1.549 mentions
29th March, 2019

1.211 mentions
22nd Sept, 2019

GEORGE CLOONEY boycotted the
SULTAN OF BRUNEI'S HOTELS in
protest of his nation's new anti-gay
laws.

IVANKA TRUMP and Jared Kushner
arrived at **HOTEL DE RUSSIE** (owned
by Sir Rocco Forte), in Rome, for the
dinner with **WENDI DENG MURDOCH**
and a Secret Service agent.

Other industries top performers 2019

4.162 mentions
9th May, 2019

2.793 mentions
26th Nov, 2019

CHANYEOL attended **ACQUA DI PARMA's CIPRESSO DI TOSCANA** launching party.

CHANYEOL, member of the musical group **EXO**, made a gift to the **FAN CLUB EXO-LS** in occasion of his birthday.

Fashion top performers 2019

37.618 mentions
14th Jan, 2019

29.592 mentions
19th Feb, 2019

56.815 mentions
7th May, 2019

42.605 mentions
28th May, 2019

Rapper **JACKSON WANG** performed after Fendi Show **DURING MILAN MEN'S FASHION WEEK FW20**.

MILAN FASHION WEEK EVENTS generated peaks in Fashion, Hard Luxury and Others categories.

The **MET GALA** in New York stimulated **ONLINE DISCUSSIONS**. The presence of the **BRITISH SINGER HARRY STYLES** boosted the online buzz (50% of the peak).

KAI attended **GUCCI CRUISE 2020 FASHION SHOW** at the Capitoline Museum in Rome.

Fashion top performers 2019

40.197 mentions
23th Sep, 2019

46.718 mentions
9th Nov, 2019

9.400 mentions
26th Nov, 2019

The share of voice related to **FASHION WEEK EVENTS** generated a **SINGLE BUZZ PEAK OVER A ONE WEEK PERIOD**, increased by the presence of **ASAP ROCKY** and **LOU DOILLON** at an Altagamma member **FASHION SHOW**.

The **GUCCI'S DRESS** worn by **SOKO** during 2018 Gucci Cruise show, at Alyscamps, has been compared to the outfit of Bunta Takakura, one of **CRAYON SHIN-CHAN ANIME'S CHARACTER**, generating a huge online buzz.

SELENA GOMEZ wore a **VERSACE'S NEON DRESS** at **AMAS** in Los Angeles.

Hard Luxury top performers 2019

3.215 mentions
19th March, 2019

2.599 mentions
20th Apr, 2019

JUNMYEON (Suho) attended
**HELMUT NEWTON'S EXHIBITION**
wearing his **BVLGARI RINGS**.

JUNMYEON (Suho) wore
**BVLGARI'S ACCESSORIES** during
his Singles Magazine Photoshoot.

Example of cross-category collaboration: Design meets Fashion at Salone del Mobile

Fashion

Prevalence of Fashion Share of Voice
Fashion peaks of conversation reached a higher level of conversation compared to Design & Furniture, strongly leveraging major worldwide-known events.

Design & Furniture

805 mentions peak related to Salone del Mobile was stimulated by fashion brands mentioning
Luxury maisons (Gucci, Versace, Missoni, Bulgari ...) showed their heritage and stylistic codes through design and furniture's proposals.
However, when compared to fashion events, Salone del Mobile can still be considered under-exploited by Altagamma Brands.

