

A marketing plan as a marketing management tool

Defined business document	Marketing plan
Brand	Tiffany & Co. - tiffany.com
Market	Luxury jewelry, engagement and wedding rings
Marketing challenge	Further develop the market in northern Italy through the flagship store in Milan
Geographical focus	Milan, Italy
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Meeting point of the authors with Danny Abramovich	24Ore Business School Master in Luxury Management
Content covered	Chapter 1, Marketing analysis ✓ Chapter 2, Strategy & objectives ✓ Chapter 3, Budgeted action plan ✓ Chapter 4, Control procedures ✓
Methodology used	The MODE - doing your marketing more effectively
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TIFFANY & Co.

MARKETING PLAN

As of December 2020, we're going to focus our market development strategy on changing the perception of Tiffany & Co. engagement rings in Italy to attract new customers.



Company Profile

- **1837** - Tiffany was founded in New York City
- Product design, manufacturing, retailing activities
- Jewellery, timepieces, accessories, fragrances
- **\$ 4,4 Billions** of sales in 2018
- More than **300 stores** around the world

Cultural values

Create the dream

Be bold

Do the right thing

Be brilliant together

Win with passion

Geographical fact sheet



When it comes to engagement rings, Tiffany is not the first choice for Italians because it entered the market with accessible products.

Some numbers:

- 47 stores in Europe of which **9** in Italy
- 23% engagement rings sales in Europe
- **4.3%** engagement rings sales in Italy

Marketing Analysis

1.1 Business trends analysis

The most influential trend is social:

- In Italy on average, men get married when they're 33,7 years old while women at 31,5 years old (+1,6 and +2,1 years than 2008) Source: ISTAT
- In 2018 Italy counted 196K marriages, about 4.500 more compared to the previous year (+2,3%). Source: ISTAT

1.2 Market analysis

Tiffany is a high-quality gemstones and precious metals jewelry company.

1.2.1. Main product categories:

- Diamond engagement rings
- Sterling Silver jewelry
- Women's watches

1.2.2. [Level of market competitiveness](#): **4,2** because of the high number of substitutes and suppliers with high bargaining power.

1.3 Competitive Analysis

1.3.1 Direct Competitors

- [Cartier](#)
- [Damiani](#)
- Unbranded

1.3.2 [Critical Success Factors](#)

Cartier and Damiani are more competitive than Tiffany by **9%** because of better design and store locations.



1.4 Segmentation

Until today, the main segments of the company are local people (citizens) who need to make a special gift and surprise their loved ones buying a Tiffany product directly in stores. Our segment also includes self buyers who are brand's enthusiasts.

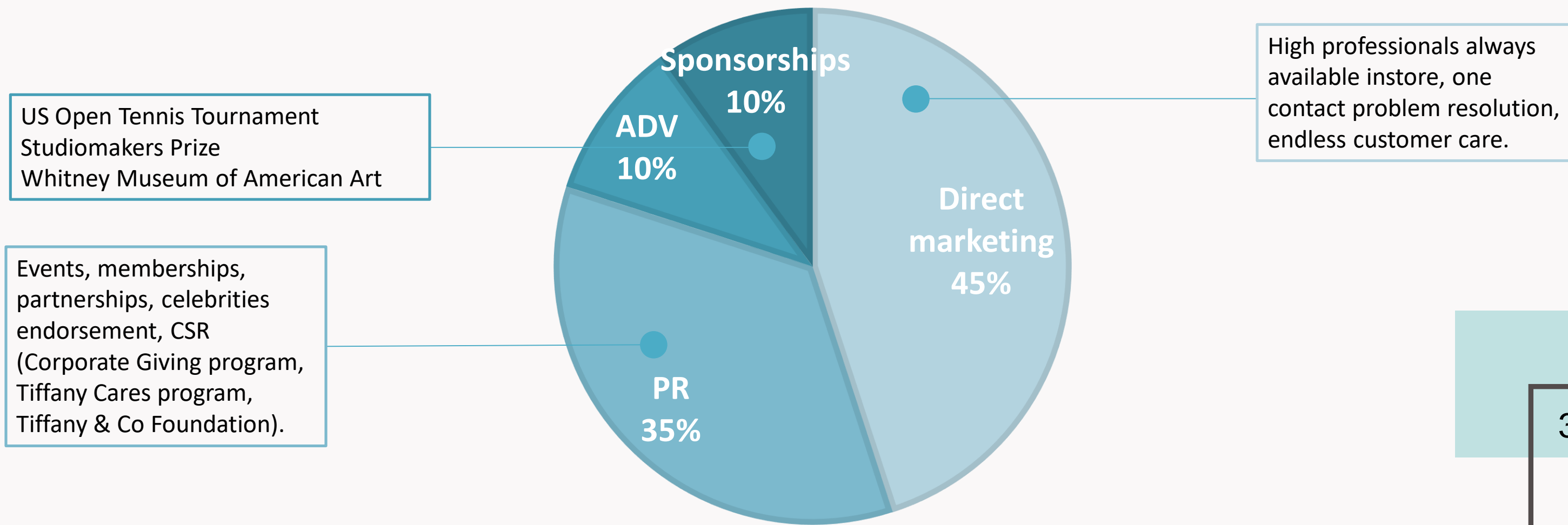
1.5 Offer Mix

Until today, we believe that this company is mainly focused on:

- Brand (Blue Tiffany, Blue box, partnerships, customization)
- Quality of Service (High qualified professionals, information on brochures and website)

Physical	Price	Brand	Quality of service
15%	5%	45%	35%

1.6 Marketing Promotion



1.7 Actual Strengths & Weaknesses

1.7.1 Competitive advantages (as perceived by clients)

- Quality of products (rational selling proposition, or esp)
- Customization (rsp)
- Desirability (emotional selling proposition, or esp)
- Association with celebrities (esp)

1.7.2 Main weaknesses (as perceived by clients)

- Confused mix of accessible and high-end products (rsp)
- American origin and style (esp)

1.8 Actual Perceptions: Positioning

In comparison to Damiani, our brand is best perceived by locals living in big cities who are looking for special gifts, as far as our power to arouse desire is concerned.

Marketing Strategy & Objectives

2.1 Selected marketing strategy next year

In 2020/2021 we are going to focus on a market development strategy which means increasing the number of engagement rings sold in Italy.

