



OLIVIER LAURIAN

*Creating complementary opportunities
for Montblanc*

South Africa Deluxe's Executive Editor, Lindsay Grubb, met with Olivier Laurian, Montblanc's International Director of Business Development, at their recent Black & White Week to discuss the Manufacture's new releases and to learn more about their global development, and strategies for the future with a specific focus on their South African operations.

Olivier Laurian has a keen understanding of the luxury goods market. He worked as Marketing Director and then a Boutique Manager of a global store for Louis Vuitton in Germany for five years before joining the Richemont Group in 2006 in Switzerland, as the International Retail Director for Jaeger-LeCoultre (JLC). In 2010 he made the move from Switzerland to Tokyo, Japan, as Managing Director JLC in Japan, and in 2011 moved to Amsterdam as Managing Director JLC for Benelux and Scandinavian countries. In August 2013 Laurian joined the new management team at Montblanc, alongside Jerome Lambert and Nicolas Baretzki in the role of Director Business Development and member of the Senior Executive Committee based at Montblanc's headquarters in Hamburg, Germany. His trip to South Africa was focused not only on hosting Montblanc's Black & White Week, which was created as a travelling platform to showcase the new ranges to the partners and the press, but also to visit South African partners and attend the opening of the new Arthur Kaplan store at The Mall of Africa which will be selling Montblanc timepieces.

Building on First Contact

"South Africa is an important market for us, it is a growing market, there are opportunities," says Laurian. "We are in the luxury goods

market, nobody needs to buy a writing instrument or a timepiece for a few thousand, you buy it not for the object itself, but more for the history behind it, for the craftsmanship, and because it's a status symbol. Montblanc is very much linked to the world of achievement. Often you purchase it, or receive it as a gift, when you receive your baccalaureate, or your first job, or a promotion. What is interesting to note is the excitement. I feel it when I interact with a lot of clients and collectors. We have many collectors who have hundreds of writing instruments. Every time they purchase a new one, they feel very excited, as though it is their first one."

On the purchasing habits of their customers, Laurian says that for most, their first contact with Montblanc was likely on a regular writing instrument, probably a Meisterstück, "But it's not just a matter of it being the first one they purchased, they might have received it as a gift, maybe they inherited it from their father, so that was their first contact with Montblanc. For me I inherited my first Montblanc from my aunt when I achieved my baccalaureate. It was a Meisterstück and I wasn't even sure what to do with it, would I even use it? That was my first contact, and, when she passed away two years later, it took on an even greater significance. With collectors, they may start their collection by buying a limited edition, which is completely different, but most times first contact has generally been through a Meisterstück."

The Black & White Week coincides with Montblanc's 110 year anniversary celebrations. It is a luxury brand that has enjoyed popularity in South Africa for decades. Giving context to the House's sales in South Africa, and customer's purchasing habits, Laurian explains, "The writing instrument is still the most important category in South Africa. We see a relatively quite high share of limited editions sold to high-end clientele who travel a lot, and who are interested in the limited editions. Leather is growing as well, we're already at a very important level for small leather goods, and large leather goods



Montblanc

is growing quickly. For watches, we are developing the culture of Montblanc watches in South Africa, for our own boutique, for the jewellers, opening new doors by expanding product distribution in South Africa. It is the category together with leather goods which is fastest growing in South Africa."

A selective distribution

Regarding reaching their high net worth customers, who are today spread out across the country, he explains, "Montblanc have four boutiques in South Africa, two in Gauteng, one in Durban and one in Cape Town, but you need to cover the country, particularly in a large city like Johannesburg, which has a lot of inhabitants, but is also a very widespread city. People are not commuting from one place to another just to make a purchase, but are used to buying where they live or work, so you need to have a strong distribution in these cities and in large countries, and that is something we are developing. In the watch industry you need to be present in key jewellers in each country, it is important for the legitimacy of the Maison. We do have a selected distribution, but we need to have a minimum representation for the brand." To illustrate his point he confirms that he will be visiting their newest local partner, Arthur Kaplan's new store in the Mall of Africa later that day, where they will sell Montblanc watches. "This is somewhere where we'll be focusing, not just in South Africa, but all over the world. We have done a lot of work on distribution over the last two to three years to enter these big jewellers in Germany, in the USA, in Asia."