Luxury brands should own Made in Italy more decisively

2018

2019

2018

32%
Automotive

280 k
Made in Italy total mentions
6%
of total Altagamma's brand SOV

51%
Fashion

6%
Design & Furniture

3%
Food & Wine

1%
Others

1%
Hotellerie

3%
Yachts

3%
Hard Luxury

2019

30%
Automotive

226 k
Made in Italy total mentions
2,6%
of total Altagamma's brand SOV

46%
Fashion

8%
Design & Furniture

4%
Food & Wine

3%
Others

1%
Hotellerie

4%
Yachts

4%
Hard Luxury
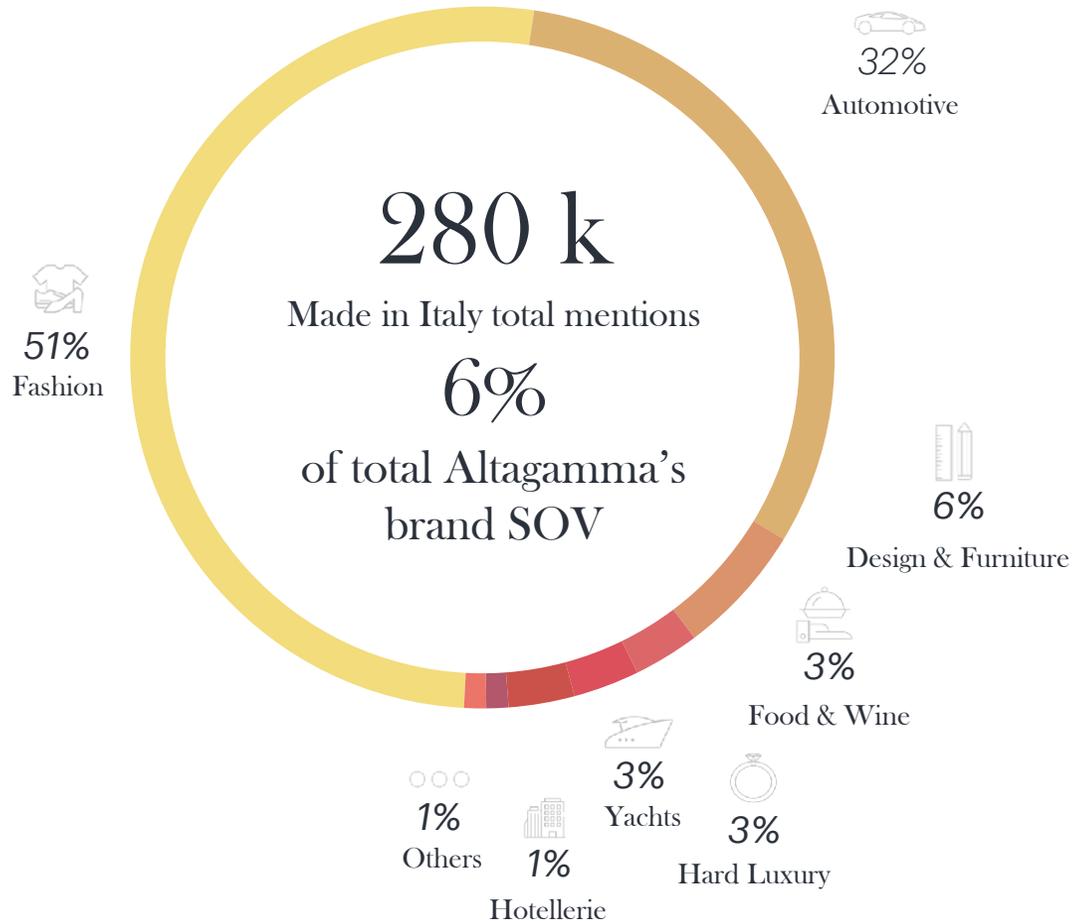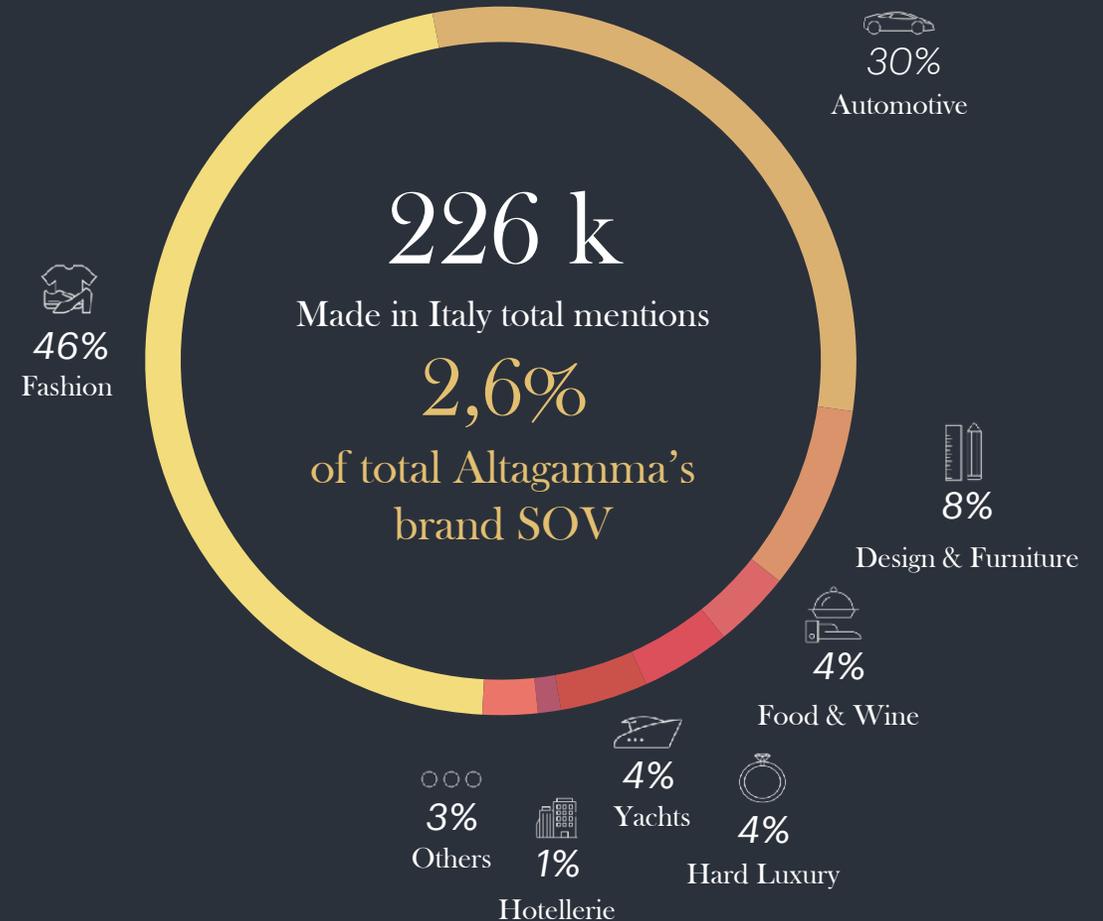
2,6% of total volumes (8,8 mln) are composed of mentions related to 'Made in Italy'.

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Total Made in Italy mentions within each category

The larger the percentage of Made in Italy conversation on their total share of voice, the further they will be from the center of the graph.

Similarly to 2018, during 2019, Design & Furniture and Yachts brands confirmed as those with the greatest portion of their SOV related to Made in Italy, therefore strongly associated to Italian craftsmanship and lifestyle.

