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REFINING A PORTUGUESE JEWELRY BRAND LEVERAGING THE CELEBRATION OF ITS 200 YEARS ANNIVERSARY: DEFINING THE BRAND IDENTITY OF LEITÃO & IRMÃO THROUGH A STRONGER NARRATIVE AND ADAPTED COMMUNICATION

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Abstract

Leitão & Irmão is a Portuguese jewelry brand celebrating its 200th anniversary next year. Despite its history of success, the brand is currently facing a major challenge of remaining relevant in order to survive another 200 years. Drawing on this foundation, the aim of this paper is to develop a strategy to lead Leitão & Irmão into a successful future. Hence, and in order to ensure the Brand's longevity, the proposed recommendation patent on this Work Project is to redefine the brand identity through a stronger narrative and adapted communication.

Keywords

Jewelry, Luxury, Portugal, Brand Management, Communication

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Index: Group Part

Figures

Tables

1 Introduction

The fine jewelry industry, i.e., jewelry made of precious metals, is in a state of upheaval. New luxury consumers are emerging and changes in consumer behavior are having a major impact on the overall consumer experience. The traditional Portuguese brand Leitão & Irmão *(L&I in the following)*, which celebrates its 200th anniversary next year, is also facing these new challenges. To be able to celebrate another 200 years of success, the brand is forced to deal with the changes in the market to meet the needs of its loyal and future consumers.

L&I is strongly associated with Portugal and its culture in terms of history, creativity, and workmanship. The aim of this research is therefore to increase brand awareness and sales of the brand by taking advantage of its 200th anniversary.

To achieve the objective, market research was conducted to investigate two important challenges: (1) understand the changes and trends in the fine jewelry market as well as in the art de la table market to better respond to consumer needs; (2) identify how Portugal is perceived as a country of origin for luxury goods.

The conducted research consisted of secondary as well as primary research. Secondary data was used to get a better overview of the brand and the industry, including industry reports, website analysis, and the kick-off briefing with Jorge Leitão (Managing Director of L&I) and Sofia Almeida (Brand Manager of L&I). Subsequently, primary research was conducted, consisting of qualitative and quantitative research. To get first-hand insights, 14 industry experts with different backgrounds were interviewed so that a 360-degree view of the industry could be achieved. Subsequently, a quantitative study was conducted.

Following the observations, recommendations were developed. The recommendations include (1) redefining the brand identity through a stronger narrative and adapted communication, (2) developing a product management strategy, and (3) strengthening the distinctive brand feature in the form of bespoke service offerings.

2 Contextual Background

2.1 The Maison Leitão & Irmão

With its brand mission statement "Create Wealth and Share Beauty", the Portuguese Maison L&I has been convincing consumers with its authenticity, perfection in manufacturing, and creativity for 200 years. The guiding principles of modernity, value, and distinction have directed the brand and its development ever since (Leitão 2022d). Apart from being a manufacturer of fine jewelry, the goldsmith also produces art de la table as Jorge Leitão is convinced: "Jewelry is beauty on the outside. Home decor is beauty on the inside" (Leitão 2022a). With this vision in mind, a 360 view is taken of the Portuguese craftsmanship that makes up the brand and should not be lost in the future.

2.1.1 History & Heritage

The history of L&I began in the 18th century in Porto when José Pinto Leitão opened his business in Rua das Flores, the classic street for goldsmiths at that time (Lojas Com Historia 2022). In the early days, the company focused particularly on filigree heart and folk-inspired arrecada pendants and earrings, as well as chain necklaces used for festive occasions in the north (Leitão & Irmão 2022).

The two sons of the founder had ambitious plans for the company and introduced the name “Leitão & Irmão” in 1866. They modernized production, introduced new materials, and invested in machinery. Moreover, they expanded the business abroad, establishing branches in Paris and London (Leitão & Irmão 2022).

Recognized as highly respected experts in the art of jeweling, L&I was appointed as goldsmith to the Imperial House of Brazil by the Brazilian Emperor Pedro II in 1873 and as jeweler to the Portuguese Crown by the Portuguese King Luís I in 1887 (Lojas Com Historia 2022). This event prompted Casa Leitão to move from Porto to Lisbon to set up a "modern" goldsmith's workshop near the court (Leitão & Irmão 2022).

The remarkable quality of the team of professionals and their ability to incorporate the latest design and manufacturing techniques into traditional production processes continue to make L&I one of the leading Portuguese companies in the sector (Leitão & Irmão 2022).

Two factors are crucial to the brand's success: the brand's long family history and its creative ties to Portugal. First, the company has never been inherited, but it is still in the hands of the family (Leitão 2022a). Second, the company is driven by passion and love for craftsmanship, with the Portuguese culture serving as a source of inspiration for 200 years. In fact, Portugal used to be the largest empire in the world and brought the idea of new colors, new cultures, new animals, and new ways of life to Europe (Leitão 2022a). L&I plays with all these aspects and tells an endless story about sea voyages, sea monsters, white beaches, new gems, rare woods or new forms of art and culture (Leitão 2022d).

Thus, the motto "We don't sell reality, we sell dreams. Because reality is boring" still characterizes the Portuguese heritage brand L&I today (Leitão 2022a).

2.1.2 Product Portfolio

L&I is a goldsmith who works with silver, gold, and platinum (Leitão 2022a). In doing so, the brand does not limit itself to the production of fine jewelry with rings (€200 – €10 800), necklaces (€40 - €9 650), earrings (€31 - €6 700), bracelets (€55 - €6 750), cufflinks (€110 - €2 290), crosses (€70 - €3 250) or chains (€55 - €140), but also focuses on art de la table and thus integrates home décor (€65 - €14 000), bar accessories (€70 - €5 890), tableware (€75 - €6 600), office accessories (€50 - €2 000) and giant statues made of silver (€14 000 - €24 000) into its product portfolio (Leitão & Irmão 2022, *see Appendix 1*).

In addition, the brand places great emphasis on the fact that every collection tells a story that is connected to Portugal. Therefore, in many cases a main piece of silver serves as inspiration for a whole collection of fine jewelry. One example is the giant chased silver 'Rhinocerus 1515', which was modelled on Alfred Dürer's drawing from 1515 *(see Appendix*

2)*. The famous woodcut depicted the first living rhinoceros in Europe since Roman antiquity. It arrived in the port of Lisbon by the sea in 1515 as a gift for King Manuel I of Portugal (Germanic National Museum 2022). This object serves as inspiration for a high-jewelry collection of L&I, which consists of 30 pieces of jewelry created by a designer with Portuguese roots who integrated India, the country of origin of the rhinosaurus, and ropes used for navigation, into the collection (Leitão 2022a). Further jewelry collections are planned that are linked to Portuguese history as a source of inspiration, including a collection based on the giraffe Salvador Dali made for the Portuguese Carnival in Estoril in 1959 *(see Appendix 3)*, or the white elephant called Hanno *(see Appendix 4)*, given to Pope Leo X by King Manuel I of Portugal at his coronation in 1514 (Leitão 2022a).

In total, L&I offers 28 collections of jewelry. Among them, the capsule collection launched in 2020 together with influencer and model Débora Montenegro aimed to appeal to a younger audience with their "discreet and timeless design" (Ataíde 2020).

Ultimately, the brand has been offering bespoke services since it was founded in 1822 and, thanks to its highly knowledgeable and multi-skilled craftsmen, it is still very flexible and able to respond to all of its clients' wishes today. Unlike its competitors, it's not just about engraving jewelry, but making individual pieces according to individual wishes, because L&I is all about "making a specific piece for a specific person" (Leitão 2022a).

2.1.3 Marketing & Communication

The strong connection to Portugal and the excellence in craftsmanship that defines L&I are also reflected in the brand's communication. In particular, the company's own stores, website and social media channels are used for marketing purposes.

The first contact for potential consumers is often the *flagship store* located in Chiado. Here as well as in the other stores, an attempt is made to work with a golden yellow tone, which is deemed to be the corporate color *(see Appendix 5)*. As a contrasting color, the brand uses a light shade of grey, which softens the vibrancy of yellow. Apart from the choice of colors, L&I attaches great importance to the interior design of the store. The latest collections can be viewed, yet all pieces are kept in a glass case and can be tried on by request only.

As Jorge Leitão reports, new consumers simultaneously look at the company's website while visiting the store to learn more about the brand (Leitão 2022a). Thus, the website is an important part of brand communication and is used to tell the story of L&I. Looking at the homepage, parallels to the store become clear, as a new implementation ensures that the start page corresponds to the latest window design of the shops *(see Appendix 6)*. Overall, the website uses a minimalist design with predominantly shades of white together with yellow and grey accents. In addition to an overview of the products, collections, company history and current news, the website offers the possibility to buy products directly, with payment available through MULTIBLANCO, MB Way, PayPal or credit card. Besides, the website is available in two languages, including Portuguese and English.

L&I is also active on various *social media platforms* including Facebook (24.8k followers), Instagram (5.2k followers), Twitter (69 followers), Pinterest (44 followers), YouTube (45 followers) and LinkedIn (429 followers), with most activity happening on Instagram (*as of 7th of December 2022)*. Social media is used to introduce new products and collections, as well as to demonstrate which celebrities are wearing the brand's jewelry at events *(see Appendix 7)*. It should be emphasized that not only the photos but also the videos are always subtitled in Portuguese and English.

All in all, the theme of Portugal and its discoveries keeps coming up in the stores, on the website and on social media. As Jorge Leitão says, this story never ends, because "it is a story of open minds and a story of new horizons" (Leitão 2022a).

2.1.4 Distribution & Service

In total, L&I operates three stores in Portugal, including the Chiado Shop, the Bairro Alto Shop, and the Estoril Shop, where consumers can view and buy the handmade items produced in the company's own manufactory in Lisbon (Leitão & Irmão 2022). In addition to a uniform store design, the staff is thoroughly trained in how to engage with clients. Individual support and excellent services are the be-all and end-all for L&I (Leitão 2022a).

The products can also be purchased via the website, and the shop functions on the social media platforms Instagram and Facebook additionally ensure that people are directed directly onto it. However, according to the brand, the website merely serves as a source of information and most sales occur after direct contact with the store, the staff, and, above all, the product (Leitão 2022a).

2.2 The Jewelry Industry

Being active in the jewelry market, a close look at the industry and its developments is essential to identify future risks and opportunities for L&I as a market player in this sector. Therefore, definitions, developments and future trends in the jewelry market are explained and analyzed in more detail.

2.2.1 Category Overview

Jewelry has been part of human history for thousands of years representing a significant cultural asset that reflects people's preoccupation with creativity, symbolism, and self-expression whilst at the same time relying on highly developed technical know-how (Tait 2008).

Yet, recent developments in the fashion industry with the advent of fast fashion are also affecting the jewelry industry owing to the trend towards costume jewelry (Wolosz 2022). Due to these developments, it is important to distinguish between costume jewelry and fine jewelry. The term *fine jewelry* is used for all jewelry, including gem-sets, bracelets, necklaces, wrist gems, earrings, or brooches, that is made of precious metals such as gold, silver, or platinum.

As a rule, fine jewelry uses genuine gemstones such as diamonds, sapphires, rubies, or emeralds (Youtz 2022). *Costume jewelry*, on the other hand, is any jewelry that is not crafted from precious metals. Sometimes referred to as "fashion jewelry", it is often made of base metals such as brass, copper or aluminium (Youtz 2022).

As Jorge Leitão puts it, "Jewelry should not be fashionable, it should be lasting" (Leitão 2022a) this paper will focus exclusively on the fine jewelry market, bearing in mind that the same trends will also have an impact on the costume jewelry market.

2.2.2 Global Market Overview

With a global revenue of €21.70bn in 2022, fine jewelry undoubtedly accounts for an important part of the global luxury economy, representing 8% of the industry's annual turnover and expected to grow at an annual rate of 3.17% until 2027 (Statista 2022b, *see Appendix 8*). Currently, the main markets are China (€11.80bn revenue), followed by the United States (€2.3bn revenue), India (€1.5bn revenue), Japan (€0.73bn revenue) and finally the United Kingdom (€0.42bn revenue) (Statista 2022b).

Furthermore, the market shares in the global fine jewelry industry are considerably concentrated among five large corporations, which together account for 70% of the market *(see Appendix 9)*. China National Gold Group Gold Jewelry, a mining firm, holds the largest market share globally, accounting for 20% of the global market share. Richemont, including Cartier, Van Cleef & Arpels and Buccellati, and the corporate group of Chow Tai Fook follow, each with 15 % of the global market share. They are followed by LVMH, with e.g., Tiffany & Co., Chaumet, and Bulgari, along with the corporate group Lao Feng Xiang, each holding 10% of the total market share. The remaining 30% is split among other businesses (Statista 2022b).

2.2.3 Portuguese Market Overview

The Portuguese fine jewelry market registered a total turnover of €36.72m in 2022, with annual growth expected to reach 7.07% by 2027 *(see Appendix 10)*, a remarkable figure considering that the industry's expected growth rate of the industry worldwide is 3.17% (Statista 2022b).

Looking at the main players in the Portuguese jewelry market, different dynamics can be observed compared to the industry at a global level *(see Appendix 11)*. In Portugal, Richemont holds the largest market share with 35%, closely followed by LVMH which accounts for 25% of the market (Statista 2022b). The remaining percentage is split between Kering, Chopard, Chanel, and other brands (Statista 2022b). As opposed to what can be seen in the industry worldwide, there are no Asian companies acting in Portugal with a sizeable market share.

