Le corps comme support de disruption : regards croisés cosmétique et luxe

Jonas Hoffmann - Associate Professor
Agenda

Introduction
- Disruption
- Tech & Disruption
- Corps et Disruption

Disruption in the Swiss Watchmaking Field

The Strategy Task
Disruption

• From disruptive innovation to disruption (as a process)
• Disruption in the geo-political context & enabled by tech convergence
• Disruption in the luxury & cosmetics field (eg Ian Rogers – LVMH)

“WHAT FASHION CAN LEARN FROM MUSIC AND SILICON VALLEY”

AT #BOFVOICES 2016
Disruption in the Swiss Watchmaking Field
### 2015 Swiss Watch Exports

<table>
<thead>
<tr>
<th>Country</th>
<th>Value (in USD billions)</th>
<th>Units (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Switzerland</td>
<td>22.4</td>
<td>28.1</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>9.9</td>
<td>276.7</td>
</tr>
<tr>
<td>China</td>
<td>5.8</td>
<td>682.8</td>
</tr>
<tr>
<td>France</td>
<td>2.9</td>
<td>7.3</td>
</tr>
<tr>
<td>Germany</td>
<td>2.4</td>
<td>21.9</td>
</tr>
</tbody>
</table>

### 2015 Swiss Watch Exports

<table>
<thead>
<tr>
<th>CHF Classification</th>
<th>Volume (1000 pieces)</th>
<th>Value (CHF million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CHF&gt;10,000</td>
<td>1,574</td>
<td>13,406.4</td>
</tr>
<tr>
<td>CHF 3,000 -10,000</td>
<td>3,412</td>
<td>4,159.3</td>
</tr>
<tr>
<td>CHF 500-3,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>CHF 200 -500</td>
<td>4,503</td>
<td>1,424.1</td>
</tr>
<tr>
<td>CHF &lt; 200</td>
<td>18,637</td>
<td>1,236.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28,126</strong></td>
<td><strong>20,225.9</strong></td>
</tr>
</tbody>
</table>
Swiss Watchmaking Field

Incumbents
- Swatch Group
- Omega
- Tissot
- Patek Philippe Geneve

Challengers
- Urwerk
- MB&F
- Hermès
- Rolex
- HYT
- Ice Watch

Other
- UBS
- Credit Suisse
- LVMH
- Hublot
- Bvlgari
- Ne.ch
- Swiss Watch Industry
Watchmaking Field (2012)

Contextual Environment

Incumbents

Challengers

Innovative Collaboration
Watchmaking Field (2013-2014)

Contextual Environment
- Anti-graft campaign

Announcement
9 Sep 14
Watchmaking Field (2015)

Contextual Environment
- Anti-graft campaign
- Swiss Franc revaluation

Incumbents
- Harry Winston
- Swatch Group
- OMEGA
- Tissot
- Patek Philippe Geneve
- Urwerk
- MB&F
- Hermés

Challengers
- Cartier
- IWC Schaffhausen
- Montblanc

Health & Fitness Trackers
- Fitbit

Smartwatch
- Apple Watch

LG Watch Urbane
- Samsung Gear

Connected Watches

Shipment
24 April 15
11.6m units
Entry Range

Mid Range

High Range

Ultimate

Luxury Swiss Watch: SIGN

S for Status - I for Investment

G for Gift - N for Narrative
Ecosystem of apps vs ‘Closed’ platforms
Watch industry statistics

Swiss watch exports

Statistics on Swiss watch exports are updated monthly. They are based on foreign trade statistics prepared by the Federal Customs Administration. All values are expressed as export prices, according to declarations made by the exporting firms.

December 2016
Less severe fall

The trend of Swiss watch industry exports continued to recover in December while remaining negative. At -4.6%, exports reported one of the shallowest falls More...

Monthly analysis
- Total value by countries
- Watches and total value by regions
- Watches and movements since 2010

[ December ]
[ December / January - December ]
[ December / January - December ]
[ December / January - December ]

Previous month’s results

Historical series since 2000
- Total value for the 10 main markets
- Watches by price point
- Watches by material
- Quartz and mechanical watches

The data supplied by the Federal Customs Administration and published by the PH can be subsequently revised or adjusted. The most recent publications prevail.
Richemont Cuts Send Shockwaves From Geneva to Mountain Valleys

Richemont’s plan to slash 210 watchmaking jobs in Switzerland is sending shockwaves from Geneva to some of the country’s remote mountain villages, the cradle of high-end watch manufacturing.
Food for thought

Given the current evolutions in the environment of our organization:

- Is there a ‘framing failure’ taking place in our organization / sector of activity?
  - Which weak signals?

- Where is the locus of innovation: organization, intra-field, inter-field?

- How to reconfigure your value-creating system? Which role are you going to occupy? Which capabilities?