Share of Voice

YACHTS
21%

DESIGN & FURNITURE
18%

FOOD & WINE
7%

HARD LUXURY
2%

OTHERS
6%

FASHION
2%

HOTELLERIE
4%

AUTOMOTIVE
2%

20%   10%   0%   0%   10%   20%
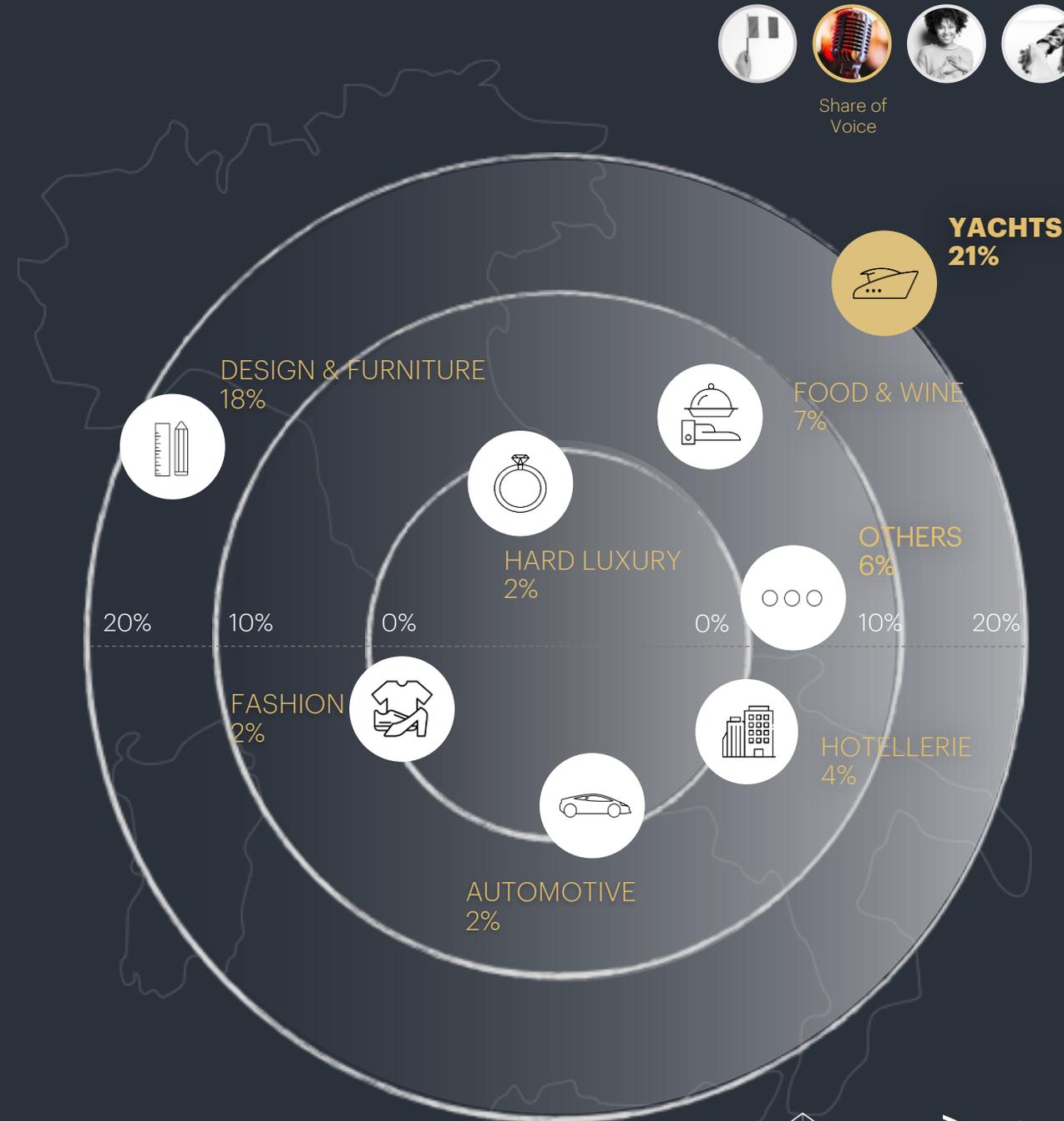
Categories positioning on Made in Italy
absolute values

The graph shows categories' positioning to "Made in Italy," based on how often users mention brands while also talking about Italian values.

The higher the volumes of Made in Italy conversation about the category's brands, the farther they will be from the center of the graph.

Because of a greater overall share of voice around Automotive and Fashion brands, their contribution to the Made in Italy is higher than other categories in absolute terms.

Share of Voice

FASHION
104K mentions

DESIGN & FURNITURE
19K mentions

AUTOMOTIVE
69K mentions

HOTELLERIE
2K mentions

YACHTS
9K mentions

HARD LUXURY
8K mentions

120k   60k   10k

OTHERS
2K mentions

FOOD & WINE
9K mentions
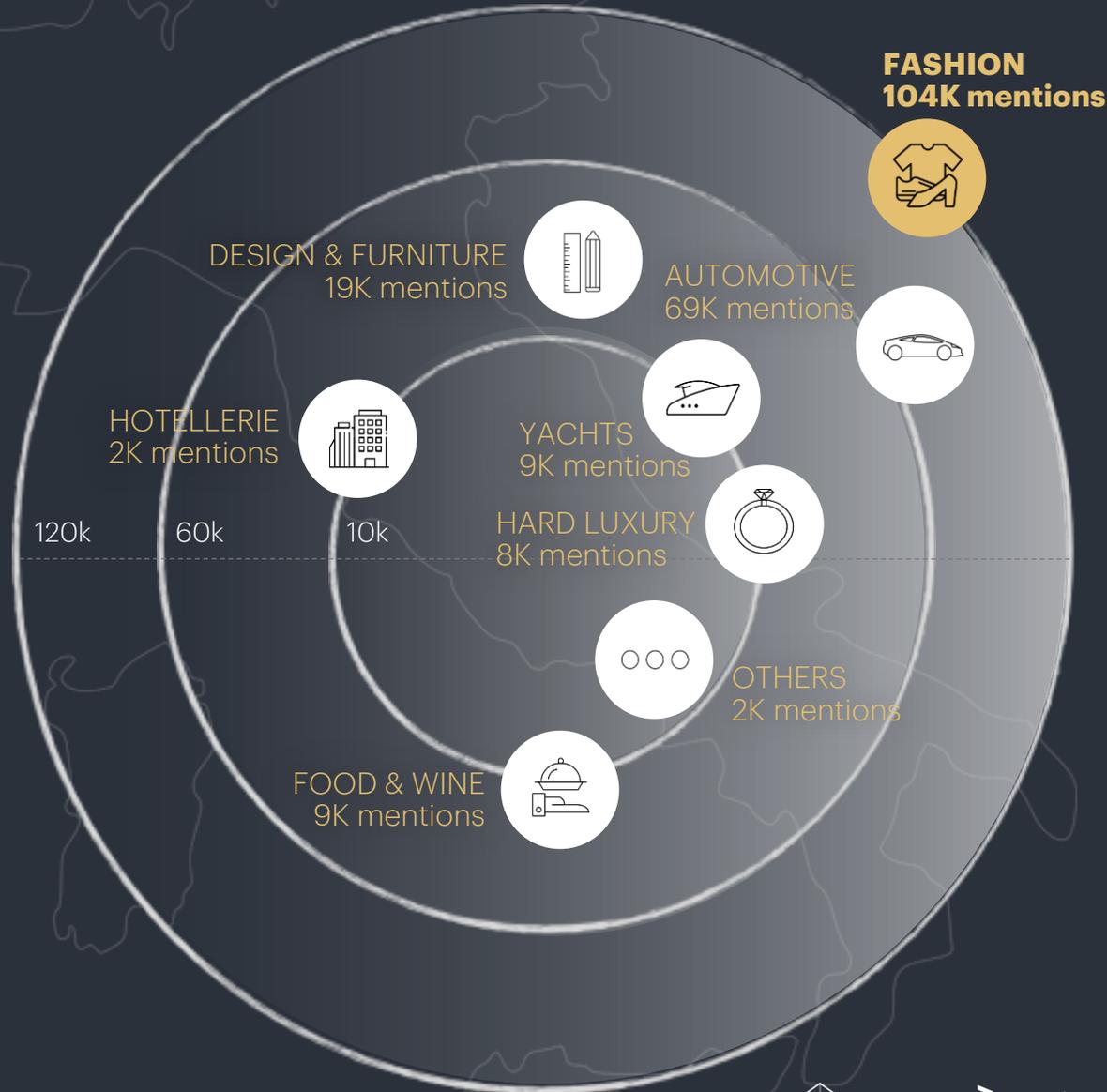
Most discussed topics about Made in Italy in 2019

31%

of total discussions about Made in Italy highlighted how the Italian style is influenced by historical legacy.