Moreover, it is worth mentioning that Portuguese brands do not command sizable market shares. For instance, three well-known local Portuguese brands, Maria João Bahia, Luísa Rosas and L&I only account for c. 10% of the Portuguese market (Statista 2022b). Maria João Bahia has surpassed the €1m turnover in 2015 and it has remained over that amount ever since (Forbes Portugal 2018). Luísa Rosas, the jewelry brand owned by David Rosas' daughter, separated the financials from David Rosas in 2019, and from then its sales have gone from €0.55m in 2020 to €2.84m in 2021 (Orbis 2022b). Unlike its competitors, L&I's revenue has decreased from €6.23m in 2015 to €2.66m in 2021 – yet it is important to highlight that sales have increased by 17% from 2020 to 2021 (€2.27m to €2.66m) (Orbis 2022a).

2.2.4 Industry Trends

The Covid-19 pandemic has disrupted the jewelry industry and forced players to rethink their priorities along with fundamentally changing their business models. According to "The State of Fashion" study conducted by McKinsey in collaboration with Business of Fashion, three seismic shifts will continue to shape the jewelry industry in the future: *Online sales, branded jewelry, and sustainability* (Becker, Berg, Harris, & Thiel 2021).

Fine jewelry sales are usually associated with an excellent and unique store experience. The challenge of replicating all elements important for this experience online has arguably held back the *digital growth* of the category. However, this is beginning to change since the Covid 19-pandemic, as brick-and-mortar retail needed to restructure, and a new generation of luxury consumers is emerging (Faccioli & Sheehan 2021). As a result, it is predicted that the online share of the market will reach 18% to 21% by 2025 (Becker, et al. 2021).

As one of the fastest-growing segments of the luxury sector, it is no coincidence that major fashion houses such as Giorgio Armani, Prada, Dolce & Gabbana, and Hermès are entering the fine jewelry market (Matter of Form 2022). What the big fashion houses lack in experience in jewelry, they make up for in *brand strength*, turning them into a big threat to small jewelry businesses.

At the same time, *sustainability* will increasingly influence purchasing decisions in the jewelry industry. While only 12% of Baby Boomers are willing to pay more for products that are considered sustainable, the figure almost triples to 31% among Generation Z consumers (Becker, et al. 2021). Therefore, it is no surprise that by 2025, an estimated 20 to 30% of global jewelry sales will be influenced by sustainably minded consumers (Becker, et al. 2021). Hence, companies should take a holistic 360-degree view of all facets of sustainability to show consumers that they are credible and sincerely committed to environmental and social progress.

In addition, other factors will also have an impact on the industry. The timing, trajectory and magnitude of these changes will depend on several less predictable factors in the market as well as the actions of individual actors (Becker, et al. 2021). Therefore, market participants should carefully monitor their progress and act decisively when needed.

3 Addressing the Field Lab Challenge

3.1 Research Methodology

As already elaborated, L&I is strongly linked to Portugal and its culture in terms of creativity and craftsmanship. With the aim of capitalising on these strengths and communicating them clearly, the objective of this research is to refine a Portuguese jewelry brand leveraging the celebration of its 200 years anniversary.

To achieve the defined objective, market research was carried out examining two main challenges: (1) understanding the changes and trends in the fine jewelry market as well as in the tableware market to better respond to consumer needs; (2) identifying how Portugal is perceived as a country of origin for luxury goods to strengthen communication while targeting both local and international consumers.

With the aim of drawing accurate conclusions, an exploratory research process was chosen, relying on secondary and primary data.

In the first step, secondary data was used to gain a first overview of the brand, the fine jewelry industry, and the Portuguese luxury market. Sources used included public journals, websites, and academic research. To fully understand the brand, internal company information was utilized including (1) the Field Lab Kick Off Meeting with CEO Jorge Leitão and Brand Manager Sofia Almeida, (2) a visit to the company's own factory and (3) a visit to the Chiado and Bairro Alto store.

To obtain specific insights for the objective of the project, primary data was then collected, using both qualitative and quantitative research. Considering that the research design was developed specifically for the scope of the project, the following section takes a closer look at the process of primary data collection.

3.1.1 Qualitative Research

Given the limited knowledge of the subject of the research and to gain a deeper understanding of the fine jewelry industry, the initial step was to conduct qualitative research based on the secondary data previously collected. The qualitative research consisted of in-depth semi-structured interviews with industry experts. For the selection of suitable interview partners, it was required that the interviewee had either experience in the jewelry- or in the luxury goods industry. Furthermore, it was necessary to identify various experts with different backgrounds to obtain a 360-degree view of the industry.

Thus, a total of 14 interview partners (five male experts and nine female experts) could be identified, each of whom being able to give a different perspective on the research objective *(see Appendix 12)*. Since the industry experts included consultants, jewelry eCommerce and marketing specialists, as well as employees from leading luxury brands, it was not possible to create a uniform interview guide. Hence, interview objectives and suitable topics to be developed were defined. In this context, it was ensured that the topics of each interview included (1) developments in the luxury industry, (2) developments in the jewelry industry, (3) characteristics of the online retail of luxury goods or (4) Portugal as a country of origin of luxury goods.

After conducting and recording the 14 expert talks, the data was transcribed. A thematic analysis was then carried out, structuring the content of the interviews according to the assumptions observed. For the preparation of the qualitative research insights, which will be discussed in more detail in Chapter 3.2.2, the contents of all expert interviews were considered. However, only the strongest quotes were selected to support the assumptions made, and only a selection of experts is cited as examples.

3.1.2 Quantitative Research

A quantitative survey in the form of a questionnaire was carried out to gain valid insights into jewelry consumers' perceptions and explore their attitudes towards L&I. Therefore, consumers of fine jewelry in and outside of Portugal were surveyed about their consumption behavior and their assessment of the jewelry industry *(see Appendix 13)*.

To reach appropriate respondents, a filter question was used asking participants if they had ever bought or received a piece made by a goldsmith with a purchase price of more than €200. The price of €200 was chosen based on L&I entry-level product in the product category "rings", as rings alone account for about 25% of the revenue share in the jewelry industry and thus represent the largest product category segment (Grand View Research 2021).

Using the filter, a sample of 140 respondents within the survey period of seven days was obtained. The sample can be divided into Generation Z (<18-24, *born between 1997-2004*), Millennials (25-40, *born between 1996-1981*), Generation X (41-56, *born between 1980-1965*) and the Baby Boomers (57-66, *born between 1964-1956*) (Dimock, 2019). To ensure a balanced sample and to detect the similarities between Generation X and the Baby Boomers, these generations were grouped together *(see Table 1)*.

The respondents were asked questions about their (1) jewelry consumption, (2) their shopping habits, (3) their associations with the origins of luxury, (4) their brand preferences, and (5) more specific questions about L&I to gain direct insights for the research objective.

The survey lasted about 10 minutes and included multiple-choice questions, likert-scale questions, ranking questions, and short open questions. To motivate as many respondents as possible to participate, a voucher worth €25 for the app "Uber Eats" was raffled off among all participants. "Uber Eats" was chosen because the app is attractive to many nationalities and the aim of the survey was to target both foreign and domestic respondents.

To check whether the respondents genuinely participated intently, an attention question was asked amid the poll. Here, the respondents were prompted to enter a smiley ":)" in the text field. Those who did not answer the question as required were removed from the assessment, as it can be assumed that these respondents did not complete the questionnaire attentively.

Demographic Data		**Generation Z**		**Millennials**		**Generation X & Baby Boomers**	
		N	*%**	N	*%**	N	*%**
Gender	Female	43	*82.7*	33	*64.7*	28	*75.7*
	Male	9	*17.3*	18	*35.3*	9	*24.3*
Living in Portugal	No	22	*42.3*	32	*62.7*	7	*18.9*
	Yes	30	*57.7*	19	*37.3*	30	*81.1*
Educational Level	Academic degree completed	16	*30.8*	31	*60.8*	31	*83.8*
	Currently obtaining an academic degree	35	*67.3*	15	*29.4*	1	*2.7*
	Currently obtaining Technical/ Sports/Artistic degree	1	*1.9*	0	*0.0*	0	*0.0*
	High School Education completed	0	*0.0*	5	*9.8*	4	*10.8*
	High School Education incomplete	0	*0.0*	0	*0.0*	1	*2.7*
Occupation	Active employee	13	*25.0*	30	*58.8*	35	*94.6*
	Student	39	*75.0*	19	*37.3*	0	*0.0*
	Unemployed	0	*0.0*	2	*3.9*	2	*5.4*
TOTAL		**52**	***37.14***	**51**	***36.42***	**37**	***26.43***

Table 1: Quantitative research samples characterization, n=140

** Within Age Group*

3.2 Research Insights

3.2.1 Exploratory Research Insights

The exploratory research serves as an initial assessment of the market as well as the brand and was created with the help of secondary data. Overall, the exploratory research findings can be divided into three areas (1) Brand Insights, (2) Competitor Insights and (3) Portuguese Market Insights.

3.2.1.1 Brand Insights

As part of the exploratory research of L&I, the brand identity of the investigated brand was clearly defined, and a SWOT analysis was conducted to obtain a more profound comprehension of the brand.

Brand Identity

A brand identity concentrates on the character of a brand and consists of the creator's history, the design's original inspirations, and the various steps that represent the brand's evolution (Kapferer 2008). The concept is often used in the context of strategic brand management and serves to differentiate the brand from other organizations. Therefore, L&I's brand identity is defined below using the brand identity prism developed by Kapferer in 1986 *(see Appendix 14)*.

The key components of Kapferer's brand identity prism are listed as follows: *physique, relationship, reflection, personality, culture, and self-image*. Kapferer's model relates the six components to each other by considering their placement between the sender (brand) and receiver (consumer) and vice versa. There are numerous ways to connect the areas defined between these points, ranging from the inner (personality, culture, self-image) or its spirit to the outer (physique, relationship, reflection) (Kapferer 2008).

The physical attributes of a brand are referred to as its *physique*. A distinction is made between tangible and physical characteristics. The colors yellow and grey are characteristic of L&I, as they are representative of gold and silver. They are reflected in the packaging, as well as in the interiors of L&I’s stores. With the two mentioned colors, L&I has observable physical characteristics. Heritage, Portuguese culture, and consistency are some of L&I's intangible physical qualities. They also include individuality, as well as rarity, attributable to the bespoke service offerings, as well as limited production of L&I’s items.

The brand's *relationship* discusses the type of relationship that exists between the brand and its consumers, encompassing tangible and intangible elements. Craftsmanship and high quality are examples of the tangible attributes of the relationship L&I offers its consumers, while intangible attributes include L&I's tradition and the luxurious feeling the items provide.

The following component, *reflection*, describes a brand as a reflection of its audience. L&I reflects its clients as individuals who strive for high quality, excellence and individuality whilst appreciating the cultural diversity and traditional values that are incorporated into the brand.

The distinctive *personality* mirrored in the brand identity prism is referred to as the brand's "human qualities". The personality of L&I can be described as professional and traditional, getting things done through excellence. In addition, L&I has a very strong hands-on mentality, as the brand features a workshop in which all products are handmade guided by the skills of the original creator.

Kapferer further points out that a brand must have a unique *culture* from which each product originates. The culture of L&I is characterized by artisan skills and individuality, with an emphasis on handcrafted jewelry due to the long tradition of the family business. In addition, L&I's close connection to Portuguese history and art flows into all collections. For instance, the creations are influenced by the availability of colored stones from Brazil and the aesthetics of the sea.

Lastly, consumers' self-image describes the way consumers perceive themselves with a particular brand. L&I's remarkable creations appeal to the following self-images: "I feel important." and "I am unique and can express my distinctiveness." L&I's products are not meant to be status symbols, but to give consumers the opportunity to express their inner selves and their individuality.

SWOT Analysis

A SWOT analysis is a framework for evaluating a brand's competitive position and is used to create a strategic plan. When conducting the analysis, data is gathered from internal sources (brand strengths and weaknesses) and external factors that could have an uncontrollable influence on decisions (opportunities and threats). Subsequently, a SWOT analysis of L&I was conducted to determine the competitive position of the brand *(see Appendix 15)*.

The traditional production methods used for the creation of high-quality jewelry and tableware, combined with a high level of creativity and craftsmanship, form L&I's greatest *strength.* This strength is increased by the fact that the office, the manufactory, and the stores are located proximately close to each other, ensuring good communication between clients, designers, and goldsmiths. The proximity coupled with easy access to resources and know-how also allows L&I to have an almost unlimited range of options for designing customized products. Lastly, another significant asset of the brand is its history and heritage, which L&I, one of the oldest Portuguese jewelry brands, has carefully preserved in its identity, without neglecting the essence of incomparable quality.

L&I's major *weakness* is that Portuguese luxury brands do not enjoy the same level of international recognition as French or Italian brands. Apart from the fact that brand awareness is low, L&I is not very visible on the internet. In fact, a search for the terms "jewelry", "Portugal", "souvenir" or even "personalization" does not lead to the brand, suggesting that L&I has not yet adapted to the growing importance of digital communication and e-commerce and lacks a sophisticated search engine optimization strategy. Furthermore, although L&I is active on many social media platforms, the brand shares quite impersonal content leading to a low engagement of followers.

Along with the brand's weaknesses, there are a lot of *opportunities* for L&I to grow in the future. For instance, consumers today demand that brands satisfy their need for meaningfulness as they seek jewelry to express their individuality. Therefore, putting more emphasis on the design and style of the products while focusing on the underlying values could form an opportunity for L&I. Moreover, given that Portugal is renowned for its history, L&I should continue to capitalize on it by using and incorporating Portuguese history into its collections. Thus, L&I should continue to invest in its strong ties to history, authenticity and materials and strive to dominate the market for a specific product line. Lastly, by putting more effort into L&I's online presence, including website improvement, search engine optimization and social media content, the brand will be able to reach more potential clients and thus increase brand awareness.

