

Saint Laurent Expands to Chile

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SAINT LAURENT PARIS



Market Opportunity

- Have brick-and-mortar stores in 44 countries (“Find a Store”, n.d.)
- Expand to Santiago, Chile in the luxury district of Parque Arauco
- Current event: “Chilean Chernobyl” (“UN envoy warns of crisis caused by ‘Chilean Chernobyl’”, 2023).



Levels of Development Factors

Stability and Security

- The safety and security sector is expected to grow (U.S. Department of Commerce, n.d.)
- President Gabriel Boric – National Security Plan (U.S. Department of Commerce, n.d.)
- Ranked #55 on the Global Peace Index (Institute for Economics & Peace, 2023)
- Chile is known as a stable country (James, 2023)

Education

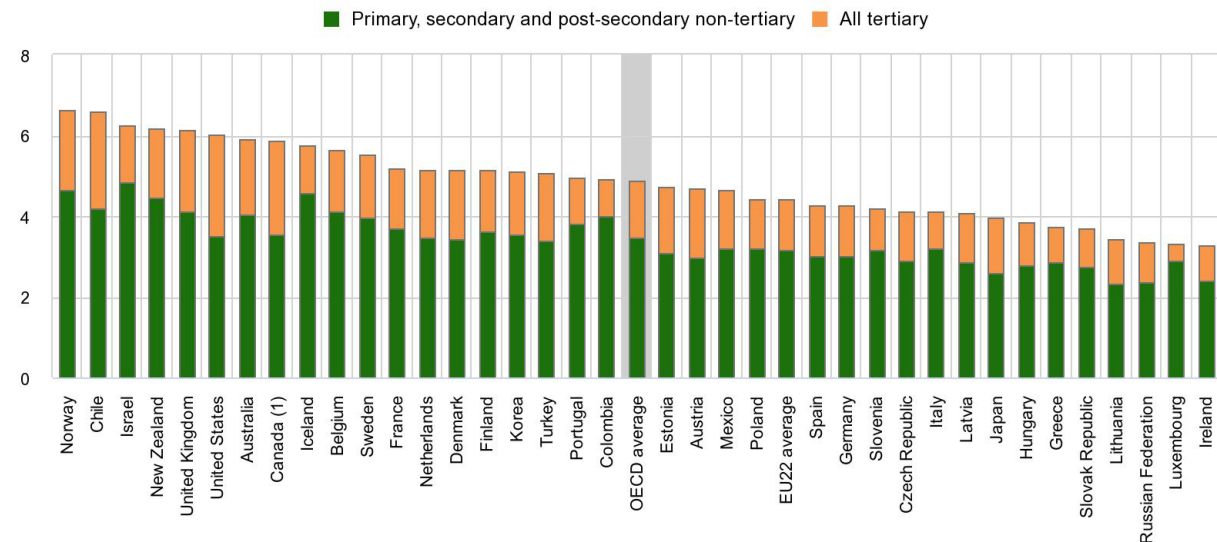
- The government has prioritized social sectors such as education and health (OECD, 2017)
- Instruction and teaching make up the largest share in Chile’s education expenditure (OECD, 2021)
- Among OECD countries, Chile has spent the second highest proportion of its GDP on educational institutions (OECD, 2021)

Infrastructure

- Modern four-lane highways, reliable communication, high standard of living. (Simon & Kalashian, 2022)
- Efficient, well-run, and safe (Simon & Kalashian, 2022)
- Utilities work, clean water, buses leave on time, phone and internet are fast and reliable (Simon & Kalashian, 2022)
- “Major economic infrastructure such as the highway network and port system have been built over the past two decades” (OECD, 2017)
- Have been successful in mobilizing private finance in the development of infrastructure (OECD, 2017)

Figure C2.1. Total expenditure on educational institutions as a percentage of GDP (2018)

From public, private and international sources, by level of education, in per cent



Natural Disasters

- Earthquakes, tsunamis, and wildfires are common (U.S. Department of Commerce, n.d.)
- Wildfire season begins in November and ends in April (U.S. Department of Commerce, n.d.)
- “Chile is frequently affected by severe forest fires” (GOV.UK, 2023)

Cultural Values and Norms

- Chilean culture is very family-focused (AFS-USA, 2023)
- Most men want their wives to work and are proud of their accomplishments (ASF-USA, 2023)
- Clothing is conservative and formal, dressing appropriately is important (“Chilean Etiquette”, 2022)
- Lack interest in current fashion trends, tend to follow trends of conservative traditional office wear (Valdes, 2020)
- Schedules tend to be laid-back (“Chilean Etiquette”, 2022)