2.2 Value Proposition

We are going to develop the following value proposition: starting on December 2020 we are going to increase the number of clients of engagement rings in Italy, focusing on the store in Piazza Duomo, Milan. We will change their perception of Tiffany as an accessible brand, in order to realign it to that of the American market.

2.3 Targeting next year

In tune with the selected strategy, our main targeted segments will be locals who want to buy a unique ring and propose it to their beloved ones.

2.4 Revising the marketing offer next year

In tune with the selected strategy, most resources will be allocated to the Brand because we want to change its perception from accessible to luxury, in particular regarding the engagement rings segment.

2.5 Revising marketing promotion next year

In tune with the selected strategy, most resources will be allocated to Direct Marketing and PR, because we believe that one-contact problem resolution is the best way to support our clients in their once in a lifetime choice and moreover, we want to create a new community in Italy composed of loyal customers.

2.6 Transforming strengths and weaknesses into objectives

2.6.1 E.G. The American origin turns into an opportunity because of the dream. The American dream is the strongest and most famous one. Tiffany is able to promise and deliver dreams by selling its precious rings.

2.6.2 E.G. Customization emphasizes the uniqueness of the person thanks to a tailor-made ring and fights the competition of unbranded rings.

2.7 Improving perceptions next year [position](#)

By repositioning the brand we would like to increase both the quality of products perception and their desirability in order to narrow the gap with our main competitors.

2.8 Conducting yearly [sales forecast](#)

Our expected sales forecast is of 4.2M €

3.1 To Pursue Partnerships

We chose to collaborate with Enzo Miccio, a famous Italian wedding planner.

Tiffany's strengths	Tiffany's weaknesses	Enzo Miccio's strengths	Enzo Miccio's weaknesses
Quality of products	Confused mix of accessible and high-end products	Popular in Italy	Opulent
Customization	American origin and style	Italian style	Low desirability out of Italy
Association with celebrities		Highly specialized in weddings	

3.2 To Maintain Successful Marketing Activities

- Worldwide events in order to keep the Brand Awareness high
- Newsletter (updates, current campaigns)
- Tiffany & Co.'s Ring Finger App
- The "Blue Book"
- Website
- Social media

3.3 To Adjust the Offer

Offer Mix: Brand Quality of service	Blue Tiffany, Blue box, partnerships, customization, high qualified professionals, info on brochures and website
Goal: Brand	Change the engagement rings' perception of Italians
How to do it?	Brand repetitiveness to expose the brand (Light displays). Promoting marketing activities (3.4)

3.4 To Promote Marketing Activities

- To conduct a survey in-store in order to collect customer data and needs to send them customized newsletters. In this way, the brand's quality perception will be increased, and thanks to suggestions given by clients we could improve our services. Data will also be collected by cookies on our website.
- To create an Italian version of the "Blue Book" and other seasonal catalogues.
- To plan "Tiffany x Enzo Miccio" at Tiffany Store (only at the 2nd floor) in Duomo, once a month on Sundays, where selected clients will enjoy a special day. In this occasion, the famous wedding planner will give his advices to couples in an exclusive atmosphere, where the most renowned rings and the new collection will be displayed. The event will end with an aperitif at the store's cocktail bar. Our intention is not only to sell our engagement rings, but also to sell the idea of the dream wedding, having at your own disposal the most famous Italian wedding planner. (Have a look at the [newsletter and invitation](#)).
- To set up light displays (on December and January) in a prestigious district of Milan with a popular quote coming from the "Breakfast at Tiffany's" movie.

3.5 To Manage the Marketing Action Plan Projects

What?	By Who?	From	To	How Much?	Comments
Catalogues	Marketing department	Today	December '21	★☆☆	1/year for the Blue Book 1/Season other catalogues
Enzo Miccio partnership	PR Manager	Dec '20	Dec '21	★★☆	1/month
Light displays	PR Manager	Dec '20	Jan '21	★★★	2 months

3.6 To Set a Periodical Marketing Budget

Resources			Expenses		
Capital	566.708 €	90%	Survey	10.000 €	2%
Loans	-	-	Catalogues	120.000 €	19%
Partnership	62.966 €	10%	Tiffany x Enzo Miccio	200.000 €	32%
			Light displays	220.000 €	35%
			Marketing research	20.000 €	3%
			Non- allocated	59.675 €	10%
Total	629.675 €	100%	Total	629.675 €	100%

4. Measurable Results - Periodically

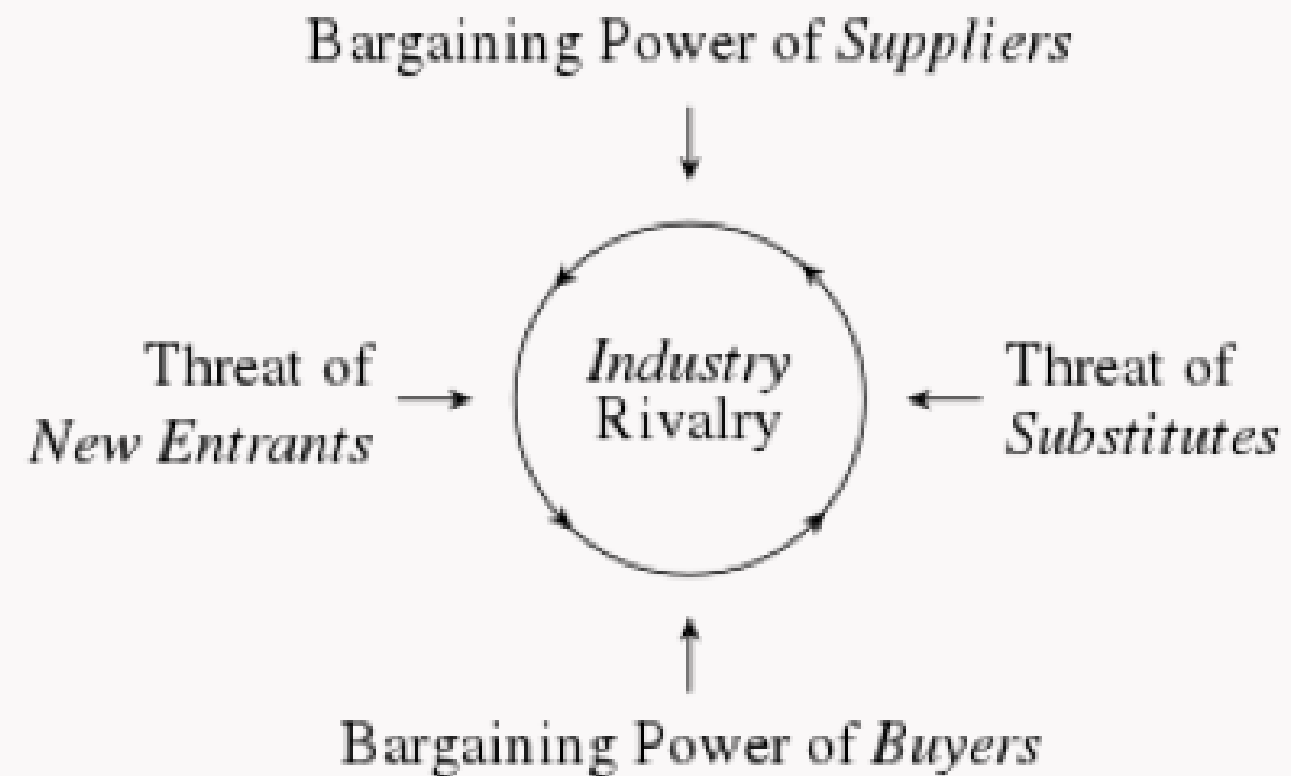
4.1 The action plan will be controlled by Tiffany's Italian Marketing Manager and the Store Manager.