Ultimately, a brand needs a unique selling proposition (USP) to succeed in the sales process in an oversaturated market with homogeneous competitors. Therefore, one of L&I's greatest *threats* is the absence of a clearly defined USP and iconicity in comparison to other fine jewelry brands. Moreover, competitors are already far ahead of L&I, having managed to attract a younger customer base through a strong online presence, while L&I is still in the process of targeting a more mature audience. Finally, L&I lacks well-known brand ambassadors compared to its competitors.

3.2.1.2 Competitor Insights

Another component of exploratory research involves analyzing L&I's competitors. Doing so is particularly valuable to uncover any distinguishing features of L&I and to identify areas where the brand may still be lagging its competitors.

Identified Competitors and Positioning Maps

The concept of a brand's positioning is essential to brand management and is founded on the fundamental tenet that all choices are comparable, making the positioning of a brand strongly oriented toward competition (Kapferer 2008). The fine jewelry and tableware brands that were used for the investigation of the market include the international and Portuguese brands Arthus Bertrand, Baccarat, Bulgari, Cartier, Christofle, Dinh Van, Luísa Rosas, Maria João Bahia, Tiffany & Co., and Vista Alegre.

Three positioning maps based on pricing and whether the brands' product portfolios are classic or culturally inspired were created to assess the Portuguese and global market for fine jewelry and to determine whether L&I's positioning is specific and distinctive *(see Appendix 16)*. Due to the different market shares in the Portuguese and global markets described in Chapter 2.2.2 and Chapter 2.2.3, a positioning map for international brands only, a positioning map for Portuguese brands, and a map for Portuguese and international brands respectively were created to identify the positioning of L&I as accurately as possible. The entry price for yellow gold rings of the selected brands that offer rings made of this material in their portfolio was used as a benchmark to compare the prices of the various competitors *(see Appendix 17)*.

When comparing the various entry prices of the brands under consideration to the previously described benchmark, it becomes clear that L&I is among the more accessible brands both globally and in Portugal. The “Portuguese Heart” ring's entry price of €325 allows for a clear distinction from other brands. For instance, the entry price for yellow gold rings from the Portuguese brand Maria João Bahia is significantly higher at €995 for the “B-Loved Sapphire” ring. The “B.zero1” ring from Bulgari, which costs €1 750, has the highest entry price among international brands for a comparable product.

L&I's positioning also differs significantly from that of other brands, both globally and in Portugal, suggesting that L&I's product portfolio is much more culturally influenced than that of its competitors. The brand strongly emphasizes its connection to Portugal, as described in Chapter 2.1.1, and each collection produced tells a story associated with Portugal. L&I has a particular strength in this area, even though the majority fine jewelry brands take advantage of their histories and storytelling, which can be recognized as a significant success factor for luxury goods. When comparing Portuguese brands to others like Cartier and Tiffany & Co., it can be noted that all Portuguese brands tend to have product portfolios that are more culturally than classically inspired. This results in positioning L&I on the vertical axis very close to the brand Maria João Bahia.

Competitor Analysis

Additionally, the chosen competitors' product offerings, distribution methods, website appearances, and primary communication channels were examined *(see Appendix 17)*.

During the analysis, the following points were highlighted: all competitors, except for Maria João Bahia, sell their products directly and indirectly via selected online and offline retailers. There is also a unique characteristic of Tiffany & Co. as they sell accessories both directly and indirectly; however, they only sell jewelry directly, not through retailers.

One unique feature of the communication channels is that all interested consumers of the brands that have been chosen are given the opportunity to sign up for newsletters. Additionally, all brands focus on having a strong presence on well-known social media platforms like Instagram, Facebook, Twitter, LinkedIn, Pinterest, YouTube, and TikTok. Therefore, all brands under consideration are fully represented on Facebook and Instagram, however, only four of the nine analyzed brands are fully represented on TikTok.

The website screening of L&I's competitors revealed the following: Each brand has a newsroom where they showcase new collections and other interesting brand developments along with providing information about the brand's history and heritage. Additionally, each of the brands under consideration has a store locator on their website that makes it easier for interested consumers to locate the store that is the closest to them. The ability to schedule a consultation appointment either online or offline is another frequently used feature. However, Arthus Bertrand, Baccarat, Christofle, Dinh Van, Luísa Rosas, and Vista Alegre don't offer these opportunities. Moreover, all other competitors do not provide a wide range of after-sale services, such as repairing, engraving, and adjusting, as do the brands Bulgari, Tiffany & Co., Cartier, and Christofle.

In addition, it is remarkable to note the following things: Bulgari has a virtual try-on facility built onto its website that allows consumers to test out products to see how they fit them. Cartier's upcoming events are listed in the events calendar on the brand's website. The French luxury brand Baccarat features a locator on its website for its museums in Paris and Baccarat. Tiffany & Co. has a tool called *Tiffany Size Guide* integrated into their website to help consumers choose the appropriate size for their jewelry. A special feature of the website of the Portuguese brands Vista Alegre and Maria João Bahia is a form that can be filled out to request customized products.

3.2.1.3 Portuguese Market Insights

Besides conducting a brand and competitive analysis, a primary objective of the exploratory research is to investigate Portugal as the country of origin of fine jewelry, as L&I is deeply rooted in Portuguese culture. Thus, the SWOT analysis model is applied as in Chapter 3.2.1.1 to explore the strengths and weaknesses as well as the opportunities and threats of Portugal as a country of origin for fine jewelry *(see Appendix 18)*.

In particular, the good reputation of its craftsmanship, especially in leather goods, forms a *strength* of Portugal and turned the country into a world-renowned expert in quality (Mellery-Pratt 2015). In addition, Portugal is distinguished by its geographical location and remains the gateway of Europe to the rest of the world due to its history of discovery and expansion (Cartwright 2021). Besides, the country boasts great experience in the art of goldsmithing, which is reflected in the production of traditional and Portuguese jewelry such as gold filigree (Doerr 2019).

A major *weakness* of Portugal as the country of origin of fine jewelry lays in the fact that the country is not broadly associated with luxury. Moreover, with the exception of gold, the Portuguese jewelry market is poor in natural resources, causing the country to rely on others (Fox 2018). In addition, it must be noted that Portugal has a low purchasing power compared to other European countries and thus fewer buyers for fine jewelry (Eurostat 2021). Lastly, Portuguese jewelry companies are particularly tradition-driven, relying on their craftsmanship with little room for innovation.

The growing popularity of "Made in Portugal", which could spread beyond leather goods and strengthen associations with Portugal as a country of origin of luxury goods, represents a tremendous *opportunity* for Portugal. Thereby, the country can clearly outperform France and Italy by offering the same quality at a lower price (Mellery-Pratt 2015). Furthermore, Portugal is developing into one of the most attractive countries in Europe (ePortugal 2020). At the same time, an increase in demand for gold and silver of around 30% can be observed, which has prompted major brands such as Pandora to acquire a network of shops in the country (Pinto 2022; Pandora 2022).

The biggest *threats* to the Portuguese jewelry market are the emergence of major luxury brands and the trend towards costume jewelry. As already highlighted in <u>Chapter 2.2.3</u>, large corporations dominate the fine jewelry industry in Portugal, making it difficult for smaller Portuguese brands to penetrate the market. Moreover, the trend toward affordable but low-quality jewelry is making it increasingly difficult for highly skilled goldsmiths to reach consumers who are willing to pay more for customized work of art (Statista 2022a).

3.2.2 Qualitative Research Insights

Based on 14 qualitative expert interviews, it was intended to delve deeper into the research so that assumptions could be made about: (1) insights about the luxury consumer, (2) insights about buying behavior, (3) insights about marketing and communication and (4) insights about the origins of luxury.

3.2.2.1 Luxury Consumer Insights

To get a deeper understanding of the group of luxury consumers, which are relevant for L&I as a target, and their needs and desires, current changes and characteristics of this consumer group are explained and presented in the following with the insights from the expert interviews. All the information obtained in the discussions allows the following assumption to be made: *A new group of consumers is emerging, who have different needs and desires for luxury goods.*

The idea arises from the fact that the experts who were interviewed stress that Millennials and Generation Z are becoming the most prominent segment of the luxury consumer market. For instance, Christian M., a consulting partner specialized in luxury, points out that "younger cohorts (Millennials and Generation Z) now make up the majority of luxury consumers." A related reflection emerges from the testimony of Luisa M., merchandise manager at KaDeWe Group, which operates the three best-known luxury department stores in Germany. She emphasizes that "KaDeWe had an average age of 47, and that has dropped to 28 in recent years."

To meet the previously assumed different needs of the various target groups that are interesting for L&I and to target these different groups, the experts argue that it is necessary to use different collections and ambassadors. For example, Laura M., PR intern at Tiffany & Co. describes that Tiffany & Co. is precisely doing this, using very different brand ambassadors for different collections. She cites the example of Hailey Bieber, who promotes the Tiffany T collection, and Beyoncé, who campaigns for the Tiffany Knot collection. The interviewee José L., a jewelry expert at Luxclusif, supports this assertion by using the following words:

“Collections are adapted to the audience and the times in which one lives. For example, over the years Bulgari has introduced new materials and new designs. In other words, the essence remains the same, the design adapts.”

Additionally, all expert interviews reveal a very distinct new need among luxury consumers. In particular, luxury consumers expect to be addressed in a personalized way. The high jewelry retailer Matthias K., gives the following example in this context: "One and the same ring can please five women but look different on each one, so flexibility and individualization are very important." Similarly, Philip V., marketing manager at Lacoste, supports this insight with the following statement describing the exclusive needs of luxury consumers for customization: "As a luxury consumer, I don't want an off-the-shelf product or service - I want everything tailored to me and that's why I pay this high price".

3.2.2.2 Purchase Behavior Insights

In addition to the needs and insights of the different luxury consumer groups, it is of great importance to analyze and understand which particularities the consumers under consideration have in their purchasing behavior. Based on the insights gained by the experts in their interviews, it is possible to make a further assumption, namely that *the store remains the temple for luxury goods consumers.*

This statement is based on the realization that the more expensive a product is, the more people want to buy it in the store. Mar R., marketing specialist at Carolina Herrera describes in this context: "Within luxury, there are different categories, and what I realized is: the higher the price, the more relevant retail is." A similar point is made by Matthias K. whose experience reveals that the higher the quality of jewelry, the less suitable it is for online sales.

Another finding that underscores the previously made assumption relates to the fact that for jewelry sales, the in-store experience and service quality will remain important anchors. Matthias K. brings up a very good example during his interview, describing that no matter how stunning a ring looks in a store window or on a website, it will look different on every hand. For this reason, it is especially important to touch and wear it to get a true feeling for it. However, this can only be done in a store, not online.

Although it may seem that the in-store experience plays an important role for buyers of fine jewelry, other insights from the interviews show that the customer journey for jewelry will involve a combination of online and offline touchpoints and must be seamless in all instances. Christian M. sums this up in a few words: "Many touchpoints, one experience." Lindsey B., online retail partnership manager at Cartier, also underlines this insight with the following words: "Websites are there to give consumers more information and to inspire them. You always have to mirror what's happening offline."

3.2.2.3 Marketing & Communication Insights

Since the mass market's communication strategy differs greatly from that of luxury goods, crucial specifics of luxury products' marketing and communication were uncovered during the expert interviews, and another assumption is made based on the knowledge gained: *An exceptional experience and story must be created to inspire and retent consumers.*

This assumption is derived, inter alia, from the insight that a strong brand purpose and a powerful DNA have a major impact on consumer loyalty. In particular, Mar R. and José L. underline this finding with their words. José L. directly refers to the L&I brand under investigation, emphasizing: “When I think of the brands David Rosas and Torres Joalheiros, I immediately think of three or four types of gold and diamond jewelry that are characteristic of those brands. But there is no DNA collection at L&I." Mar R. also points out, though somewhat more generally, that "the 'luxury' element that differentiates luxury from non-luxury brands is all about the storytelling created around a brand, making consumers feel special and part of the group."

Another unique aspect of marketing and communicating luxury goods is the approach of experiential marketing, which can be used to develop exceptional experiences. In the course of the expert interviews, it was repeatedly mentioned that experiential marketing strengthens the relationship with brands. For instance, the interviewed founder of SémioConsult, Anne-Flore M., emphasizes that there has been a shift in consuming more experiential luxury – away from products and towards experiences. And Laura M., speaking for Tiffany & Co. points out, "experiential marketing is the name of the game for Tiffany because it allows them to build an emotional connection with their consumers."

Another distinctive characteristic of luxury goods that emerged during the interviews relates mainly to the communication of luxury goods. This particularity implies that in the communication of luxury goods, not only the target group will be addressed. Anne-Flore M. refers exactly to this premise in her interview, describing that the most important difference between luxury communication and non-luxury is that luxury brands never talk to their clients. "Your audience is not your target market. You want the mass to know the products so that people recognize those, who actually buy the products and so that they acknowledge the exclusivity of the brands", according to Anne-Flore M.

3.2.2.4 Origin of Luxury Insights

As already outlined, the brand L&I has a particularly strong connection to the country of Portugal. For this reason, it was particularly relevant to obtain insights about Portugal as the origin of luxury goods from the expert interviews. Based on all findings, the following assumption is derived: *Portugal lacks a clear positioning in the luxury goods sector.*

From various interviews with the chosen experts, it was revealed that Portugal does not have the same reputation as Italy and France when it comes to luxury goods. Mar R., for example, emphasizes that Portugal is a brand by itself, which includes many pleasant things, but luxury is not one of them. And Sofia A., brand manager at L&I, also states the following:

"Portugal is indeed known for being a country that produces quality products. And people abroad are aware of this. But quality products are not necessarily luxury products."

