

WATCHES AND JEWELRY

Bulgari CEO Jean-Christophe Babin: "Millennials don't want formal luxury"

October 5, 2020



Jean-Christophe Babin is CEO of Bulgari

By [Limei Hoang](#)

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246 ▶**

Bulgari CEO Jean-Christophe Babin talks to Luxury Society about the company's digital acceleration during the global COVID-19 pandemic and the importance of using an omnichannel approach to engage with millennial consumers.

When the global pandemic brought the world to a standstill earlier this year, the luxury watch industry, like many others, was hit hard.

Companies had to think on their feet, particularly when it came to their digital offering which was one of the only ways of continuing to communicate and sell to their clients and adjust their business strategies to solve the new challenges they now face.

For Bulgari, this meant an acceleration of its planned digital strategy, from ensuring employees could work from home, and expanding its ecommerce offering, to devising a new watch collection and overseeing one of first watch events this year, the role that digital has played in pushing its business forward has been a driving force for change.

"It was very aggressive," Mr. Babin said of the role digital played in the company's strategy. "Our ways of working are changing, our ways are running the business are changing."

One of the first things that Bulgari did when lockdowns began across multiple countries was to ensure it reached out to its clients and communicate it was available to help in anyway it could, from obtaining hand-gel or connecting clients with doctors if needed.

The second thing Bulgari focused on was to rapidly expand its ecommerce offering, which helped drive its sales up by 250 percent.

"In terms of ecommerce, we were in eight major markets, so we were covering about 60 percent of the luxury worldwide, but we were still absent of some markets," Mr. Babin said.

The company had planned to integrate further markets in 2021, but decided to fast-track the rollout of its ecommerce

offering and by July, had expanded to 16 markets. The impact on sales was a huge leap forward.

"This [move] has already driven the sales in ecommerce, they were already up 150 percent but thanks to the new parameters, now they are up 250 percent," Mr. Babin said. "So, a big big jump in ecommerce."

However, expanding one's ecommerce offering is not without its challenges, noted Mr. Babin.

One of the challenges with expanding the brand's ecommerce capabilities was not the technology itself, but recruiting and training staff to support online to ensure customers were getting a luxury experience online.

"What's really complex is to set up a customer care department in each and every single language, which is able, really thanks to a lot of training to support the world of e-channel process," Mr. Babin said. "This has been very instrumental to the success."

"What is difficult is to find, to train, to educate the right people to support your e-channel journey," he said. "So that the experience is a true luxury experience."

Digital acceleration

The company also had to ensure that its employees could work remotely, to ensure its business could run smoothly.

Luckily, it was something Bulgari had developed last year, so that all of its employees could log on with a laptop and the right programs, without any disruption to the business.

"We have just accelerated the digital process probably more in the last six months than we would have done in the next three years," Mr. Babin said. "This is extremely positive. I am very excited. And we have also found new ways of working."

"I think more than ever, smart work has proven to be successful," he said. "It is probably something that we will further expand in the future."

Mr. Babin said he plans to continue the company's digital acceleration in the months to come.

"When you start to buy online, you never turn back, Mr. Babin said. "I think those things will continue on a new level, that we wouldn't have expected in the next two or three years."

"Sooner or later, it would have arrived," he said. "But COVID has probably accelerated [the process] and, likewise, the importance of millennials, which we knew and we addressed in jewelry, in perfumes, in accessories, but it has probably the main shortcoming of the Swiss watch industry in the last five years."

In part, it was having to think about new ways of working that drove Bulgari to launch a new collection of watches, the Bulgari Aluminium, which Mr. Babin said was aimed at millennials.

"On the one hand, it's very authentic, very crafted, and has mechanical movements only.," Mr. Babin said "On the other hand, it has a very strong character but also a very informal character to match millennials' lifestyles. They don't want formal luxury, they don't want stiff luxury or classic luxury."

"This is typically the outcome of a crisis," he said. "This was not planned at all in January. And then we thought about it in February and we decided for it in March. This is exactly what you see today, when you get under pressure, you think outside the box, you see things much more clearly."

Mr. Babin believes the global COVID-19 pandemic has highlighted longstanding issues within the Swiss watch making industry, particularly in comparison to the rest of luxury as a whole.

"For a long time now, the Swiss watch industry has been pretty sluggish, when the rest of luxury had been growing a lot," Mr. Babin said.

"We had some time during the COVID lockdown to talk with many people, we realized that at 80 percent of the time, the main reason was the lack of connection of resonance with millennials," he said. "From the products, to the communication."

Reinventing yourself

Mr. Babin believes the biggest focus for the luxury watch industry now is to understand how to engage millennials a market he believes has huge potential to grow further, particularly in relation to the rest of the luxury industry overall.

"The most important change and perhaps the biggest one is millennials because, unlike the rest of luxury, the watch industry generally speaking is not yet leveraging the potential, which is a huge potential," he said.

"The watch industry has not grown at all in the past five years, whereas the rest of luxury is growing double-digit every year," Mr. Babin said. "It has grown 60 or 70 percent. It's crazy."

"You have to be relevant from every angle, you have to be digital, you have to be smartphone compatible, you have to be very, very sexy on the social networks," he said.

"The product has to be daring, it has to be bold, it has to be casual, but at the same time, it has to be sophisticated and authentic. For brands, this means a lot of work, because unlike Bulgari, if you are a watchmaker only, you have to reinvent yourself."

*Published with permission from **Luxury Society**, a division of DLG (**Digital Luxury Group**). Adapted for clarity and style.*

© 2020 Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your **feedback** is welcome.