4.2 The main control tools will be the GANTT matrix and surveys that will be conducted after the "Tiffany x Enzo Miccio" events.

4.3 The action plan will be checked every second Wednesday of each month.

4.4 KPI: n° of complaints, engagement rate of events and click to open rate of newsletters will be selected in order to thrive improvement.

Annex 1 – Level of market competitiveness



Suppliers	40%	4	1,6
New entrants	10%	2	0,2
Buyers	20%	3	0,6
Substitutes	30%	6	1,8

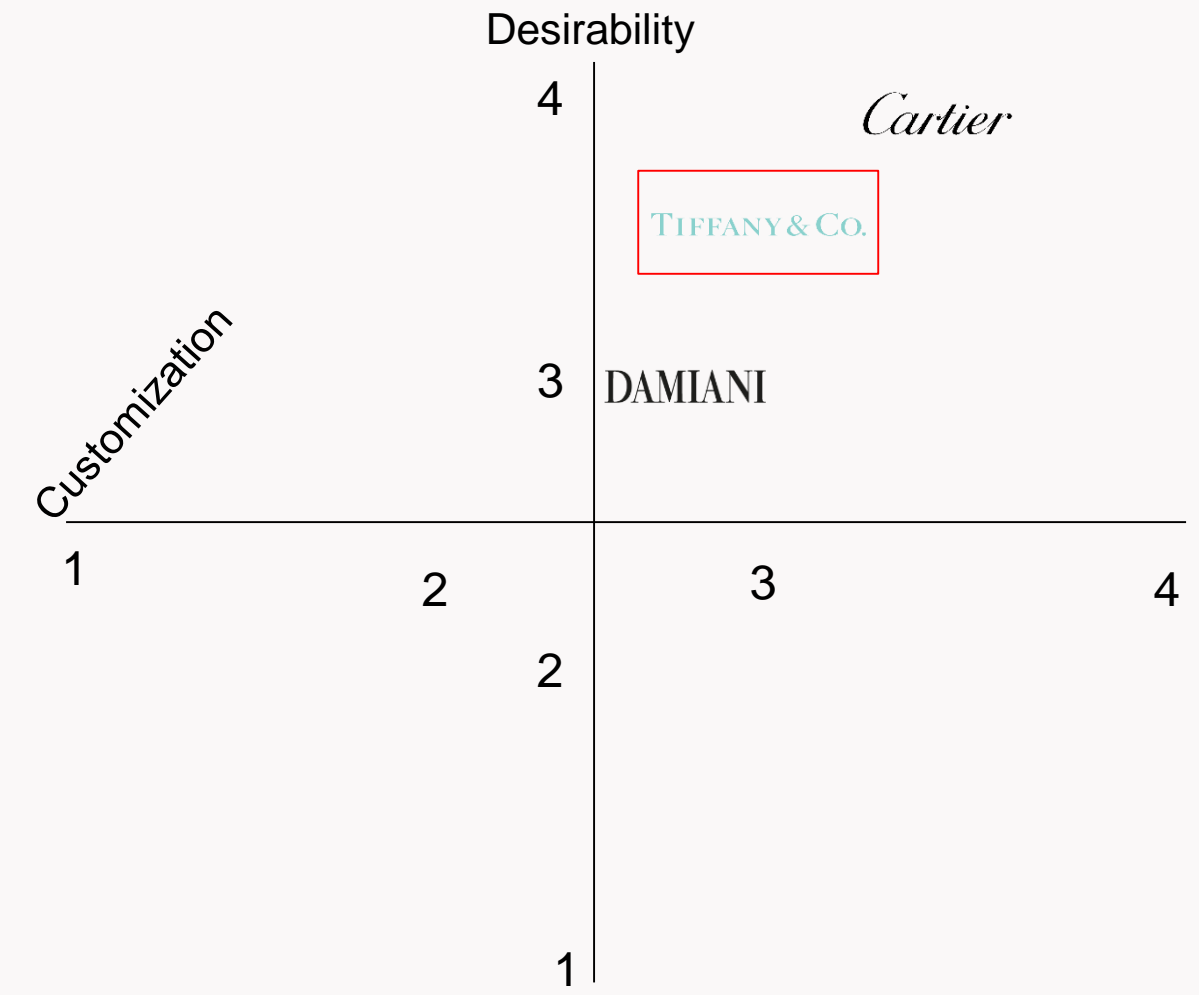
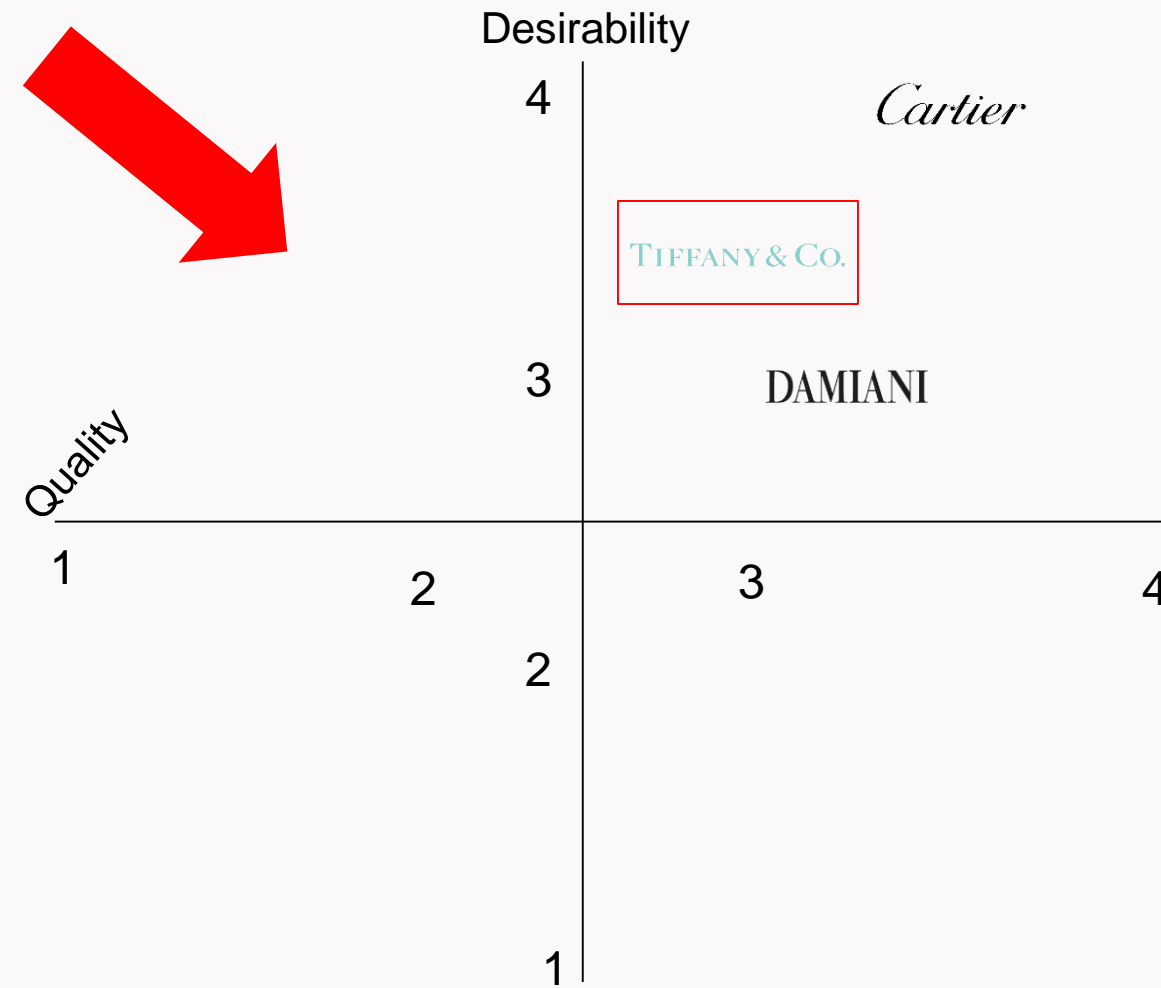
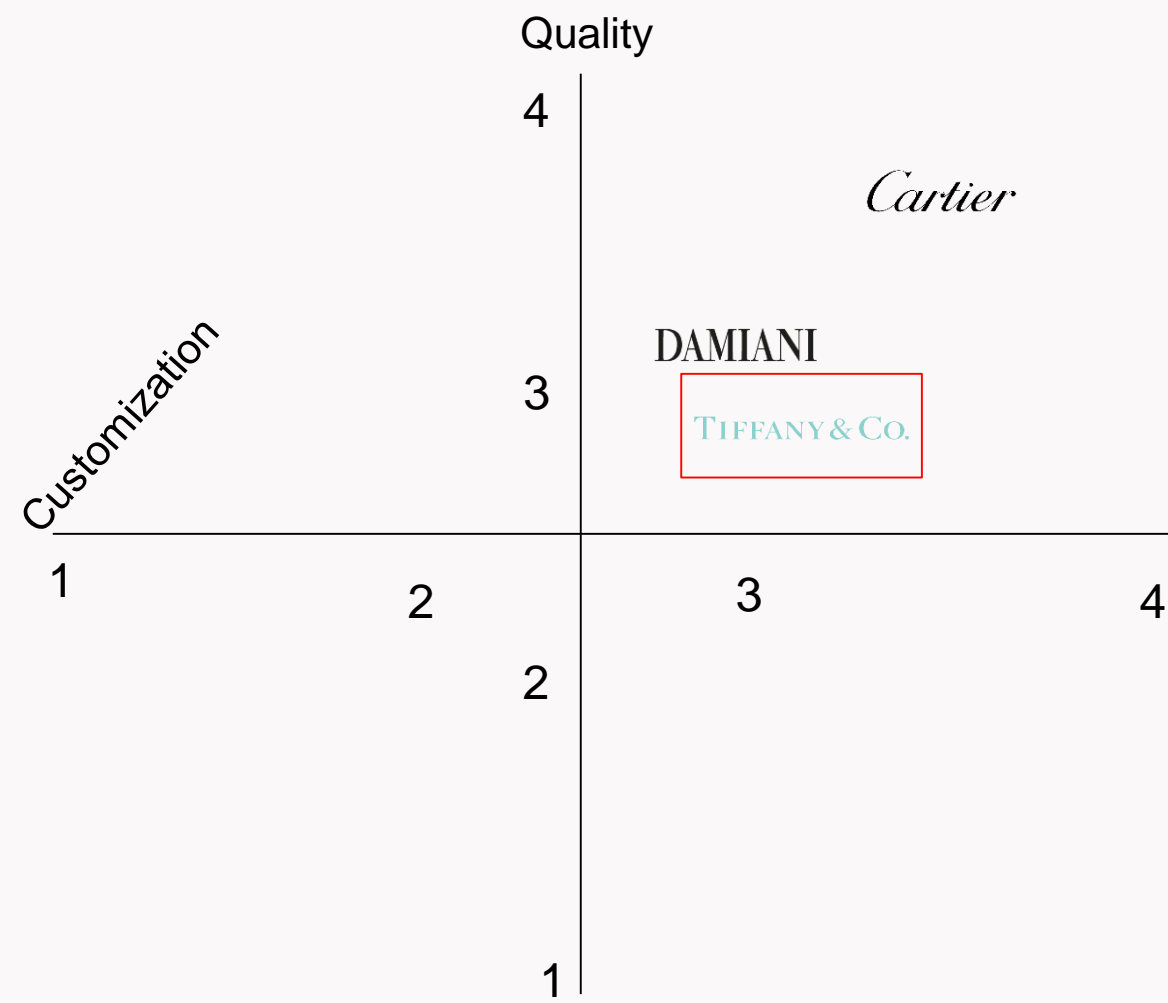
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Annex 2 – Competitive Analysis