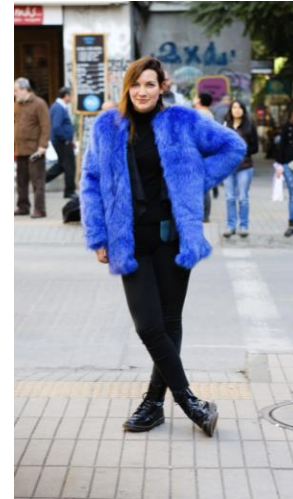
Shipping Time

- “Within the decade from 2004 to 2014, total container capacity at Chilean ports more than doubled” (OECD, 2017)
- Increased productivity of maritime transport at the port level (OECD, 2017)



Target Market

- Men and women ages 20-40 in Santiago, Chile
- Fashion-forward and urban style (BluCactus)
- Population 6,903,000 (MacroTrends)
- Upper middle-class to upper-class income



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Competitor Analysis

Brand	Fashion Level	Price Level	Store Location
SAINT LAURENT PARIS	Fashion, Classic	Superior	Parque Arauco Mall Santiago, Chile
 LOUIS VUITTON	Fashion, Classic	Superior	Parque Arauco Mall Santiago, Chile
GUCCI 	Fashion, Classic	Superior	Parque Arauco Mall Santiago, Chile
	Fashion, Classic	Superior	Parque Arauco Mall Santiago, Chile

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SWOT Analysis

Strengths:

- "style market"
- Emerging solidified social classes
- Established luxury marketplace
- Good political relations
- Attraction from tourists

Opportunities:

- Young, growing economy
- Emerging into the World Market
- First store opening in the region

Weaknesses:

- Currency exchange rates
- Not a big enough market currently for there to be a profit
- Aged demographic
- Customer Service Barrier

Threats:

- Organized Crime Interference with Business Operations
- E-commerce- "Chileans who buy online is 63 percent compared to 46 percent in 2017. "

Line plan



Double breasted trench coat made of organic cotton \$3,890



Ruffled skirt made of organic silk \$12,800



High waisted pants made of crepe satin \$2,190



Short tweed jacket with braided trim made of wool \$3,990



Lavalliere-neck semi-sheer silk blouse \$1,650

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Textile Sourcing Plan

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Fibers:	100% Organic Cotton	100% Organic Silk (and 100% Silk)	Crepe Satin (71% acetate, 29% viscose)	Tweed (100% Wool)
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Colors:		  		
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Name of Factory:	Brixia Cotton Company	Centro Seta SpA	Intesa	Tessitura Ubertino (Srl)
Location:	Borgosatollo, Italy	Firenze, Italy	Milano, Italy	Valdilana, Italy
Website Link:	https://brixiacottoncompany.it/en/organic-cotton-en.html	https://centroseta.it	https://intesatext.it/en/what-we-do/	https://www.tessituraubertino.com/it/
Shipping Time:	Truck – 1 day (~125-127 km) Borgosatollo, IT to Bernate Ticino, IT	Truck – 2 days (~1,350 km) Firenze, IT to Treize-Vents, FR	Truck –1 day (~700-760 km) Milano, IT to Bernate Ticino, IT	Truck – 1 day (~400 km) Valdilana, IT to Bernate Ticino, IT
Tariffs:	No Tariffs (European Union Agreement)	No Tariffs (European Union Agreement)	No Tariffs (European Union Agreement)	No Tariffs (European Union Agreement)