14%

of conversations recognized tailored products and handicraft techniques as distinctive and indicative of Italian brands.

8%

of mentions associated the concept of Made in Italy to innovation, research and new creative proposals.

Share of Voice

2019

2018

GUCCI

2.5 mln
mentions

GUCCI

1.7 mln
mentions

Best channels
62%
28%

		2.0
Luxury		2.2
Fashion		6.5
Gucci		10

Luxury		2.0
Fashion		7.2
Gucci		10
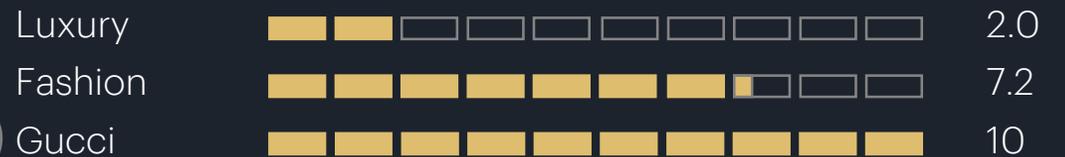
Key conversational cross-category topics

2018 2019

2018 top trends (also in 2019)

84% of total SOV (+14% from 2018).

GLOCALITY
21% - "territory" and "provenience"

LUXURY
20% - luxury lifestyle.

HERITAGE
19% - classic values, heritage and legacy.

EVENTS
17% - public events.

Top 3 category

FOOD& WINE	YACHTS	HOTELLERIE
HARD LUXURY	YACHTS	HOTELLERIE
DESIGN	YACHTS	HOTELLERIE
DESIGN	YACHTS	HOTELLERIE

Emerging new trends in 2019

SUSTAINABILITY
7% - environmental sustainability.

PERSONALIZATION
4% - personalized and customized products.

LIMITED EDITIONS
4% - limited editions.

CRAFTSMANSHIP
3% - craft & madein.

Top 3 category

FOOD& WINE	YACHTS	DESIGN
DESIGN	YACHTS	HOTELLERIE
FOOD& WINE	YACHTS	DESIGN
HARD LUXURY	DESIGN	YACHTS

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Asian Vibes, Partnerships, Streetwear and Green Orientation

Collaborations

Partnerships and collaborations have produced a high online impact. A consistent portion of luxury consumers purchased special editions and collaborations, driven by Chinese consumers demand and younger generations.

Asian Wave

The online interest generated by Chinese and Koreans proved high relevance of brand ambassadors related to the music industry.

NEW Luxury Streetwear

The phenomenon powered the year's biggest trends. By offering a larger selection of streetwear items, luxury brands targeted younger generations looking for less formal attire.

Sustainability

Sustainability has influenced consumer purchase behavior, driven by environmental and ethical manufacturing concerns.

Mergers, Green Engines, Festivals and Heritage

Share of Voice

NEW   The resonance of M&A

Online attention of worldwide users gathered around the notable process of merging between FCA and PSA.

Festivals and Events   NEW

Cars festivals and events represented a key opportunity for the discovery of the automotive world and its history, both online and offline.

Sustainable Vehicles

Recurrent online discussions about hybrid and electric engines demonstrate a rising interest around sustainable and green mobility.

Vintage and Heritage

Online users frequently refer to the values of classic and iconic style that shaped Italian brands' glorious past.

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Asian Influence, Casual Luxury and Materials Refinement

Share of Voice

Asian Influence

Following the trend already outlined in 2018, Asian countries are becoming more and more relevant and visible: k-poppers, Asian boybands and singers stand out as the most engaging ambassadors for the industry.

NEW ## Casual Luxury

Online users are welcoming traditional casual brands that offer unconventional luxury propositions.

Material Refinement **NEW**

Raw materials and gems are recurring topics in online conversation around hard luxury products.

Light Focus, The Power Of Art and Natural Materials

Share of Voice

Design of Light

For online discussion, light emerges as an active components of the items: it became the enabler of a new fruition also if it is not fully integrated within object.

Augmented Design

With the aim to ease the access to premium products to all costumers, brands are moving towards the approach based on AR and 3D modelling which resulted notably appreciated.
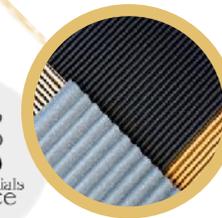
Natural Materials **NEW**

Recurrent online conversations focused on natural materials such as wood and brick.

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Uniqueness, Competitions and Smart Food

Share of Voice

NEW Limited Editions

Diamonds, collaborations, personalized and unique pieces: online users demonstrated rising interest in limited and iconic edition of their favorite products, from water to wine.

Awards and Competitions

Following the trend of 2018, the food industry gained high visibility due to awards and competitions like the World 50 best. Online users proved to be extremely sensitive to sustainability themes addressed during events.

Smart Food

From smart farming to blockchain technology, online users' conversations demonstrated high interest in technologies able to bring new advance to the food sector, while minimizing the impact on the environment.

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The Importance of Locations, Food Excellence and The Risk Of Politics

Share of Voice

NEW Location and View

Online user presence in 2019 conferred a new importance to the concepts of spaces and locations. Views, panoramas and landscapes were among the most discussed topics.

The Risk of Boycott

Homophobic restrictions adopted by the Sultan of Brunei, owner of several luxury hotels worldwide, provoked George Clooney public blame and boycott actions, thus causing a reputational damage for the brands involved.

Food Excellence NEW

Chef and gourmet creations contributed to create visibility in the sector, generating rising interest among users.

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Emissions Control, Interiors and Yacht Shows

Share of Voice

NEW Emission Control

Brands' proposition focusing on hybrid propulsion for luxury boats is raising as a viral topic during 2019.

Yacht Shows NEW

Festivals, anniversaries and shows: online conversation of users focused on the celebration of navigation in the world.