CSF	Weight	TIFFANY	Weighted Results	CARTIER	Weighted Results	DAMIANI	Weighted Results
Designed engagement rings	0.4	7	2.8	8	3.2	8	3.2
Store locations	0.3	9	2.7	10	3.0	10	3.0
Customized service	0.2	7	1.4	8	1.6	7	1.4
After service assistance	0.1	8	0.8	6	0.6	8	0.8
TOTAL	1.0		7.7		8.4		8.4
%			-9%		+9%		+9%

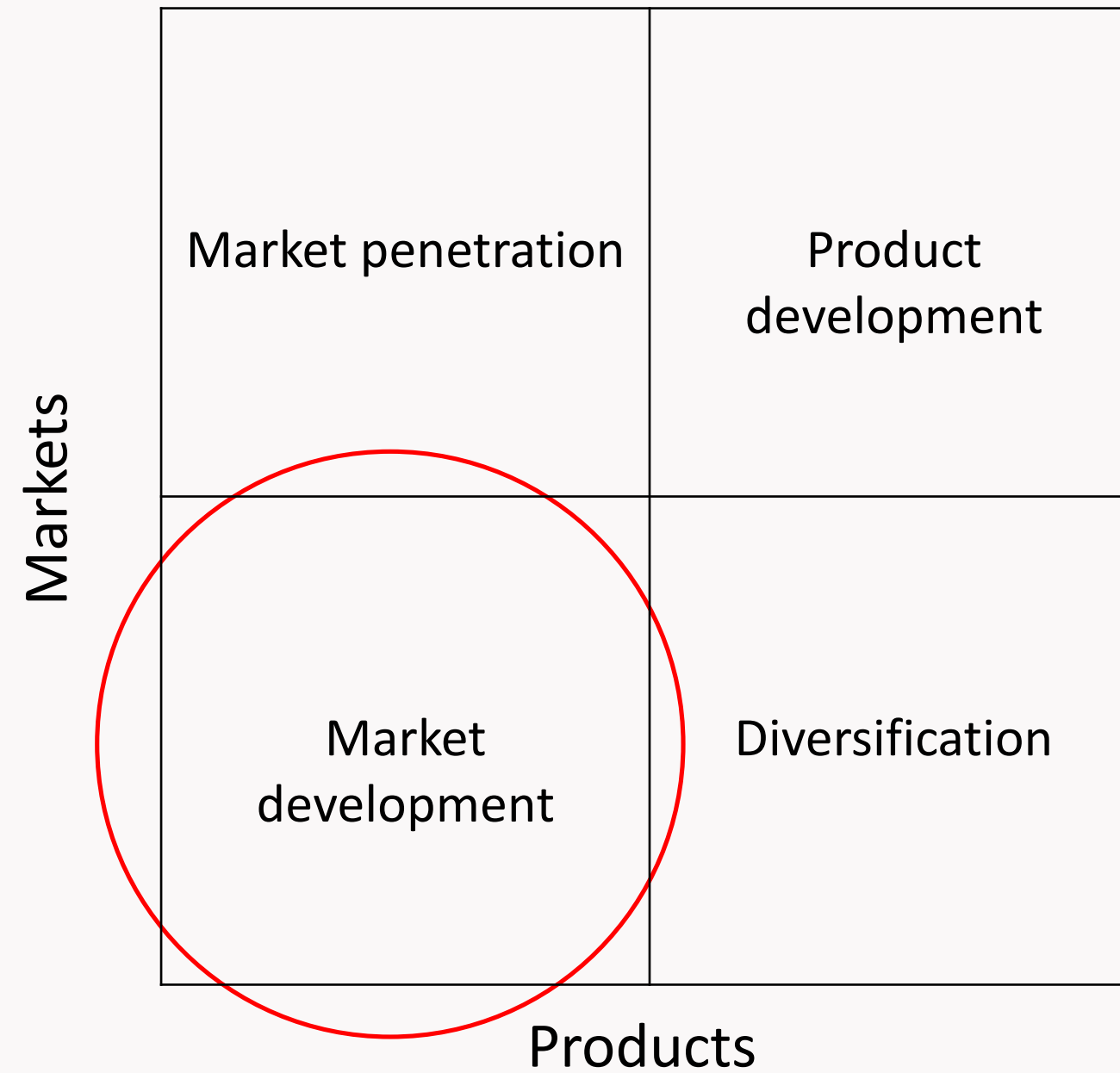
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Annex 3 – Actual perceptions: Positioning