However, what also emerged from the analysis of the expert interviews is the fact that with the available connotations associated with Portugal, the country has the potential to position itself as a country of luxury. Joana M., marketing intern at Laurel, supports this statement with words like: "Unjustly misjudged. After all, Portugal has a culture and DNA that goes back to the time of discoveries. Portugal went out hundreds of years ago to discover the ocean and the world, taking with it and bringing back a lot of wisdom and expertise from other countries." Additionally, Sofia A. underlines that L&I's Portuguese heritage is a clear differentiator: "As a brand, we go for the good things that Portugal has, its quality, discoveries, and much more."

3.2.3 Quantitative Research Insights

Conducting a quantitative survey enabled the identification of precise behavioral patterns related to insights in the areas of (1) Category Insights, (2) Shopping Experience, (3) Country Associations, (4) Brand Awareness and (5) Brand Insights.

3.2.3.1 Category Insights

Despite its broad product portfolio, L&I primarily considers itself a jeweler. Hence, the first step of the quantitative research involves learning more about the respondents' jewelry consumption to identify behavioral patterns and possible differences between generations, genders, or nationalities.

To obtain the desired insights, the survey initially asks about the preferred items of jewelry with the aim of determining which product category is particularly popular. Although no serious differences between genders and nationalities are found in this context, the differences between the younger and older generations appear to be more significant. While the majority of Generation Z (22 out of 52 respondents) prefer a necklace, Millennials (26 out of

51 respondents) along with Generation X and Baby Boomers (20 out of 37 respondents) would be more likely to buy a ring *(see Figure 1)*. The product category with the lowest popularity is tableware, which is chosen by 2 of the 140 participants belonging to the Generation X & Baby Boomer segment.

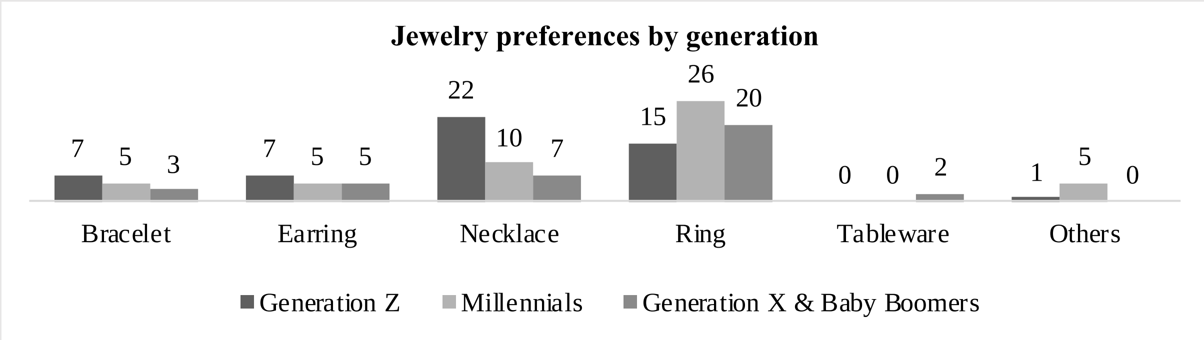

Figure 1: Jewelry preferences by generation, n=140

Further differences between the generations, but also between the genders, exist regarding the occasion for buying jewelry. While most men (19 out of 36 respondents) buy jewelry mainly as a gift for their loved ones, women are more likely to buy jewelry for themselves on special occasions (41 out of 104 respondents) *(see Figure 2)*.

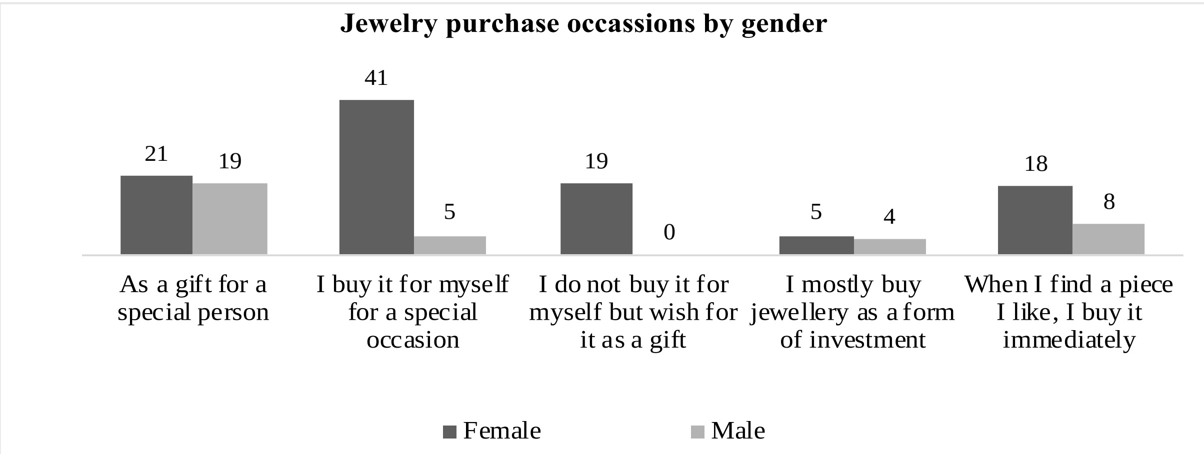

Figure 2: Jewelry purchase occasions by gender, n=140

However, a closer inspection of the purchasing behavior of female respondents reveals that the occasion of purchase differs from one generation to the next. For example, women belonging to Generation Z (22 out of 43 respondents) and Millennials (13 out of 33 respondents) mainly buy jewelry for special occasions, whereas the majority of Generation X & Baby Boomers (9 out of 28 respondents) tend to purchase jewelry they fancy regardless of the occasion *(see Figure 3).*

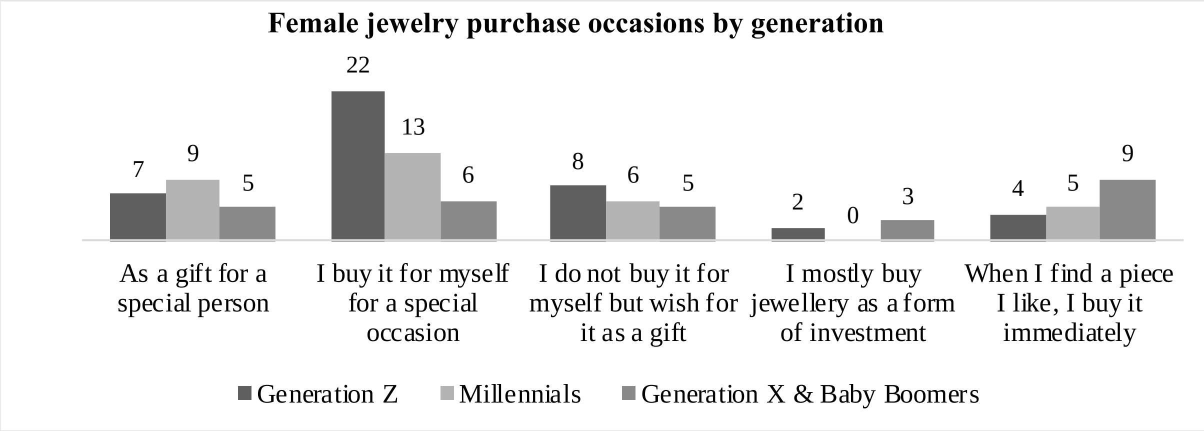

Figure 3: Female jewelry purchase occasions by generation, n=104

3.2.3.2 Shopping Experience

The shopping experience is at the heart of every jewelry purchase. Therefore, the survey uses the Likert Scale from 1 not important at all to 5 extremely important to find out which attributes are of great importance to jewelry consumers. Topics that are polled are the consumer preferences that influence the purchase, those that are important in the store and on the website, and those elements that are essential after the purchase *(see Appendix 19)*.

Asking respondents what *attributes they value in a jewelry brand*, they all agree that design (4.75 out of 5), quality (4.63 out of 5) and excellence in craftsmanship (4.18 out of 5) are the factors that encourage them to buy.

Although there are no differences between the generations when it comes to important brand attributes, this changes when looking at the *sources of inspiration*. Without a doubt, the main source of inspiration for all generations comes from friends (3.7 out of 5) and family (3.38 out of 5). Yet, compared to Generation X & Baby Boomers, Generation Z attaches great importance to brands social media (3.57 vs. 2.56) and influencers (3.19 vs. 2.41), whereby Generation X & Baby Boomers are particularly inspired by store display (3.77 vs. 2.74) and staff (3.47 vs. 1.96). Neither TV commercials (1.35 out of 5), blogs (1.36 out of 5), nor magazines (1.76 out of 5) serve as inspiration for all respondents.

Considering the factors that are important for the respondents' *in-store experience* when buying jewelry, it becomes apparent that many attributes are required. Whilst the survey reveals that the same attributes are important to each generation, overall Generation X & Baby Boomers tend to value the in-store experience more as they have consistently given the attributes a higher rating *(see Appendix 19)*. As a result, the most important attributes for the in-store experience are the direct purchase option (3.99 out of 5), trained staff (3.84 out of 5), a repair service (3.83 out of 5), a relaxed atmosphere (3.77 out of 5) and an attractive shop window (3.64 out of 5). What respondents value less is access to digital tools in the store (1.84 out of 5).

In addition to a seamless in-store experience, a good *online presence* is essential for jewelry brands. To explore how important online presence is for the respondents, the survey asks whether they visit the jewelry brand's website before making a purchase and whether they would consider buying jewelry directly from the website. Regardless of generation and gender, 91.50% of respondents would definitely (82 out of 140 respondents) or possibly (46 out of 140 respondents) visit the respective website before making a purchase *(see Figure 4)*.

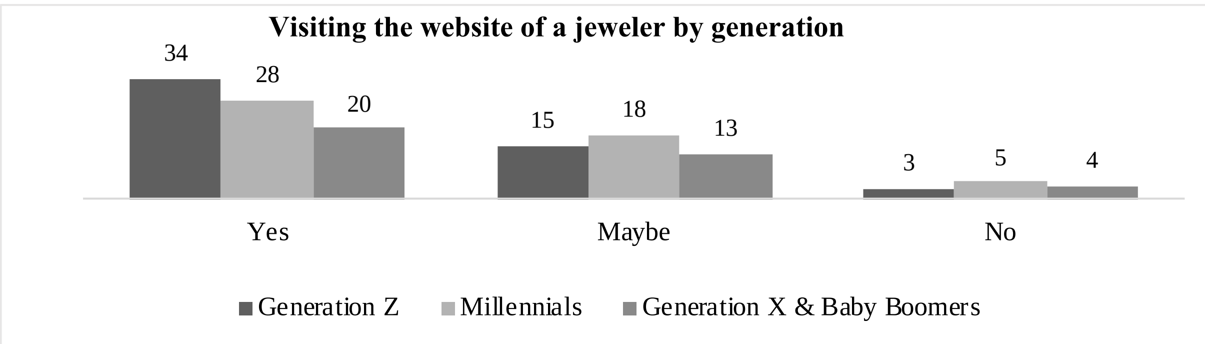

Figure 4: Visiting the website of a jeweler by generation, n=140

The most important attributes a website should include are professional pictures (4.23 out of 5), easy navigation (4.21 out of 5), transparent prices (4.20 out of 5), an overview of product availability in the shop (4.11 out of 5) and good filter options (4.00 out of 5). What respondents are less interested in is information about the history of the brand (2.58 out of 5). Although the respondents desire all these attributes on a brands website, only 55 of the 140 respondents are interested in buying jewelry online. Significant generational differences can be observed in this respect, as around 50% of Generation Z (26 out of 52 respondents) would definitely be willing to buy jewelry online, whereas only 24.3% of Generation X & Baby Boomers are pursuing the same intention (9 out of 37 respondents) *(see Figure 5).*

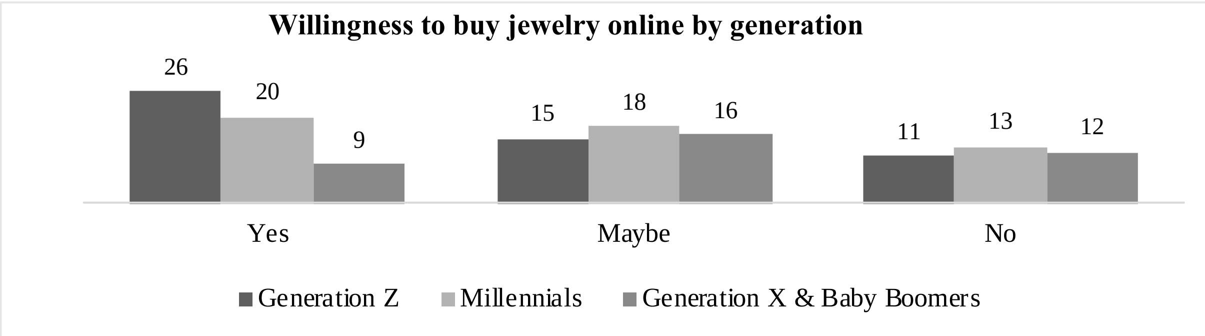

Figure 5: Willingness to buy jewelry online by generation, n=140

Lastly, the respondents are asked about the factors that are important to them *after having purchased jewelry*. In this respect, all generations share a common view in placing great importance on a repair service (4.25 out of 5), a cleaning service (3.88 out of 5) and having a direct contact for questions (3.68 out of 5). Less in demand are newsletter updates on latest developments and new product offerings (1.82 out of 5).