Interiors

What's inside the yachts? This is one of the most frequently discussed topics regarding navigation industry: furniture, materials and premium features.

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three.

Sentiment Analysis

IMPROVEMENTS

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Positive discussions on social media increased

Mainly thanks to events

Altagamma's luxury brands performed well in this area of the Index because they were able to increase the number of positive engagement in users' comments.

Limited Editions

San Pellegrino's launch of limited-edition diamond bottle contributed to users' strong appreciation and positive comments.

Brand Testimonials

Harry Styles made the trek to Rome's Capitoline Museum to take in Gucci Cruise Show 2020.

Fashion Events

Jennifer Lopez walked the Versace runway during Milan Fashion Week in a new version of her iconic "Jungle Dress".

Product Innovation

Kartell presented the AI Chair at the Salone del Mobile 2019.

Don't be into trends. Don't make fashion own you, but you decide what you are, what you want to express by the way you dress and the way to live.

Gianni Versace

Overall Net Sentiment by category

● Positive　　● Neutral　　● Negative

Food & Wine

3%

35%

Net sentiment
32%

62%

Yachts

5%

36%

Net sentiment
31%

59%

Others

1%

30%

Net sentiment
29%

69%

Design & Furniture

3%

31%

Net sentiment
28%

66%

Hotellerie

11%

35%

Net Sentiment
24%

54%

Fashion

3%

26%

Net sentiment
23%

71%

Hard Luxury

4%

24%

Net sentiment
20%

72%

Automotive

8%

22%

Net sentiment
14%

70%

Sources: The Net Sentiment is the difference between positive and negative sentiment

Sentiment
Analysis

2019

2018

68%

48%

		2019
Luxury		7.8
Hotel		7.7
Masseria San Domenico		10

		2018
Luxury		6.2
Hotel		9.2
Masseria San Domenico		10

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Sentiment
Analysis

Success factors

Boutique Hotel
Awards 2019

92% San Domenico
Wellness and Spa

91% Nature and Views

89% Italian Culinary
Tradition

82% Heritage and Past

...ntiment.

IMPROVEMENTS

four.

Reach & Engagement

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Reach and Engagement is growing

Especially via novelties and collaborations

Altagamma's luxury brands performed well in this area of the Index because they adopted ad hoc strategies to increase Reach by engaging their own fan base with novelties or by collaborating with relevant KOLs.

Cristallo Resort
Collaborate **with an Italian fashion brand on Facebook.**

3,05%

Avg category
0,63%

Arcadia Yachts
Stood out as a top scorer in terms of engagement rate, especially thanks to its editorial plan on Sea Coral II.

1,9%

Avg category
0,86%

It is the mind that makes the body rich.

Andrew Carnegie

Reaching VS Engaging 2018

In 2018, two different strategies to reach the online crowd emerged.
Categories with large fan bases on their own leveraged on their Owned Reach through their social properties.


EARNED REACH (y-axis: 100k, 200k, 300k, 400k, 500k, 600k, 700k, 800k)

OWNED REACH (x-axis: 20 mln, 40 mln, 60 mln, 80 mln, 100 mln, 120 mln, 140 mln)

Hotellerie 0,35%

Others 0,36%

Design & Furniture 0,25%

Food & Wine 0,41%

Hard Luxury 0,34%

Yachts 0,25%

Automotive 0,83%

Fashion 0,39%

Leverage third party sources & influencers

The Hotellerie category, composed by brands with relatively small fan bases (niche brands), leveraged third party sources and influencers in order to reach the widest possible audience.

Build and nurture your own fan base

The graph shows every category position according to their **Earned** and **Owned Reach**. The bigger the circles the higher the **Average Engagement Rate (ER)** by category (%)
Source: SalesForce, FanPageKarma

Reaching VS Engaging 2019

In 2019, most of the categories maintained the same strategy as in 2018.
Food & Wine brands increased the Reach by involving external sources.

EARNED REACH

800k

700k

600k   +0.6% engagement rate
        for Yachts brands

500k

Hotellerie
0,63%

+0.3% engagement rate
for Hotellerie brands.

*Hotellerie brands kept engaging with
most of the third parties and influencers.*

400k   **Yachts**
        0,86%

Food & Wine
0,43%

+240k fans reached
thanks to third parties
sources and influencers.

*Food & Wine brands are trying to follow
Hotellerie category by involving authors
to increase the Reach.*

300k

Others
0,18%

Design & Furniture
0,32%

200k

Automotive
0,22%

Fashion
0,24%

100k

Hard Luxury
0,41%

*Fashion and Automotive brands
maintained their focus on fan base, due to
their larger potential Reach.*

20 mln   40 mln   60 mln   80 mln   100 mln   120 mln   140 mln   **OWNED REACH**

The graph shows every category position according to their **Earned** and **Owned Reach**. The bigger the circles the higher the **Average Engagement Rate (ER)** by category (%)
Source: SalesForce, FanPageKarma

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Reach & Engagement

2019

Top Engagement Rate

1,9%

Average Altagamma
0,41%

		4.8
Average	██████░░░░	4.8
Yachts	██████████	10
🏆 Arcadia	██████████	10

Top Owned Reach

69 mln fans

Average Altagamma
2,7 mln

Average	██░░░░░░░░	2.3
Fashion	██████████	10
🏆 Gucci	██████████	10

Top Earned Reach

523,7 k fans

Average Altagamma
168,3 k

Average	██░░░░░░░░	2.4
Hotel	██████████	10
🏆 Belmond	██████████	10

2018

Top Engagement Rate

1,7%

Average Altagamma
0,36%

Average	██████░░░░	4.7
Automotive	██████████	10
🏆 Ducati	██████████	10

Top Owned Reach

58,6 mln fans

Average Altagamma
2,6 mln

Average	██░░░░░░░░	2.2
Fashion	██████████	10
🏆 Gucci	██████████	10

Top Earned Reach

350 k fans

Average Altagamma
10,4 k

Average	█░░░░░░░░░	1.8
Hotel	██████████	10
🏆 Lungarno Collection	██████████	10

Engagement rate: total interactions on total fan base; Owned reach: sum of fan bases from official social pages; Earned reach: n° of users reached due to top authors activity

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take-outs.

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2019 Learnings for members

THE PATH TO DIGITALIZATION CONTINUES

New platforms should be locally embraced and new trends on consolidated ones should be adopted.