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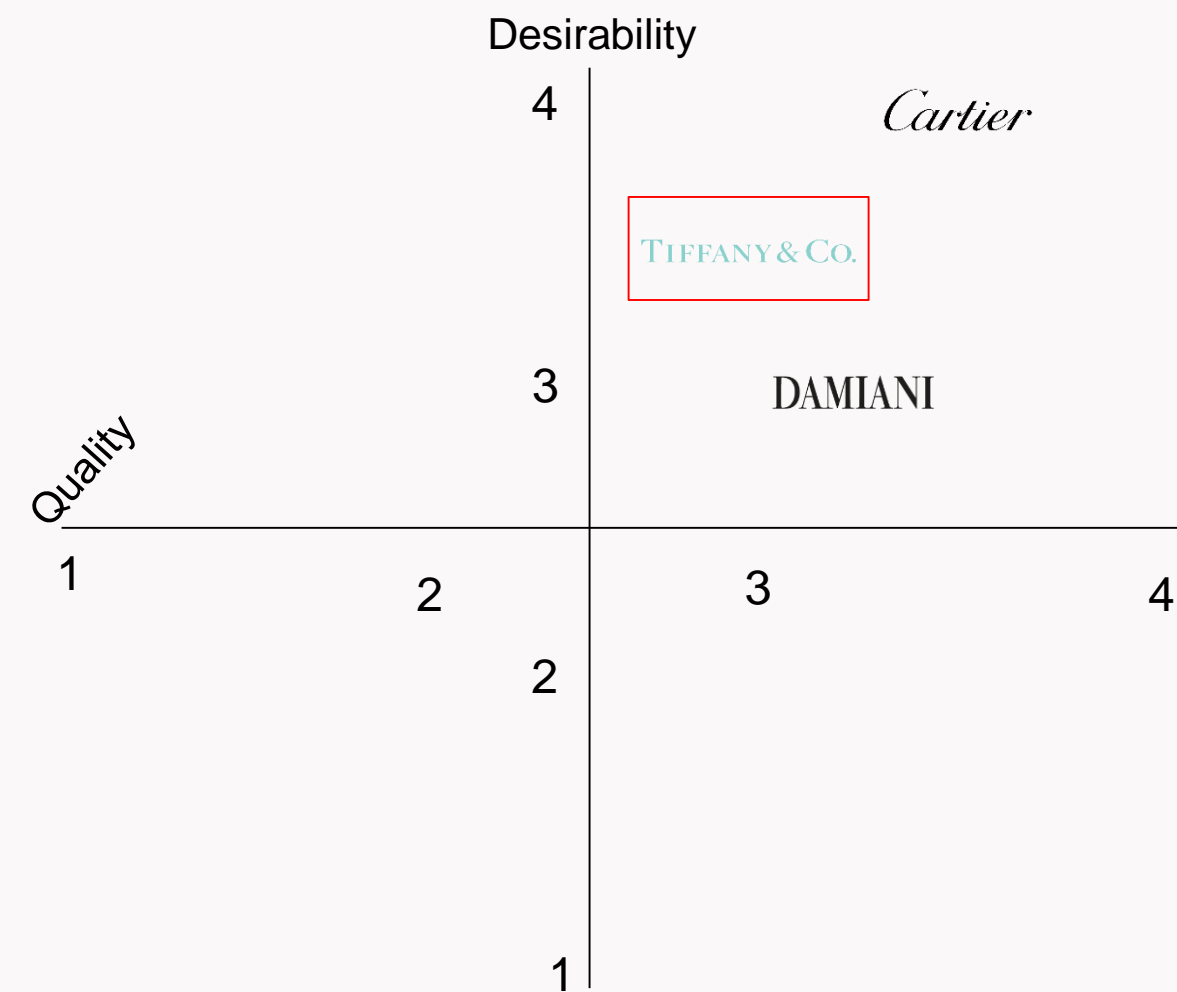
Annex 4 – Marketing Strategy next year



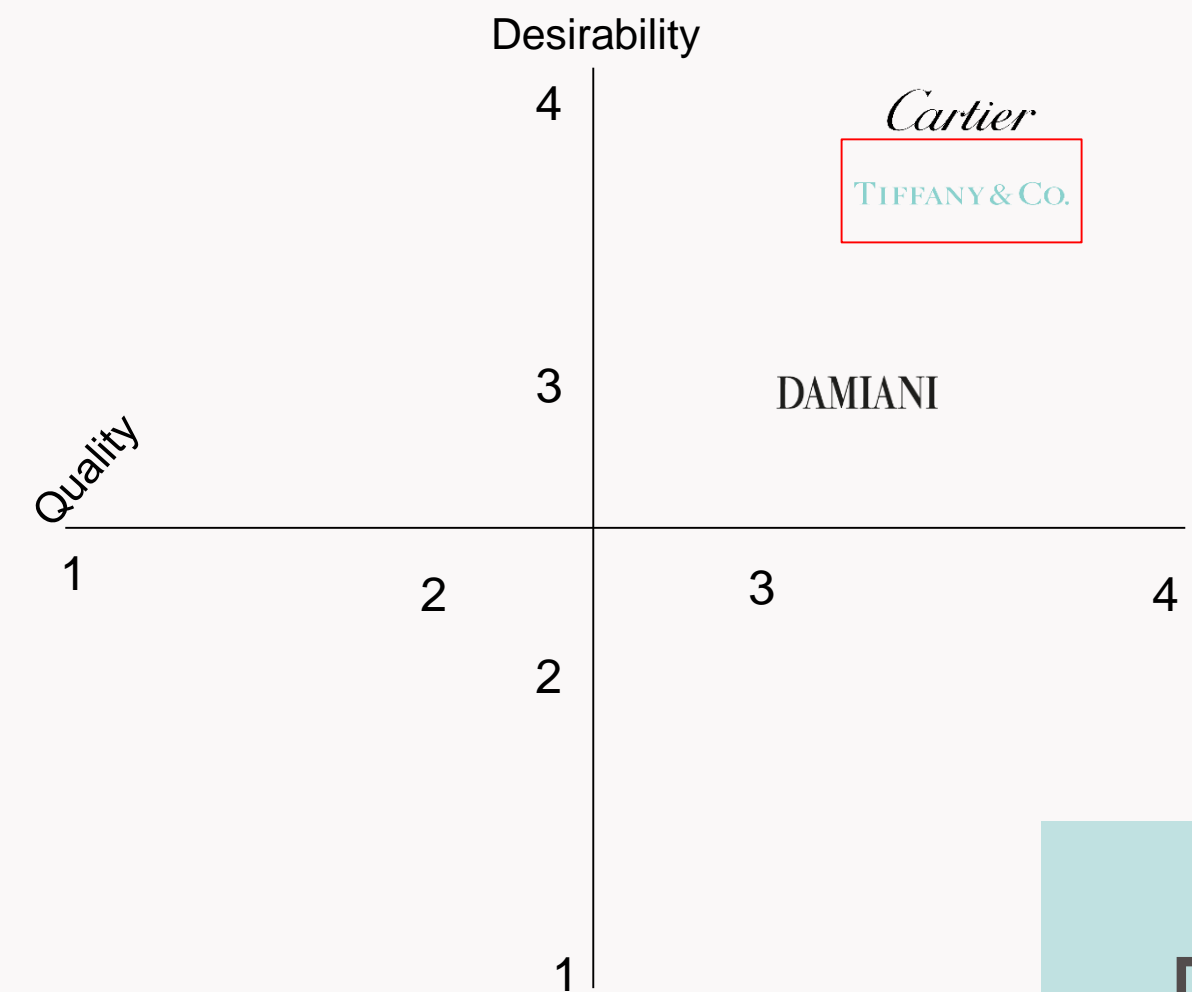
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Annex 5 – Improving perceptions next year: position