3.2.3.3 Country Associations

As L&I is strongly embedded in the Portuguese culture, the survey seeks to discover whether Portugal is indeed associated as a country of origin of luxury and, if not, which countries are. The results of the survey are unequivocal, as respondents agree that France (88 out of 140 respondents), Italy (82 out of 140 respondents) and Switzerland (66 out of 140 respondents) are the countries most associated with luxury *(see Appendix 20)*.

As a comparison only 11% of the respondents (16 out of 140 respondents) associate Portugal as a country of origin of luxury goods. Regarding the respondents' association with

Portugal, it becomes apparent that the country has a great reputation for handmade products, both within Portugal (56 out of 79 respondents) and outside of Portugal (41 out of 61 respondents). Other associations linked to Portugal are history & heritage (50 out of 140 respondents), strong cultural values & traditions (49 out of 140 respondents) and excellence in craftsmanship (43 out of 140 respondents). Furthermore, the country is regarded as having high quality within Portugal (32 out of 79 respondents), while this designation is less common outside Portugal (9 out of 61 respondents) *(see Appendix 21)*. Besides, it turns out that although some Millennials (12 out of 51 respondents) and Generation X & Baby Boomers (7 out of 37 respondents) identify Portugal with Maritime Exploration, this association does not resonate with Generation Z (2 out of 52 respondents) *(see Appendix 22)*. Finally, most respondents do not perceive Portugal as a digital pioneer (0 out of 140 respondents), nor as having a high social status (1 out of 140 respondents) or a strong brand reputation (4 out of 140 respondents).

3.2.3.4 Brand Awareness

To examine the extent to which brands are anchored in the respondents' minds, the brand awareness technique by David A. Aaker is used. First, respondents are prompted to name the brand they think of in relation to goldsmiths. In this way, it is possible to determine the top-of-mind brands that are given high importance, as these tend to be the brands that stick in the memory (Aaker 2012). Subsequently, the brand recognition technique is used to check which brands the respondents detect when they are exposed to them (Aaker 2012).

The research results reveal that one brand in particular sticks in the respondents' minds when they think of a goldsmith, namely Cartier, which is the first brand mentioned by 45% of the respondents (63 out of 140 respondents). Other brands mentioned more frequently are Tiffany & Co. (20 out of 140 respondents), Bulgari (7 out of 140 respondents) and Swarovski (4 out of 140 respondents). L&I, on the other hand, was only mentioned by 2 of the 140 respondents, both of whom were Portuguese from the Generation X & Baby Boomer segment.

A similar result is obtained when respondents are presented with a list of the names of 33 jewelry brands. Here it can be observed that, regardless of generation, the respondents predominantly recognise the major luxury brands. Among the brands recognised by more than 80% (above 112 respondents) are Tiffany & Co., Bulgari, Louis Vuitton, Chanel, Hermès, Swarovski, Gucci, Cartier, and Dior *(see Appendix 23)*.

Asking respondents which brand they would be most likely to buy in the future reveals a comparable pattern, with Cartier (52 out of 140 respondents), Tiffany & Co. (17 out of 140 respondents) and Hermès (17 out of 140 respondents) being the most popular brands to purchase *(see Appendix 24)*. Thereby, Tiffany & Co. is particularly preferred by Generation Z (9 out of 17 respondents) and Hermès mainly by Generation X & Baby Boomers (8 out of 17 respondents) *(see Figure 6)*. The purchase motivation for each of these popular brands can be attributed to their design, quality, and strong brand reputation *(see Appendix 25)*. For Cartier (33 out of 52 respondents) and Hermès (8 out of 17 respondents), the exclusivity of the brand is a further factor influencing the purchase decision.

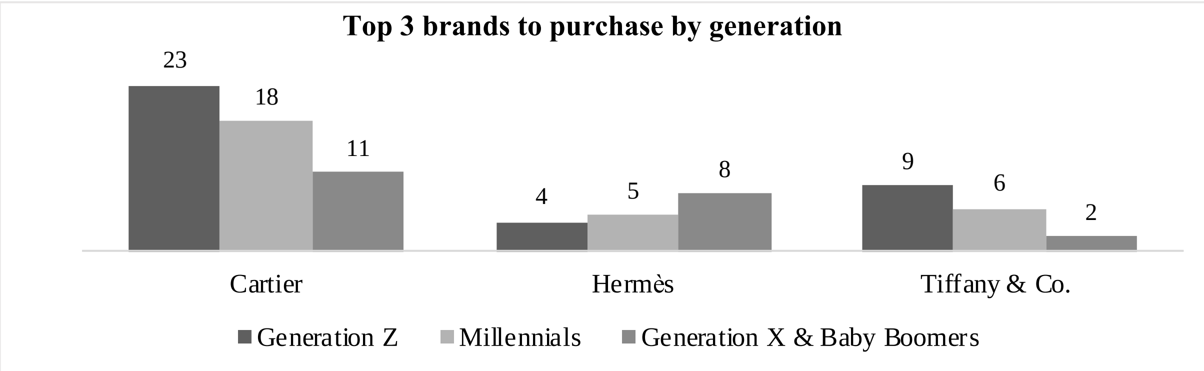

Figure 6: Top three brands to purchase by generation, n=86

3.2.3.5 Brand Insights

In addition to general information about the industry and consumer preferences, the survey is designed to find out more about the respondents' views on L&I.

Being listed among the 33 brands in the survey, it was possible to determine how well known the brand is among the respondents. In total, the brand is recognised by 40 of the 140 respondents, 38 of whom live in Portugal. Evidently, the brand is particularly well known among the older generation, as 20 of the 40 respondents who are familiar with the brand belong to the Generation X & Baby Boomer segment *(see Figure 7).*

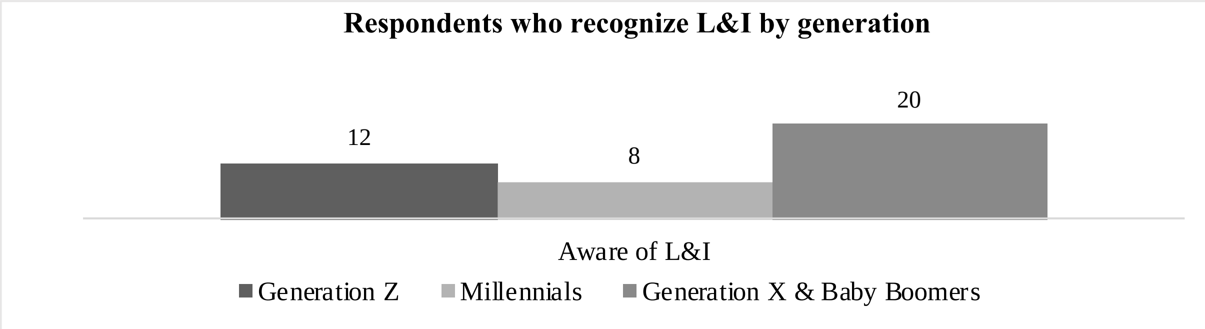

Figure 7: Respondents who recognize L&I by generation, n=40

Asking those respondents who are familiar with the brand to describe the associations they make with L&I, the main results indicate that L&I is primarily associated with Portuguese culture (21 out of 40 respondents), excellent craftsmanship (16 out of 40 respondents), but also with tableware (15 out of 40 respondents) and gifts (14 out of 40 respondents) *(see Appendix 26)*. The connotation that none of the respondents assigns to L&I is that of a young and innovative brand. In fact, judging by Generation Z, 5 of the 12 respondents who are familiar with L&I perceive the company as a brand aimed at an older generation. Ultimately, one can observe that despite L&I's attempts in offering bespoke services (mentioned by 3 out of 40 respondents) and playing with stories around the theme of discovery (mentioned by 2 out of 40 respondents), the brand is hardly associated with these attributes.

By introducing the brand to all respondents, the aim is to determine the actual likeability of certain aspects of the brand. The survey reveals that the product design of the Solitario ring in platinum with diamonds was particularly well received, while the ring from Débora Montenegro's collection was the least popular ring among respondents *(see Appendix 27)*. Opinions differ on the question of whether an interest in buying the brand would arise, as around 50.7% (71 out of 140 respondents) would decide in favour of a purchase and 49.3% (69 out of 140 respondents) against. A stronger buying preference is observed among respondents who live in Portugal, as 55.7% (44 of 71 respondents) of those surveyed would make a purchase, compared to 44.3% (27 out of 69 respondents) of respondents not resident in Portugal *(see Figure 8)*.

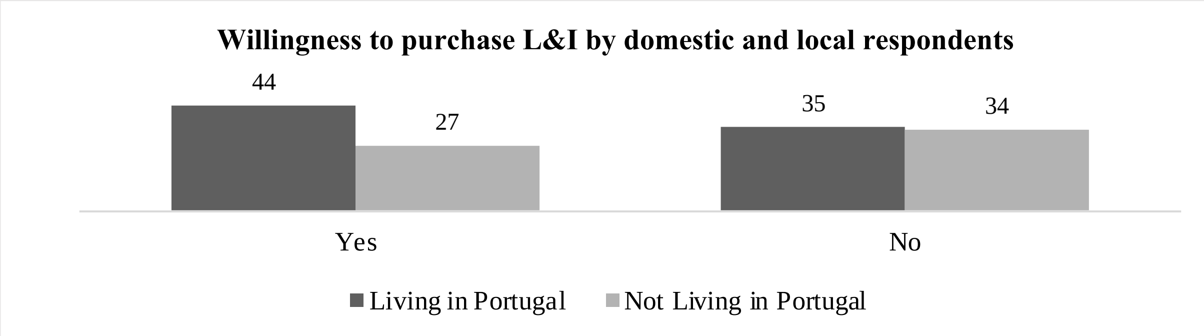

Figure 8: Willingness to purchase L&I by domestic and local respondents, n=140

Reasons given by respondents for buying L&I include the design of the brand, the high quality, the excellent craftsmanship and the strong link to Portuguese culture *(see Appendix 28)*. Conversely, the design was also the most frequently mentioned reason for not buying the brand (39 out of 69 respondents). Furthermore, it emerges that the respondents would refuse to buy L&I due to other brand preferences or a lack of identification with the brand *(see Appendix 29)*.

4 Research Limitations

While conducting the research, limiting factors affecting both the qualitative and quantitative research may have influenced the outcome.

First, approaching industry experts to serve as interview partners for the qualitative research was laborious at the outset. This led to a *high non-response rate*, as many of the shortlisted interview partners could not be reached or an appointment could not be arranged in time.

Furthermore, the *semi-structured in-depth interviews were conducted online* due to location and time constraints. As a result, the interviewer (1) loses control of the interview environment, (2) finds it more difficult to establish a personal relationship due to the virtual barrier, and (3) may experience technical problems that affect the duration and engagement of the interview.

When conducting the quantitative research, limitations arise in the *selection of the sample*. Although a filter question ensured that only qualified respondents were able to complete the survey, chances are that the sample may not be necessarily representative of the jewelry consumer market. The reason for the non-representative distribution lies in the circumstance that the survey was conducted via the authors' network, which led to a skewed sample in terms of gender, nationality, and age.

Lastly, the feedback from the survey participants revealed *technological difficulties* in answering questions about L&I due to the measurement method in the form of a ranking. Here a problem arose that for some devices it was not possible to rank the different examples according to individual preferences. Therefore, these questions must be treated with caution in the evaluation process, as the observed value may not correspond to the truth.

In future research, these limitations can be overcome by considering a longer research period so that more expert interviews can be conducted, and a larger sample of consumers can be retrieved. To avoid technical problems, it is recommended to test the quantitative survey on a sample beforehand to ensure a smooth research process.

5 Introduction to Individual Recommendations

On the basis of the research, a variety of information was compiled, providing a comprehensive overview of the market as well as of L&I as a brand. Without question, the results have shown that L&I is facing several challenges that need to be mastered to continue celebrating another 200 years of corporate success in the future.

Nonetheless, with each new challenge, new opportunities arise that have not yet been exploited by the brand. The objective of the individual analysis is therefore to take a closer look at three different challenges the brand is currently facing and to develop possible recommendations for action, including (1) the definition of the brand identity through a stronger narrative and adapted communication to celebrate the 200^{th} anniversary, (2) the development of a product management strategy, (3) the reinforcement of the bespoke service offerings as a distinctive brand feature. It should be noted that although the challenges and recommendations are of an individual nature, all aspects are interlinked and will only lead to a successful future if implemented together.

According to the research, the first major challenge faced by L&I relates to the fact that the brand is currently perceived as very conservative, rooted in Portuguese culture, and targeting a rather mature audience. To address this challenge, the first individual analysis uses the company's 200^{th} anniversary as a communication incentive to redefine the brand identity targeting a younger as well as a more international audience.

Furthermore, the findings revealed that the success of a luxury brand is highly dependent on a clear brand DNA and a creative identity. However, as identified through the research, besides lacking a clearly defined DNA, L&I also suffers from a weak creative identity. Therefore, the second individual analysis focuses on the possibility of developing a clear and understandable product management strategy that reflects L&I's unique brand identity.

Lastly, it is apparent that L&I has a low brand awareness compared to the major luxury brands. Therefore, it is of utmost importance to strive for a strong brand reputation by strongly elaborating on the brands' differentiator. This aspect will be addressed in the third individual analysis, which examines the opportunity how to enhance L&I's bespoke services as a distinctive brand feature by leveraging on the company's 200 years anniversary.

Index: Defining the brand identity of Leitão & Irmão through a stronger narrative and adapted communication

by Maria Teresa F. B. Carvalho (48788)

1 Introduction

The remarkable occasion of celebrating 200 years is the perfect opportunity for L&I to reshape and adapt to the future, overcoming its competitors. As such, in this paper, a brand identity through a stronger narrative and adapted communication will be devised, to ensure that the bicentenary of L&I is not only a moment of celebration but also a turning point for a brand that has not been fully successful in translating its remarkable identity and core values into its product lines and communication actions, lacking brand recognition. To make these efforts as efficient as possible, the brand must be audacious in transmitting its new message, in order to strengthen its soul, and to ensure that not only consumers notice that the brand's DNA has been reshaped, but also increase in-store traffic, both online and physically.