THE TWO-FOLD STRATEGY TO REACH LARGER AUDIENCES IS CONFIRMED

There are two main ways to grow in Reach and Engagement: tapping into like-minded KOL's pre-existing fanbases or expanding towards competitors' ones when affinity allows.

AUDIENCE APPRECIATION PROVED TO BE RESPONSIVE

Novelties and collaborations positively boosted users' opinion, when properly executed.

KOLS MENTIONS ARE STILL A POWERFUL STRATEGY FOR BRANDS TO GROW THEIR BASE

Celebrity affiliations can grow a brand's affinity with communities. KOL should fully reflect the brand values for a long-term strategy.

CONTENT CURATION OF THEIR EDITORIAL PLANS PAID OFF GRANDLY

Engagement Rates registered great improvements, thanks to a growth of the breadth of content themes and the relevance of their execution.

2019 Learnings for Altagamma

BRANDS SHOULD OWN MADE IN ITALY AS IT SHOWED TO BE AN UNTAPPED OPPORTUNITY

"Made In Italy" is still led by publishers and KOLs but can be utilized by luxury brands as a solid growth driver, due to its enormous popularity and Reach.

UPDATE

POST COVID19
INSIGHTS

Low brands-related Buzz, the focus was on the emergency

Overall conversations generally decreased 28% in the first 5 months of 2020 compared to 2019.

Discussions about Covid19 increased constantly from March 20 onwards (+20% avg daily Covid19 SOV vs Jan-Feb '20).

Sharp drop in conversations about products, events and celebrities.

8 March '20 Covid19 Italian Outbreak.

80000			
60000			
40000			
20000			
0			

Feb '20   Mar '20   Apr '20   May '20

— Overall 2019   — Overall 2020   - - COVID 2020
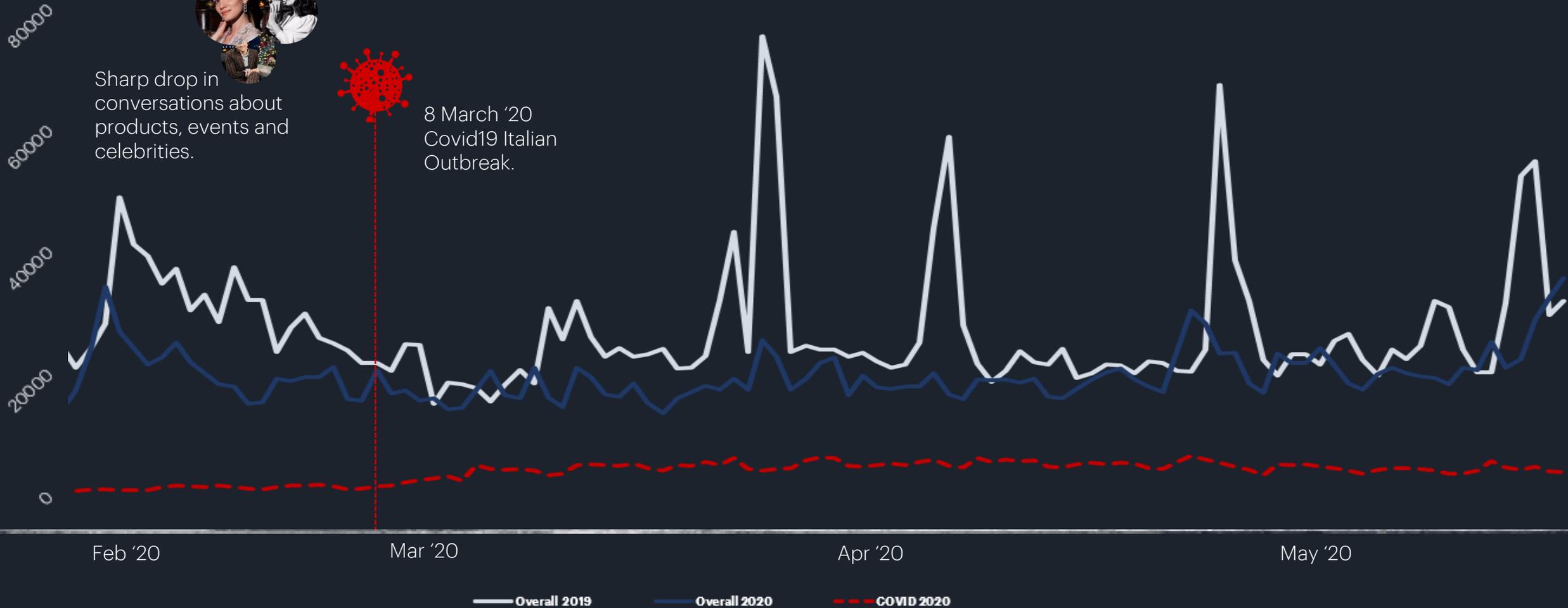
The COVID-19 trendline: four key phases

Cancellation · Emergency · Reaction & Solidarity · Restart

8 March '20
Covid19
Italian
Outbreak.

7000

5250

3500

1750

0

Jan '20 Feb '20 Mar '20 Apr '20 May '20

- - - - COVID 2020   [All conversations naming covid and related keywords together with brands' names]