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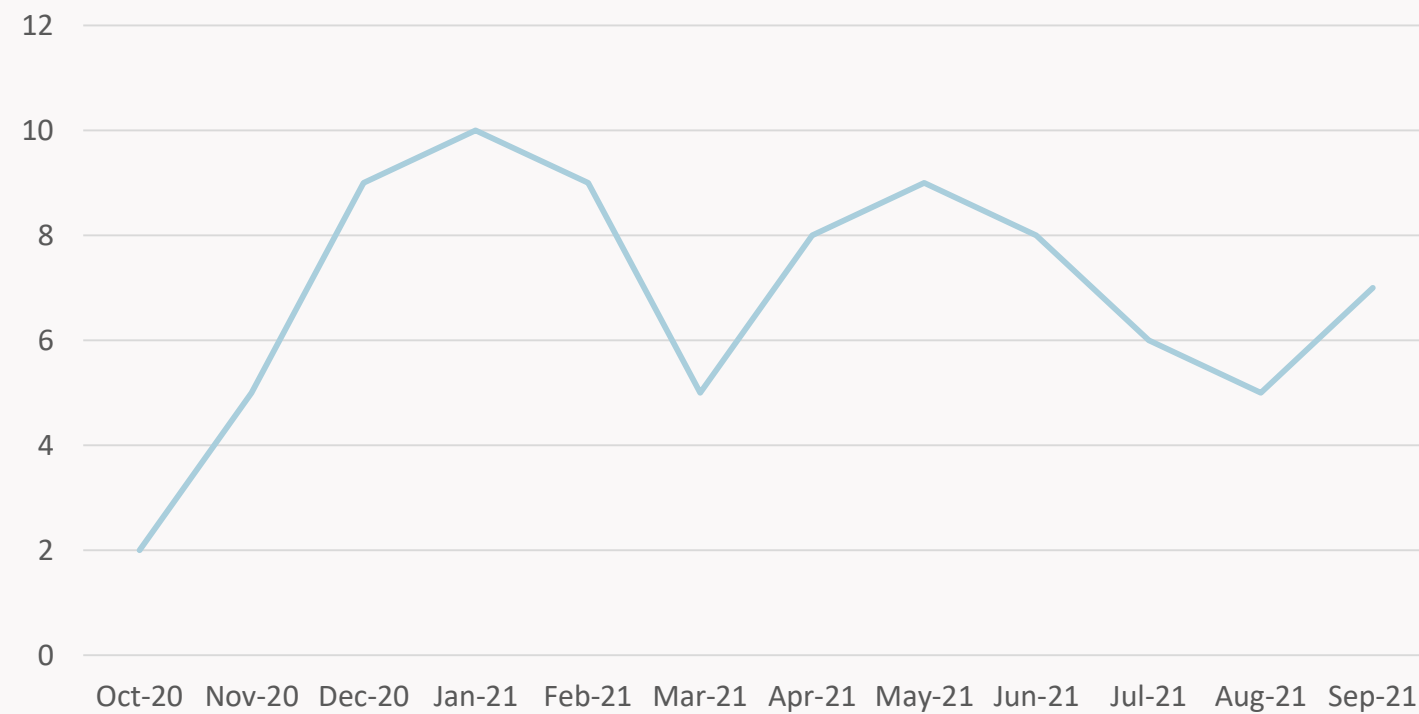
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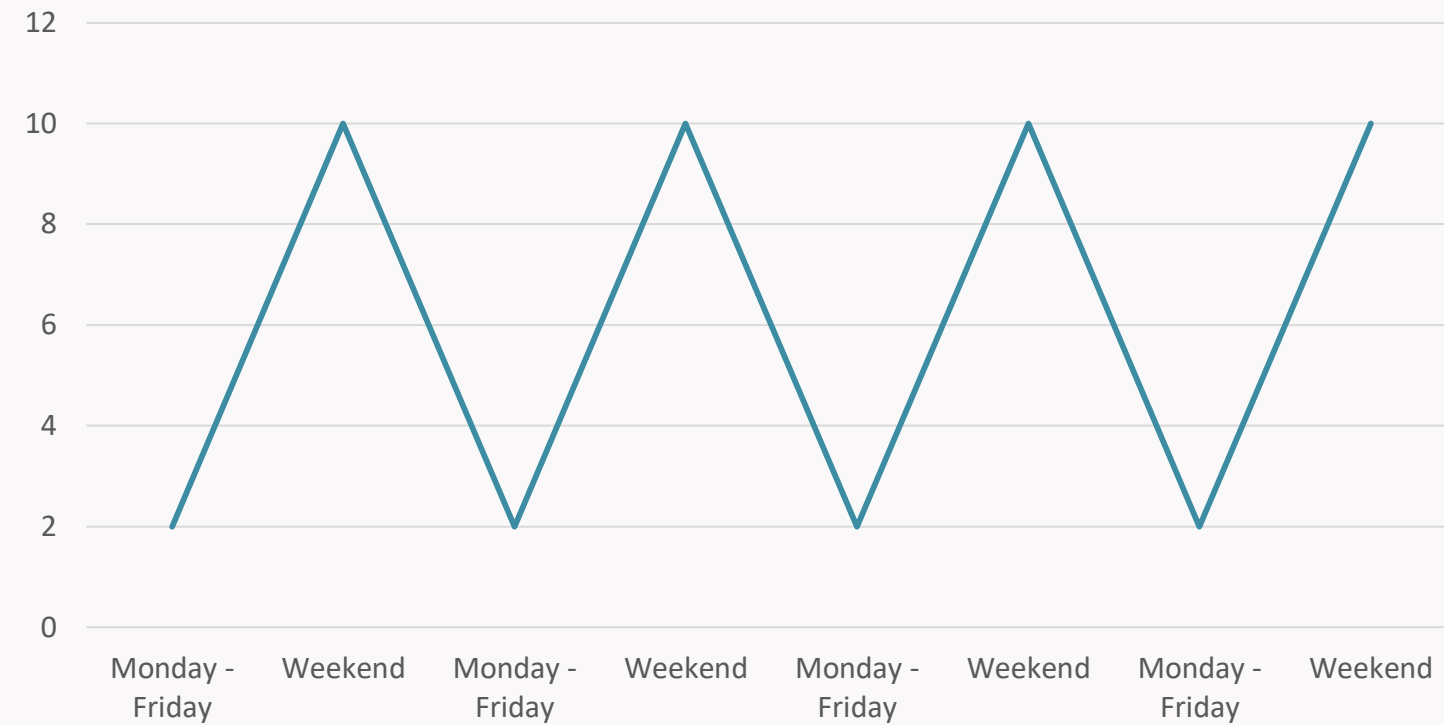
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Annex 6 – Yearly Sales Forecast