2 Brand Narrative for the Bicentenary

The aim should be to keep L&I's inspiration in historical Portuguese landmarks and achievements, clearly outlining its story around that, highlighting the highest quality standards that the brand already has, to exploit at full length its competitive advantages and increase the market's demand for L&I products.

2.1 Redefining the Brand Identity

L&I is a Portuguese family-owned brand born 200 years ago in Portugal, a country that at that time was enjoying a period of significant wealth, being one of the most preeminent empires due to the establishment of new trade routes with South American and Asian territories. Back in that era, wealth and luxury were brought in sailing boats from the Atlantic and India links, including not only gold and colorful precious stones from Brazil, but also luxury goods and precious commodities from Asia. The sea was setting the pace and L&I, born precisely during all this bustle, quickly became the epitome of the Portuguese overseas empire, translating the golden era of Portugal into the aesthetics of its products. As Fernando Pessoa, one of the most significant literary figures of the 20th century, brightly recited: “Oh salty sea, how much of your salt are tears of Portugal?” (LibQuotes, 2022), an analogy that can easily be made for L&I, which has grown symbiotically with the sea.

Since its inception, the brand has been differentiating from the rest, mainly due to the expertise of the original creator and its excellent craftsmanship, which has been preserved throughout its bicentenary history. In addition, the high-quality raw materials and the diversity of cultures that were flooding Lisbon in the 19th century have been the source of inspiration for L&I, which displays unmatched creativity and passion on its creations.

Nevertheless, it is time for the brand to turn itself around and adapt to the present. Certainly, characteristics such as its heritage, precision in manufacture, and deep ties to Portugal and to the overseas glories, are all elements that should be kept, as these have been the pillars for its constant and major success. Yet, L&I must reshape slightly its message and positioning for the future, in order to strengthen and reaffirm its brand identity, leveraging on its bicentenary anniversary celebration. First and foremost, the brand’s trading name – Leitão & Irmão – is too long, making it difficult to memorize and pronounce, particularly for non-Portuguese speakers, resulting in low brand recall and hindering the internationalization of the brand. Therefore, the brand shall adapt a catchier name, while guaranteeing that it does not forego its legacy, for instance by dropping the “IRMÃO”, and becoming just LEITÃO, which is the name that has always been spearheading the brand from the onset.

Moreover, and as previously pointed out, one of the brand’s concerns is the fact that it does not carry a clear DNA within its core, nor translates it in its collections. Hence, the two-hundred-year anniversary would be the perfect moment to address this flaw. Indeed, L&I has been endeavoring to offer more up-to-date designs, by collaborating with influencers, however, the brand does not have thus far a characteristic and contemporary set of pieces. In this sense, modernizing its product offering should be considered. As such, and to stand out from its competition, L&I shall highlight its high product quality as this is the brand's main competitive advantage, especially the quality of its gold, which is something that is proven to be highly valued by Portuguese consumers, as pointed by the interviewee José L., a jewelry expert at Luxclusif, who emphasizes that: "L&I has the advantage of the quality of its gold be 19.2 karats, while its competitors use a lower standard. Boutique dos Relógios, for instance, uses the international standard of 18 karats. This is something that is highly valued by Portuguese consumers, in fact, there have been clients who stopped buying pieces in Boutique dos Relógios because the gold was of a lower standard."

Furthermore, another competitive advantage that should be highlighted in the brand's identity is its unique storytelling and soul, enabling it to create a product offering that none of its competitors can replicate. L&I is not just a basic and common brand that sells fine jewelry, but a brand that sells something special and outstanding, based on its ancient and legendary roots, which can be traced to the glorious days of the Portuguese overseas empire, an era where all sorts of precious stones and gold were flowing from all corners of the world into Portugal.
With this being said, L&I shall guarantee that its identity represents the cult of high-quality gold and precious color stones, coupled with a strong Portuguese heritage and historical legacy, which must be mirrored in the brand's narrative, so that when consumers wear a L&I piece feel capable of achieving great things, as the ones that occurred 200 years ago.

To summarize, and to complement the brand identity analysis, a new Kapferer prism was assembled *(see Appendix 30)*.

2.2 Press Release

Celebration of the 200th anniversary of LEITÃO

Lisbon, Portugal, Dec. 16, 2022 - Welcome aboard Ladies and Gentlemen, this is your captain speaking. I truly hope you have enjoyed this voyage so far; it has been 200 years since we started this great journey.

As we arrive in Portugal, I would love to tell you some stories that happened back in the day. 1822 was a year of big events and the sea was the portal for everything.

Great things happened. Brazil got its independence from Portugal, which was the centre of Europe at that time. Ships were sailing through the Atlantic, bringing luxury of all types into Portugal. Gold and precious stones, entangled in sea ropes, were being brought in abundance to the main cities' jewelers. Ships, filled with new foods, new spices, new colors, new flowers and new animal species were flooding the brave European country. Wealth and luxury were arriving in quantity. It was the era of the ocean-going, in which Portugal was the gate for all this richness that was flowing through the ocean and would have as a destination this little-big country.

But the story doesn't end here.

The age of discovery wasn't just about the Atlantic link. Portugal had intensive maritime journeys in the Eastern world, Portuguese Naus and Carracks were sailing from India to Portugal, tapping the trade routes that used to cross the middle east and ended in Florence. Everything was being shipped from the heart of Lisbon to the rest of Europe. Portugal became a diversity of cultures and myths, being one of the most remarkable empires in humankind's history.

When we think of Portugal we think of sea, we think of voyage, of trade, of courage. LEITÃO, born 200 years ago, is as old as Brazil, is as old as the Portuguese overseas' prowess. So, we are now celebrating two centuries of voyage, of this path of adventure, of a unique spirit and soul, heritage and discovery. Holding a brand for 200 years is challenging, but with the right dose of passion, aspiration, creativity, expertise and excellence, LEITÃO thrived in the past to profit in the present and to be even better in the future.

We know life is too short not to take risks. So, we decided to shorten ourselves and our name, launching a special collection inspired by our tight link with the sea and the wealth that it brought to us.

I hope you enjoy this new chapter together with us. The past is a stepping-stone, not a milestone. And we all have a great future ahead of us.

With love and adventure,

LEITÃO

2.3 Communicating the Press Release

The Press Release shall be disclosed in multiple channels. First and foremost, in the brand's website, as well as on its social media platforms, namely Instagram, Facebook, and LinkedIn. Furthermore, it is crucial to ensure that the current costumer base of L&I is fully aware of this new message so, for that purpose, it should be published in the brand's newsletter. The aforementioned channels are the most direct contacts the brand has with its audience. Besides these, in order to attract and reach potential consumers as well as have higher visibility, the brand shall resort to Portuguese magazines, such as *JoiaPro*, which is a magazine specialized in jewelry, and television programs, namely *Imagens de Marca*, which is a program dedicated to branding and marketing, broadcasted by SIC Notícias.

3 Leitão & Irmão Collection for the Bicentenary

3.1 Inspiration for the Collection

As aforementioned, L&I has a competitive advantage which is the quality of its gold, as the brand uses 19.2 karats in its products, which is a higher quality standard when compared with most of its European competition (18 karats) (Faltom Jewelers 2022). As such, this is certainly something that should be considered by L&I, as it will allow the brand to differentiate itself from the rest. Nevertheless, the brand lacks a distinctive collection, one that can be easily identified as the L&I flagship product. Currently, the brand is hardly recognized, as it is merely a set of traditional designs wrapped in a multitude of collections. Hence, by clearly stating its DNA, L&I will be able to overcome and defeat its current challenge of not having a clear, solid and distinctive style. Thereby, to celebrate the bicentenary, L&I should create a flagship and contemporary collection, aligned with its redefined brand identity, message and storytelling, having the ropes used on sailing boats as a constant design reference, as it will be a permanent reminder of the link between the brand and the Portuguese historical sea discoveries.

In addition to launching a new collection, L&I must create something that would leave its audience speechless, a masterpiece that would draw everyone's attention to the brand and that would be the image of its 200th anniversary. Filigree for instance, according to Mr. Leitão would be "too popular and over-used" (Leitão 2022b). Thus, one could recreate this familiar technique, used by the majority of the national competition, and modernize it, giving it a special touch. Just like Joana Vasconcelos made when she transformed one of the most characteristic pieces in Portuguese jewelry, *Coração de Viana*, into something iconic and modern, naming it as 'Golden Independent Heart' *(see Appendix 31)* (Jornal de Notícias 2022). L&I could follow the example of this renowned Portuguese plastic artist, identifying something that is highly appreciated by consumers and that is strictly related to the brand's inspiration in the Portuguese heroic discoveries, but that has, at the same time, a revolutionary and surprising taste. By allying general consumer demand with L&I's quality and expertise, the brand must create a unique piece that would conquer all consumers, and that would therefore become highly coveted. The inspiration for such a masterpiece shall be based on Portuguese historical events and landmarks that are related to the Brand's DNA, namely the Portuguese maritime exploration successes.

3.2 Collection Lines & Masterpiece

To celebrate its bicentenary, L&I shall launch a collection composed of two jewelry lines and a masterpiece, which must allude to the brand's DNA and its roots. Within the two jewelry lines, one must be more accessible and made of silver, while the second one must have higher entry prices and must be made of gold and colorful precious stones. Moreover, the designs for both lines shall not only be attractive and contemporary but also resonate with L&I's narrative. By that means, the ideal basis should be ropes, which not only provides high flexibility in terms of product creation, as it results flawlessly in rings, necklaces, as well as bracelets, but at the same time that is highly relatable with the Portuguese overseas' conquers and history, which at the end of the day is part of the brand's DNA.

As far as the accessible line is concerned, the chosen name shall be catchy, for instance Magellan, which alludes to the Portuguese explorer who masterminded and spearheaded the first expedition to circumnavigate the world in the 16th century (Magellan 2022). As previously mentioned, this line should be made from silver and priced at an accessible price tag (in the context of fine jewelry). Considering the current prices of the brand, the prices shall range between €150 and €500. Furthermore, to maintain the exclusivity of the brand and to ensure that consumers can still buy pieces that reflect the art of goldsmithing, L&I shall ensure that the high jewelry line is made from gold and colorful precious stones, resembling the ones that started flowing to Portugal in the 19th century, and maintaining the design as ship ropes. In terms of the entry price tag, it shall start at €2 000.

In addition, and as a way of boosting sales and guarantying continuous purchases from consumers, L&I shall apply a cross-selling strategy to these two lines. As such, both lines' necklaces and bracelets shall be complemented with a smaller piece, a pendant, hinting at the brand's DNA. It could be a pendant either engraved with the number of days that took the Portuguese carracks to arrive in India, with the number of nautical miles separating Portugal from Brazil or even with the form of the maritime routes that took Pedro Álvares Cabral for the first time from Portugal to Brazil, which curiously resembles the form of a sail *(see Appendix 32)* (Cabral 2022). Thus, resulting in increased flexibility of L&I pieces, while adding longevity and boosting sales in the long-term. For these cross-selling strategies to be as efficient as possible, it is extremely important to guarantee that the communication with consumers is regular and updated, so that when new complementing pendants are launched, consumers are well advised and attracted to the stores, as well as to the brand's website.

The creation of pendants strictly linked with the brand's DNA and carrying an inspiring background, would not only be a great way of increasing demand, but also a manner of distinguishing itself from the rest of the Portuguese competition, as none of the competitors have similar product lines. Launching such a product line would make L&I even more distinct, as consumers would immediately associate the pendants with the brand, increasing its overall recognition and clearly strengthening its DNA. By adding these complementary products, unique within the Portuguese competition, L&I would be reinforcing its USP, which was already composed of high-quality gold, excellence in craftsmanship, and a unique narrative.

On top of that, setting the entry-level price for the pendants at an affordable level (starting at €150 and going up to €2 000), would allow consumers who tend to visit the stores for a quick glance or for a repair, to easily feel attracted by these relatively accessible pieces. Additionally, the high side of the price range would simultaneously fit the needs of someone who is looking for a gift to be offered on a special occasion, for example, a wedding anniversary, ensuring that L&I is positioned as an exclusive brand as well. Therefore, in order to exploit at full potential in-store sales of the pendants, store assistants shall keep track of important dates of regular consumers (anniversaries, graduations of relatives, marriages, among others) so that, when these visit the stores, the assistants would already know which products they should sell and which ones are more prone to be most sought after.

Moreover, and taking into account that the brand has a relatively small production capacity, and certain difficulty in selling a large number of pieces, the collection would be comprised of 15 pieces. In this sense and according to the results of the questionnaire *(see*

Figure 1), for this collection L&I shall produce five rings (as it is the most coveted jewelry category among the respondents), three necklaces, two bracelets and five pendants, which is exactly the same amount as the total number of bracelets and necklaces mentioned before, thus allowing consumers to have a considerable range of options to complement all their pieces. Additionally, the majority of the pieces must be integrated in the high-end jewelry line, as it allows the brand to emphasize its competitive advantage, given the fact that the brand uses higher quality gold when compared with the competition and finishes the pieces with splendid precious stones.