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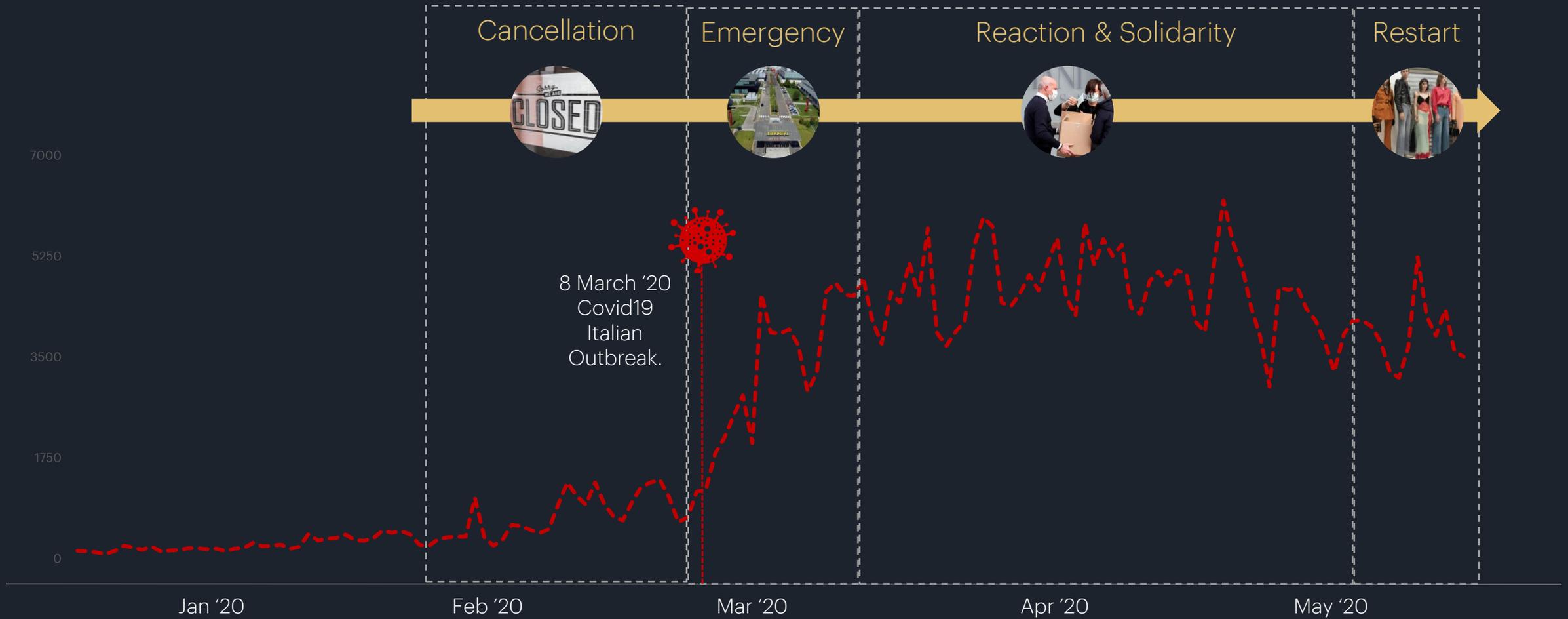
Moodboards on the four phases

CANCELLATION

EMERGENCY

REACTION & SOLIDARITY

RESTART

How YOOX communicated with customers during the crisis

In response to the crisis, YOOX NET-A-PORTER has built an ad hoc communication strategy aiming at:
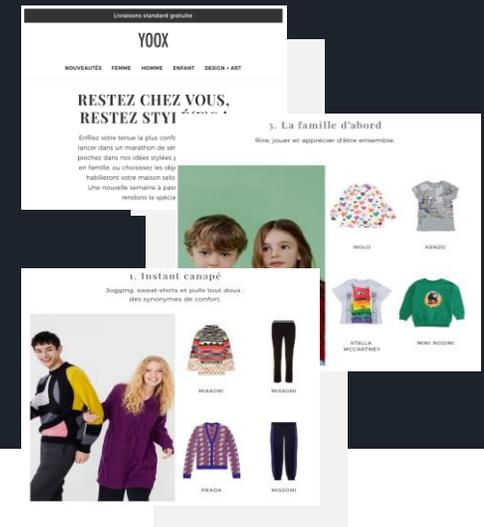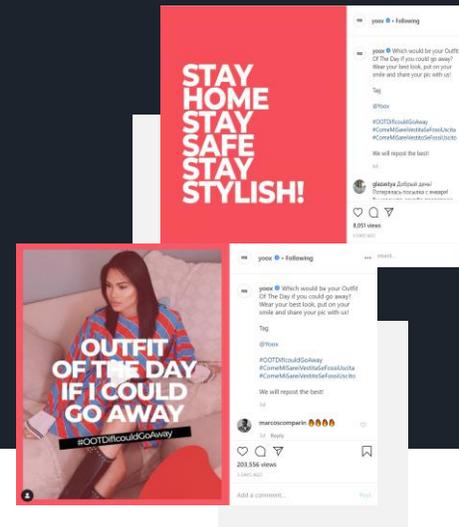
Reassure customers,
explaining the measures undertaken to ensure the health and safety of both customers and employees.

Stay close to the community,
describing charity initiatives including the support to the IEO Foundation and the donation of hardware and digital education packages to support homeschooling.

Increase customer engagement,
becoming an "enter-tailer" – an e-tailer that is also in the business of entertaining its customers, sharing special content on social channels.

Be relevant,
with ad hoc newsletters that promote the purchase of home clothing.

How brands are talking to customers

LOUIS VUITTON's
Newsletter

Louis Vuitton declares to maintain its unwavering commitment to ensure the health and safety of their clients, teams and surrounding communities.
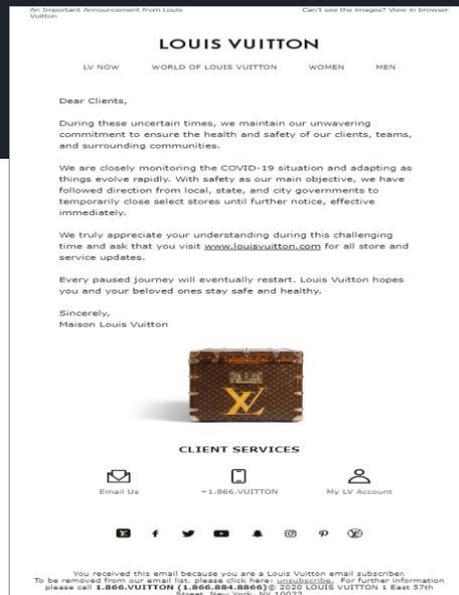
SAINT LAURENT's
Instagram post

Saint Laurent shares that their thoughts are with all of us. They wish to offer moments of positivity and temporary distraction continuing to share Saint Laurent's escapist dream.
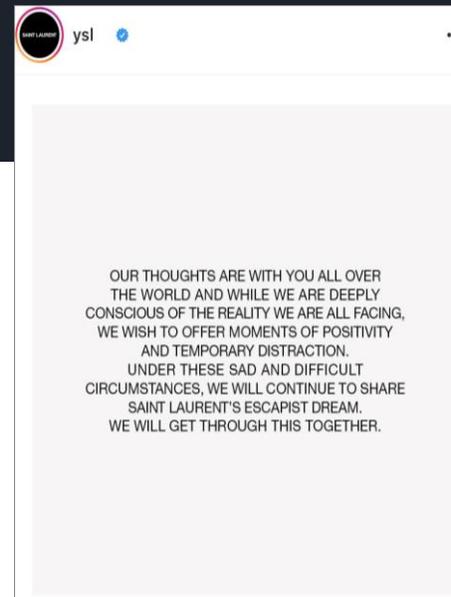
NOAH's
Instagram post

Noah invites their Instagram followers to be altruistic, trying to understand the real meaning of the word, inviting to stop socializing for a while in favor of a common good.