Sales Flow in One Year



Sales Flow in One Month



Average rings' price: 42.678 €
We predict to sell 10 rings/month

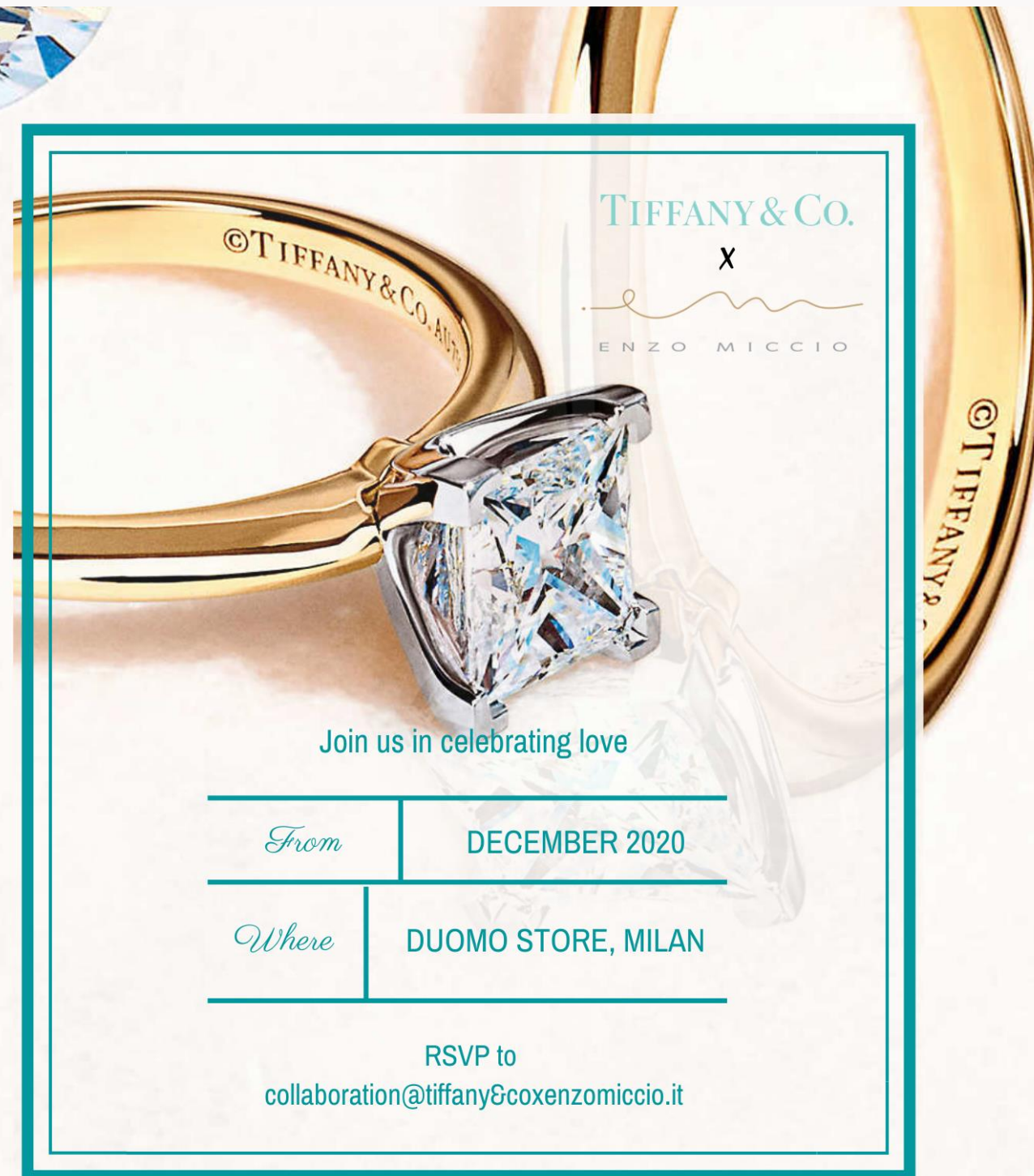
$10 \times 12 \times 42.678 = 5.121.360 \text{ €}$
 $5.121.360 / 1,22 = 4.197.836 \text{ € (Forecast without VAT)}$
~ 4.2M €

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Annex 7 – Pursuing partnership

Invitation →

On October, we will first send a newsletter to inform our best customers about the event. On the newsletter we'll provide a link to our website, where they will find out more information about every detail of this series of appointments. We will also inform them that they will receive the official and personal invitation, which we will send on mid November, also as a sort of remainder.



Newsletter →

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TIFFANY & Co. X

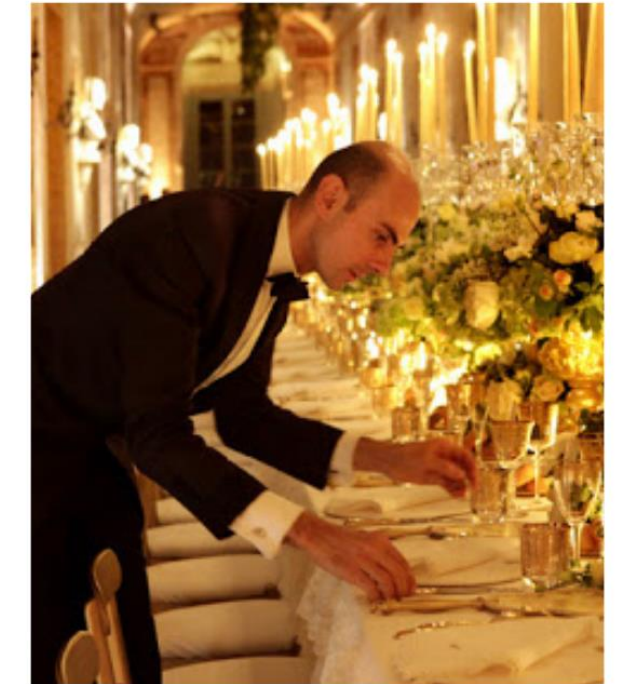
ENZO MICCIO

We are happy to announce our new **collaboration** with the Italian most iconic wedding planner.

Starting from **December 2020**, once a month, we are going to host **Enzo Miccio** in our Duomo store in Milan.

The partnership is a way to offer you, not only high-end engagement rings, but also the **best wedding** you could ever imagine.

Limited access only by reservation.



[Click here to find out more](#)