In regard to the creation of a Masterpiece product, it is important to take into account what José L., pointed out: "L&I brand has many pieces in silver, very few diamonds. I don't see any great pieces that make me want to go to the store". As such, L&I should create a piece that displays the full capacity of its artisans, aiming at creating something unique and that would show the maximum splendor of the brand. The idea would be to convey a message of aptness combined with mastery and creativity, creating a piece that will not leave anyone indifferent, attracting people to both physical and online stores, as well as sparking people's interest in wanting to know more about the brand. A proper figure to recreate would be a real-sized dodo, measuring 1 meter *(see Appendix 33)* (Encyclopedia Britannica 2022). Dodos were giant birds that inhabited Mauritius until the 17th century and were part of the diet of the Portuguese sailors that were in India. Its overconsumption led to species extinction and around the world is shown as a fine example of how overuse and poaching can highly affect habitats and species. Hence, by recreating this emblematic figure, L&I would not only display its craftsmanship capacity, but also engage with a broader audience, calling their attention to the brand through a sustainability-oriented message, whilst keeping its DNA 100% focused on the Portuguese origins and overseas achievements.

The idea would be to create one real-sized dodo made of silver, such as L&I giant rhino and elephant, with a beak that would be made of gold. Since this would be a significantly expensive product to manufacture, the brand should produce just one unit, as it requires smaller investment. The uniqueness of the piece would simultaneously foster the demand of the public, making it highly exclusive. As a matter of fact, for the 200-anniversary celebration event, the dodo could be auctioned, with an excepted price of €100 000, making the event memorable and ensuring that it would be well kept in consumers' minds. Further to the auction and consumers' reaction to the piece, in case there was good traction, the brand could add the dodo to its permanent collection, obviously with a size similar to the rhino and the elephant currently produced, in order to be fair with the winning bidder of the real-sized dodo auction. At the same time, to display its capacity to manufacture and blend metals, the dodo should still have its body made with silver, but the beak should be in gold. As opposed to the elephant and rhino, which are priced at around €24 000, the dodo should be sold for around €40 000, to account for the steep price difference between silver and gold.

4 Physical Connection with the Consumer

In this last chapter the aim will be to increase the traffic in the brand's stores. As such, the idea will be to attract more consumers to the stores, so that they not only get to know the latest collection, but also join the celebration of the brand's anniversary. Consequently, by finding an interesting collection and an in-store celebration, will make them come back after and more regularly. Currently, L&I's Marketing annual expenditure is *c*. 5% of its turnover (*approx*. €133 000 in 2021) (Leitão 2022a). Nevertheless, and in order to ensure that the marketing efforts in light of the brand's 200th anniversary are as effective as possible, L&I should increase its budget to 7.5% on an extraordinary basis, guaranteeing that the initiatives referred to below can be performed.

4.1 Online Channels

The brand's social media will play a vital role on increasing brand awareness, word-of-mouth, and more importantly, stores' traffic. For this purpose and to ensure a meaningful outcome, L&I should use the services of a local Communication & PR Agency, such as IF Comunicação.

As previously mentioned, the brand should place its press release on Instagram, however, the brand's engagement in this social media platform is very low, which increases the difficulty in spreading the message. To curb this obstacle, L&I should ally itself to ambassadors - Débora Montenegro is the first that comes to mind, since it is already working with the brand - nevertheless, the brand should look for additional influencers, who could impersonate the brand's new image (Madalena Abecassis for example).

To be even more successful and in order to reach as many people as possible, L&I should also take advantage of one of the best tactics available on Instagram that the majority of the brands use, which is paid ads. On top of that, performing a giveaway on Instagram for a free visit to NRP Sagres, an emblematic Portuguese sailing vessel, allowing the winners to embody the spirit of a sailor. In order to be part of the giveaway, participants would have to follow L&I on Instagram, like the post of the giveaway, and share it on their Instagram stories. This would not only help the brand to improve its engagement but would also enable L&I to spread more effectively its message.

4.2 Offline Channels

First, the brand should host an exclusive event for the celebration of its 200th anniversary and its voyage within all these years with a future-oriented vision, naming it "LEITÃO: From the discovery times, the voyage continues" and using the dodo as a flagship piece. For this event, the brand should invite the most loyal consumers, remembering them that they make part of the success of the brand and ensuring that they will remain on board for the years to come. Additionally, to generate word of mouth, L&I should invite some influencers (three to four), as they are a big tool to boost recognition. Inviting media would also be crucial to promote the event for the ones who don't have the opportunity to be present on this day or for the people who the brand could somehow not reach with its other actions. And for everyone invited, the brand should gift these people offering them a press kit, which would include items related to the brand's narrative. To be even as memorable as possible, the press kit could be a boat survival kit, containing (a) L&I liquor, (b) a compass, and (c) a keyring made with rope. In addition, the press kit should also include (d) the catalog of the new collection, as well as the inspiration and the history behind the creations, and (e) information about the masterpiece. As for decoration and food, the event should have seafood, such as oysters, in order to transmit the sense of traveling overseas. Regarding location, it should take place close to the sea/river and ideally related to Portuguese discoveries. The ideal venues would be *Torre de Belém or Mosteiro dos Jerónimos*, which have dedicated areas available to be rented for corporate events (Cultural, 2018). Additionally, *Cordoaria Nacional*, which was built in the 18th century and where ropes, cables, and sails were manufactured to be installed in Portuguese ships (TimeOut 2017). Finally, *Museu da Marinha*, which depicts the Portuguese sea discoveries, by displaying ships and instruments that have accompanied sailors since the beginning.

Furthermore, it would be highly interesting to advertise in outdoors the bicentenary of L&I and its new collection in strategic locations of Lisbon, such as *Avenida da Liberdade* and Lisbon Airport. The outdoors, designed as per *(see Appendix 34)*, would allude to the metro network of Lisbon, but the stations would be renamed using overseas destinations discovered by the Portuguese during the golden years. The main destination would be Baixa-Chiado station, as that is the location of L&I's main store. In this station, the stairs to the outside would have part of the handrails replaced with gold-painted ropes alluding to L&I's new collections, coupled with the following quote: 'The end of navigation is here, LEITÃO'. Highlighting the proximity of the nearest L&I's store.

Finally, a different and more solemn card *(see Appendix 35)*, together with the catalogue displaying the collection lines and the masterpiece, could be sent to selected high-end hotels with whom the brand already has good relationships, to invite potential high-purchasing power tourists to visit L&I stores and get to know its new collection.

For in-store dynamics and since the whole campaign is centered in the sea, it would be highly interesting to have in-store sounds of waves, to immerse consumers in the brand's campaign and provide them with a memorable experience, which tends to be highly appreciated and, therefore, makes them return. Furthermore, store displays should also have items alluding to the seas and the Portuguese golden ages, for instance, precious stones entangled in golden ropes, to depict the ships that were coming from Brazil and India when L&I was founded.

5 Conclusion

As mentioned throughout this paper, L&I is a fine jewelry brand, which links unique storytelling to exceptional craftsmanship. Nevertheless, throughout the years, the brand has been losing its capacity to translate its core values into its products, not exploring its full potential. Now that the brand completes its 200th anniversary, it is time to turn the tide, offering its audience a reinvigorated breadth of products along with a clear message. The first step will be to reshuffle the brand's identity, highlighting the details that make its storytelling and features so unique. Secondly, and in order to increase the brand's recognition and recall, its name should be contracted to just LEITÃO. Furthermore, to mark the 200-year anniversary, a collection resembling the roots of the brand shall be created, incorporating not only two jewelry lines, which will grant cross selling strategies, but also a masterpiece (dodo), which will display L&I's expertise and will be the face of the newly created celebratory collection. In order to reach a vast audience, communication initiatives shall be carried out, such as a celebratory anniversary event (where the new collection will be presented), as well as outdoor marketing campaigns allied with a reinforcement of the presence in L&I social media.

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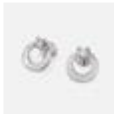
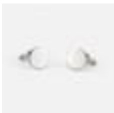
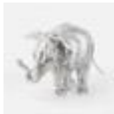
7 Appendices

Appendix 1: L&I product portfolio

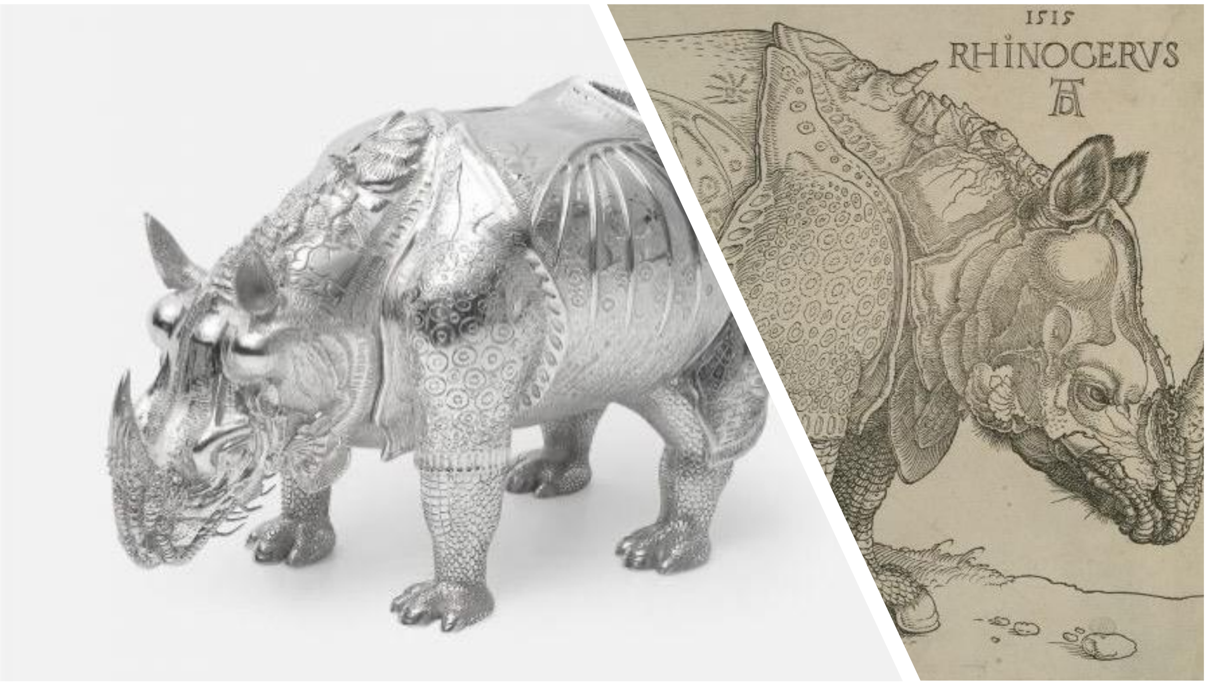
Product Category	Lowest Price Point	Highest Price Point
Rings	 ‘Azulejo português – costa do castelo’ ring in silver €200	 ‘Solitário’ ring in platinum with diamonds €10 800
Necklaces & Pendants	 ‘Best friends’ pendant in silver €40	 ‘Cordão português’ necklace in yellow gold with diamonds €9 650
Earrings	 Pair of filigree earrings in gilded silver €31	 ‘Solitário’ earrings in platinum with diamonds €6 700
Bracelets	 ‘Good luck’ silver bracelet – swallow symbol €55	 ‘Les pyramides’ bracelet in yellow gold and diamonds €6 750
Cufflinks	 Silver cufflinks €110	 ‘Button’ yellow gold cufflinks €2 290
Chains	 Silver chain ‘curb’ 1.8 x 1.1mm €55	 ‘Silver chain ‘belcher round’ ø 4.5mm €140

Product Category	Lowest Price Point	Highest Price Point
Crosses	 Silver cross – round point model €70 – €100	 'Boa esperança' yellow gold chain and open cross €3 250
Accessories & drinkware	 Drop stop in silver €70	 Ice bucket in silver – oval model €5 890
Candelabras	 Candlestick in silver – plain model €895	 'Contas' candlestick in silver €2 950
Decor	 'Mandolin' angel in biscuit and silver €65	 Oyster shell in silver €4 865 – €14 000
Pots	 Black medium pot in silver and porcelain €420	 Black large pot in silver and porcelain €560
Salvers	 Round salver in silver €155	 Oyster shell in silver €4 865 – €14 000

Product Category	Lowest Price Point	Highest Price Point
Bowls	 Round bowl in silver €1 850	 Giant mussel in silver €3 600 – €6 600
Office	 Silver and lacquer letter opener – multiple colors €50	 Silver striped box €1 350 – €2 000
Exceptional	 'Embondeiro' tree in chased silver €14 000	 'Hanno' elephant in chased silver €24 000
Tableware	 Napkin ring in silver – half round cane model €75	 Giant mussel in silver €3 600 – €6 600
Godparents Gifts	 Little she-bunny silver egg €55	 Medium-large-sized yellow gold cross – round model €960
Débora Montenegro	 Mesh Ring €160	 Colar Lock €1 600

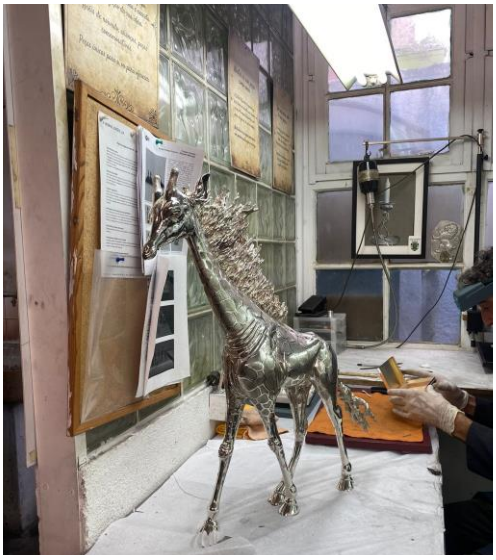
Source: Company Website (from 07.11.2022)