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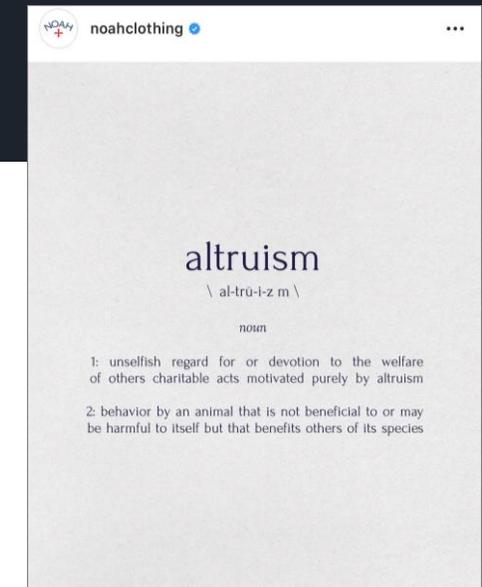
How brands are talking to customers

DIOR's
Newsletter

Dior declares that preserving customers health is at the heart of all their thoughts and actions. Their online stores remain accessible and the ambassadors are at the entire disposal to answer client questions.
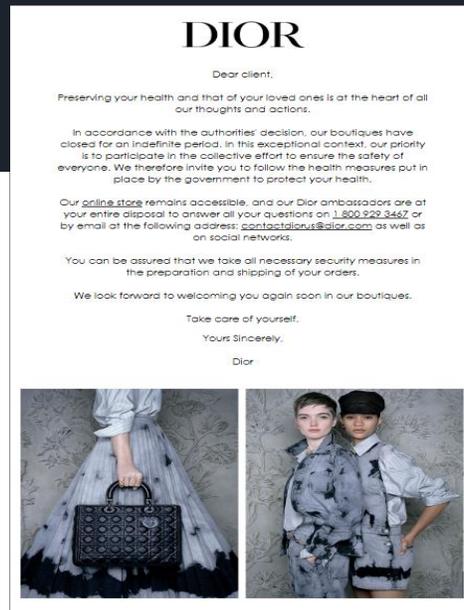
PHILIPPE PLEIN's
Instagram post

Philipp Plein states that their main priority is the health of their associates, customers and community. Sharing as well that they are taking all necessary steps to follow the WHO and local authorities' guidelines.

DONATELLA VERSACE's
Twitter

Donatella Versace shared a tweet saying that her gratitude goes to all the doctors, nurses and the entire Italian healthcare system, also thanking the Chinese delegation of experts that arrived in Rome.

Different positioning during the restart phase

CHANGE

RETURN

Learning from hard times

ACT BEFORE COMMUNICATE

Engage with customers through editorial content, virtual social gatherings and crowd-funding initiatives.

SELECT THE INFORMATION TO CONVEY

Only use real information from authoritative and trustworthy sources.

JOIN THE CONVERSATION

Do not stay indifferent, but take part in the conversation and be responsive to positive messages.

PEOPLE OVER REVENUES

Communication should not be revenues-driven. Avoid any in-your-face sales approach, value people over business.

REASSURE WITH EMPATHY

Adopt an increasingly reassuring tone of voice and bet on relevance so that your communities perceive your proximity and your utility.

BE LOCALLY RELEVANT

Customize the communication according to the events each country is facing, possibly in real time.

OTB

- LIVE ON JULY 6TH -

The project was born from the need to face the current situation. It was created with the support of **Accenture** and represents **a new standard for the digitalization of the fashion industry.**

Based on a platform developed by an internal multifunctional team, **it consists of a customized end-to-end modular technological infrastructure**. The goal was to represent the style, product and atmosphere of the different brands of the group led by Renzo Rosso.

Milano finanza
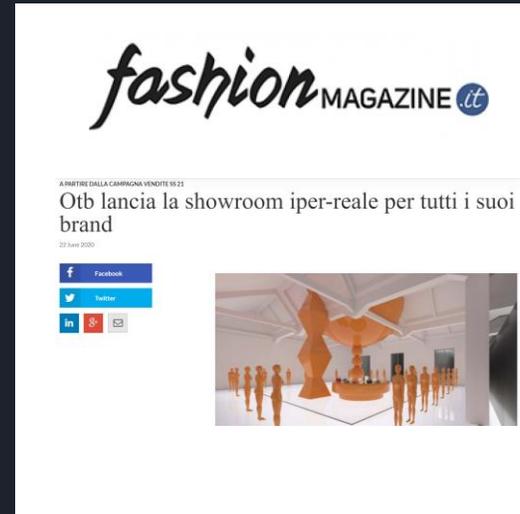
FASHION MAGAZINE   FASHION UNITED

MILANO FINANZA

Milan Fashion Week

- LIVE ON JULY 14 TH -

The **first fashion digital platform for Milan Fashion Week** and showroom campaigns will broadcast **live streaming of the Milan fashion show's** schedule in July.
It will be a **digital fashion hub** for brands, buyers, influencers, public and sponsors that will provide live events with **relevant contents**.
A **digital showroom area** will be dedicated for showroom and buying sessions.
A fashion market hub will host **emerging brands** and **new designers**.
The public announcement will highlight the strategic role of Accenture in disrupting the iconic Fashion Week in Milan.

LIVE STREAMING FASHION SHOWS

EXCLUSIVE LIVE EVENTS AND CONTENTS

FASHION MARKET HUB

DIGITAL SHOWROOM AREA

Social Luxury Index team members

STEFANIA LAZZARONI

General Manager at Altagamma

DANTE D'ANGELO

Chief Digital Marketing Officer at Valentino

JANE REEVE

Chief Communications Officer at Ferrari

ALESSANDRO ZANOTTI
Accenture Leadership

GUIDO MERCATI
Accenture Leadership

DARIO MARINO
Client Account Leadership Senior Manager

GIANMARCO LORETI
Digital Strategy Senior Manager

See you in 2021 with

Live Dashboards
&
Real Time Insights

ALTAGAMMA
CREATIVITÀ E CULTURA ITALIANA

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