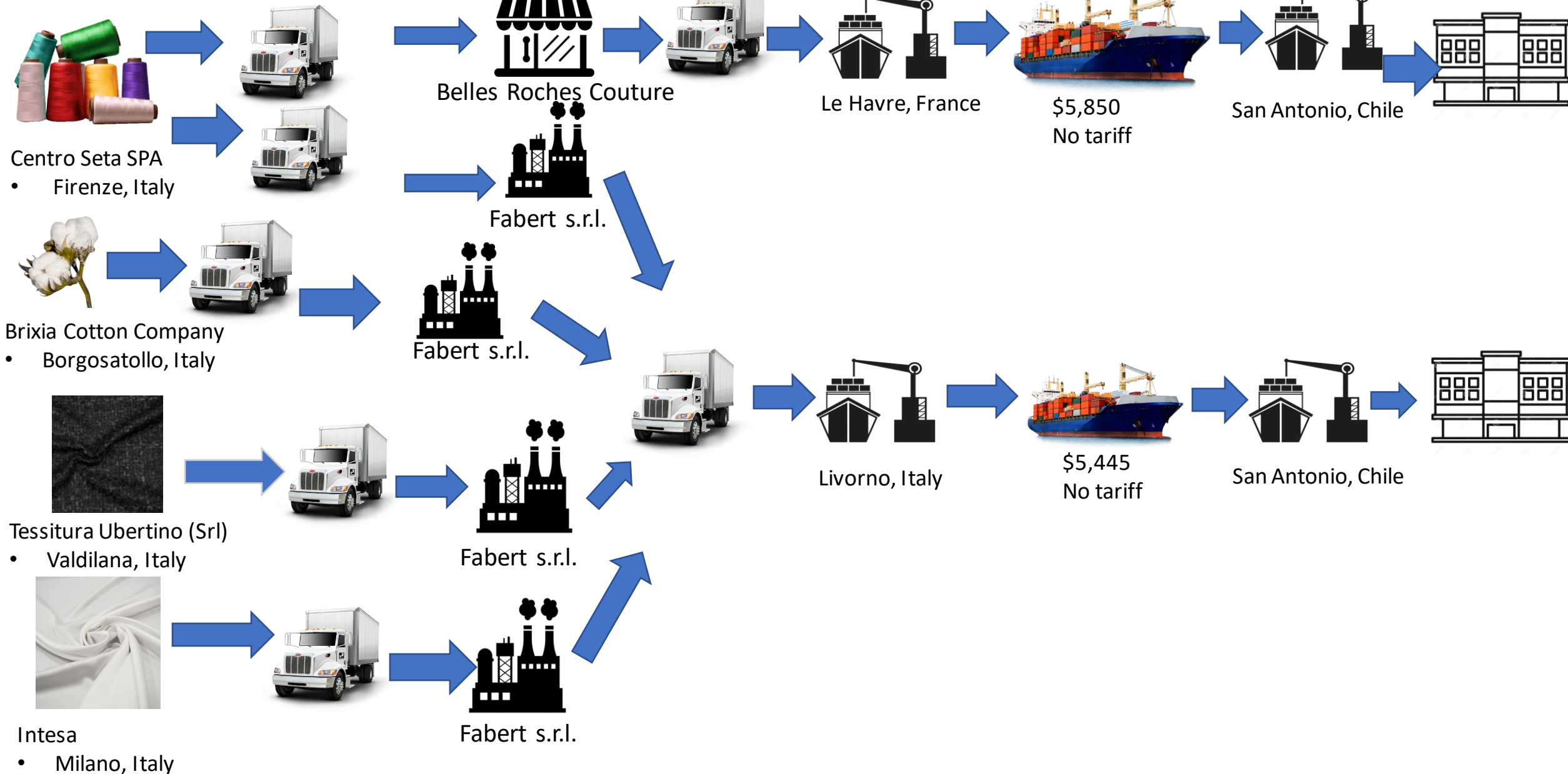
(Container Shipping Cost Calculator. (n.d.), Fluent Cargo. (n.d.), EU trade relations with Chile. (n.d.).)

Garment Manufacturer Sourcing Plan

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Garment:	Double-breasted trench coat	Ruffled skirt	High waisted pants	Short tweed jacket	Lavalliere-neck semi-sheer silk blouse
Image:					
Name of Factory and Location:	Fabert s.r.l (Bernate Ticino, Italy)	Belles Roches Couture (Treize-Vents, France)	Fabert s.r.l (Bernate Ticino, Italy)	Fabert s.r.l (Bernate Ticino, Italy)	Fabert s.r.l (Bernate Ticino, Italy)
Website Link:	https://www.confezionifabert.it/it/pages/14-chi-siamo	https://www.bellesroches-couture.fr	https://www.confezionifabert.it/it/pages/14-chi-siamo	https://www.confezionifabert.it/it/pages/14-chi-siamo	https://www.confezionifabert.it/it/pages/14-chi-siamo
Factory Type:	Package	Package	Package	Package	Package
Tariff:	EU-Chile Association Agreement	EU-Chile Association Agreement	EU-Chile Association Agreement	EU-Chile Association Agreement	EU-Chile Association Agreement
Shipping Time:	15,459 km Estimated 31 days, 5 hrs ITLIV to CLSAI 2-4 weeks	14,402 km Estimated 25 days, 20 hrs FRLEH to CLPAG 1-2 times a week	15,459 km Estimated 31 days 5 hrs ITLIV to CLSAI 2-4 weeks	15,459 km Estimated 31 days 5 hrs ITLIV to CLSAI 2-4 weeks	15,459 km Estimated 31 days 5 hrs ITLIV to CLSAI 2-4 weeks

Supply Chain Overview



Sourcing Calendar

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March	April	May	June	July	August
Trend & Color					
	Design & Sampling				
		Buy			
			Production		
			Logistics		
					Set Floor

Sales Goals

Annual revenue is €3,300 million (Kering, 2022)
Number of stores worldwide is 280 (Kering, 2022)

Revenue per store is €11,785,714
Revenue over 6 month period is €5,892,857

Month	Percent	X Season Sales	= Monthly sales
August	8%	€5,892,857	€471,429
September	12%	€5,892,857	€707,143
October	16%	€5,892,857	€942,857
November	22%	€5,892,857	€1,296,429
December	28%	€5,892,857	€1,650,000
January	14%	€5,892,857	€825,000

Conclusion:

What group could improve upon next time?

- In-text citations
- Public speaking

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