For Montblanc it makes sense to work on their distribution network, says Laurian, "We have a very large boutique network, we have 520 boutiques in the world, which is more than Louis Vuitton for instance. We have 270 which are internal boutiques and 250 franchise boutiques, so it gives the clients the opportunity to see Montblanc's full scope of products, which is important for us. But as I've said the average price for Montblanc is relatively low, 400 Euro, so when you want to purchase a watch for 10,000 Euros, you might travel a few hundred kilometres to buy it, because you don't do it every day. If you want to buy a wallet for 200 Euro, will you travel 300 kilometres to buy it? Probably not, so if you don't have a shop in your vicinity where you can find this offer, you may buy something else. So that's why the partner distribution is key for us, it's finding a balance between the boutique retail and in-store sales. In some categories, the watches for example, it is even more important. Normally when clients want to purchase a luxury watch, some of them know exactly what they want, but for 90 percent of them, they have a certain budget and want to be advised on what to buy, to have a choice."

Encouraging a Digital Mindset

In terms of online sales, Montblanc have a very strong digital focus for 2016, "We have been very active in the digital world, in e-commerce online, combining our own e-commerce platforms and now we are present on all the continents. Montblanc was the pilot project for Richemont in China for e-commerce for example, we have been in Japan for almost two years, but we are also working on a platform

with partners, to develop an e-retailing offers. We are very strong in the UK for instance, with high-end department stores, who do a big part of their business online, and this is a strategy we are developing all over the world. This is also because in some part of the world we don't have our own platform yet, and we know it will take some time to develop, so the way to work online is with partners and with our catalogue of products, say we start at 100 Euro, so we are quite adaptable which is important for the online business. Most of the products we sell online today are the writing instruments, and small leather goods, purchased by people for themselves, or as gifts. We have a product with a very high perception of being a safe gift, if you choose a Montblanc wallet, or writing instrument, you don't make a mistake. It represents quality, and craftsmanship and timeless design, so we have the ideal products, catalogue, and strategy for online business."

Montblanc are not selling online in South Africa just yet, "We have some plans to work with partners because we cannot have our own platform online tomorrow in South Africa, so we would have to enter it through partners, but it's definitely something we're considering for the future. In Europe, for example in the UK, last year in December we did approximately 25 percent of our business online, between our own website and our partners' websites, Christmas is an important month for us, so it's a big share. Contrary to that, we launched the online business in Spain and Italy two years ago, and there, the level of acceptance of online purchases is very different to the UK, USA, Germany or France. But what we saw, and what we've experienced in the last 12 to 16 months, is that people are getting more and more acquainted with it. Of course this is something we have to work on, it doesn't come by itself, but its growing very nicely in these territories which I would say are a bit more conservative in terms of online purchasing. In the US it is a completely natural process and purchasing and payments online are not an issue."

What is interesting to note, is that Montblanc have not seen any cannibalisation of their retail network or their partners, by their online sales, "Purchases online are 90 percent additional sales, which we would not have generated had we not been online. On the contrary, people who are starting to buy online because they do not have any shops in their surroundings that offer Montblanc products, and after discovering it, then they want to discover more and people are prepared to travel to the cities to go to the shops and they will start to

discover more and will either continue to purchase online or through the boutiques, so it's more a complementary opportunity for us," says Laurian.

If the 2016 new releases are anything to go by, then collectors are sure to keep buying Montblanc's sought-after limited edition timepieces and writing instruments. ■ [Lindsay Grubb](#)