Appendix 2: 'Rhinocerus 1515' inspired by Alfred Dürer



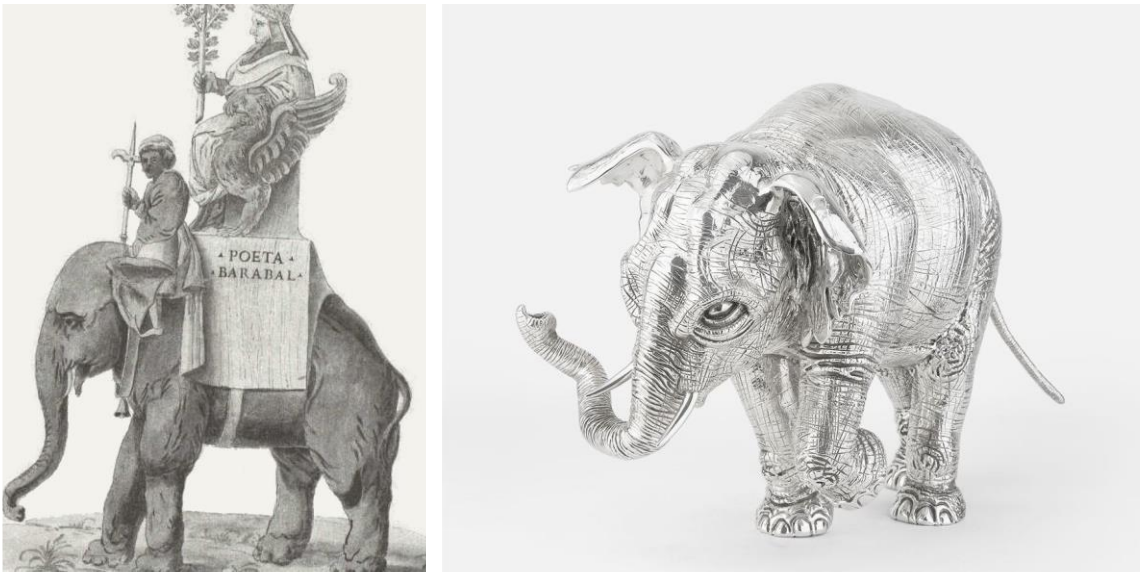
Source: Company Website (from 07.11.2022); Alfred Dürer 1515

Appendix 3: Burning giraffe by Salvador Dali, Carnival De Estoril 1959



Source: Salvador Dali, 1959; Leitão & Irmão Kick Off Meeting, 2022

Appendix 4: Elephant Hanno 1514



Source: Staatliche Museen zu Berlin, 2022; Company Website (from 07.11.2022)

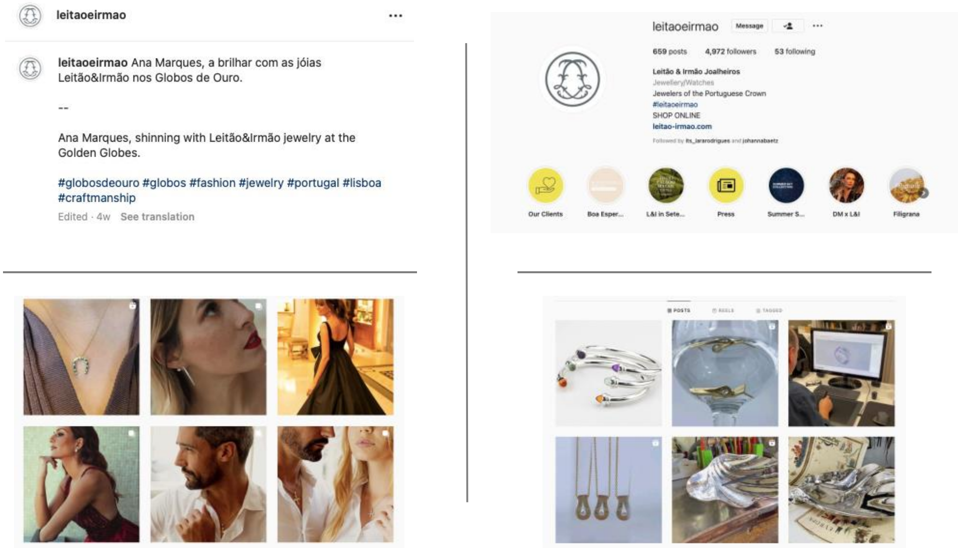
Appendix 5: Store interior of L&I

Source: Company Website (from 07.11.2022)

Appendix 6: Parallels of the stores and homepage of L&I

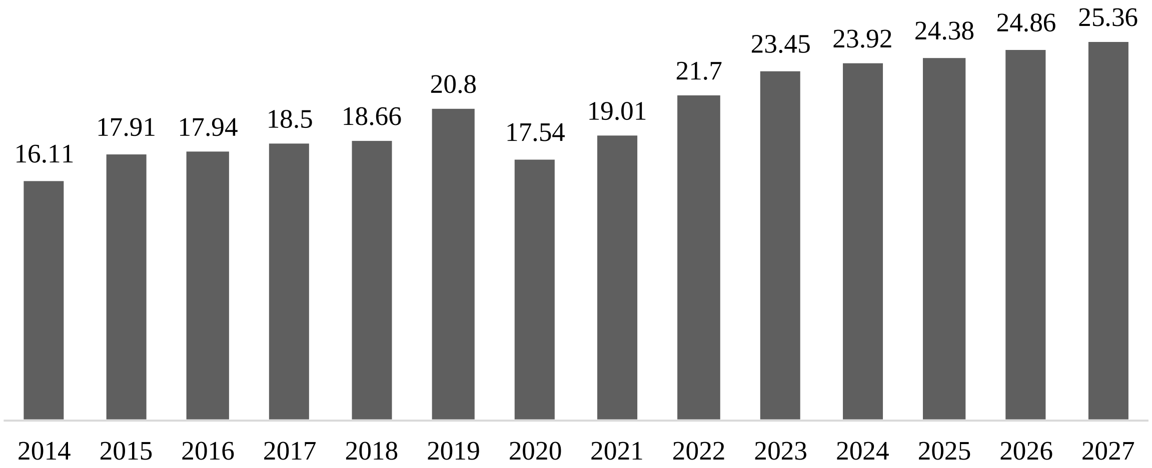
Source: Company Website, 2022; LinkedIn, 2022

Appendix 7: Instagram feed of L&I (from 07.11.2022)



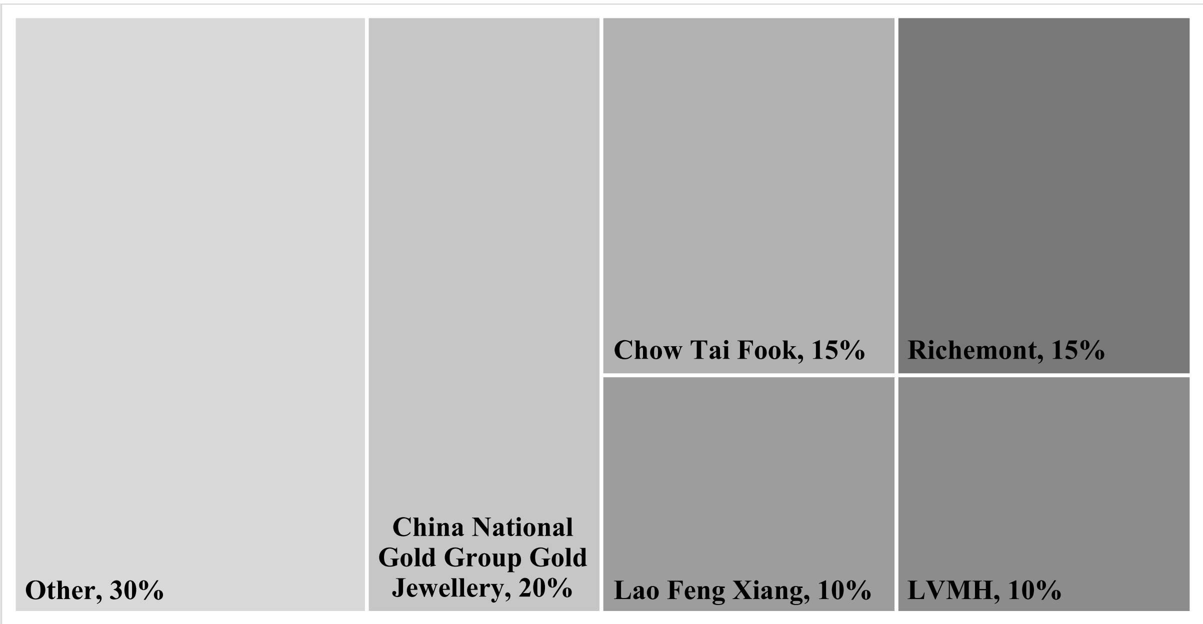
Source: Leitão & Irmão Instagram (from 07.11.2022)

Appendix 8: Global revenue in the luxury jewelry industry in billion EUR



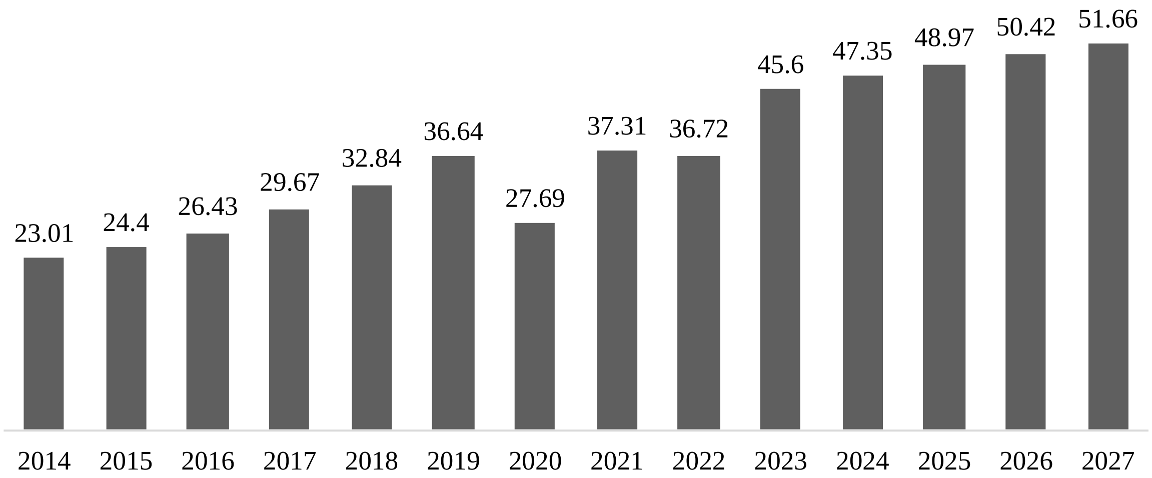
Source Statista, 2022b

Appendix 9: Global market shares by company in percentage



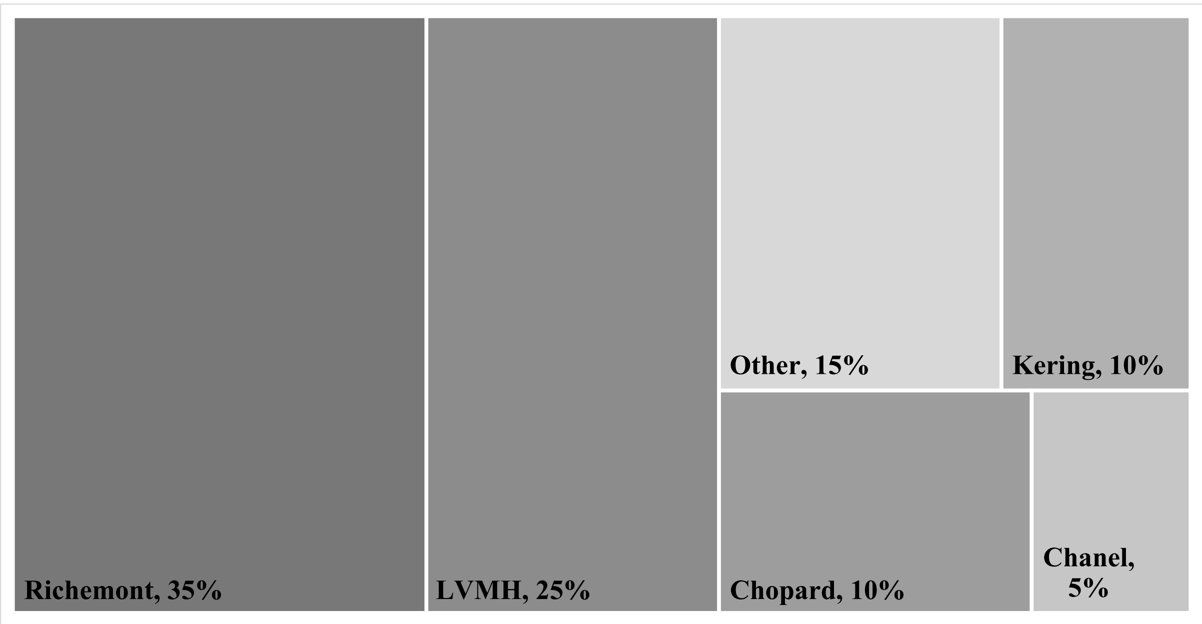
Source: Statista, 2022b

Appendix 10: Revenue of the luxury jewelry industry in Portugal in million EUR



Source: Statista, 2022b

Appendix 11: Portuguese market shares by company in percentage



Source: Statista, 2022b

Appendix 12: Qualitative research expert overview

Interview Objective	Name	Gender	Profession
Luxury Industry	Anne-Flore M..	Female	Founder of SémioConsult specialized in luxury goods
	Christian M.	Male	Consulting partner at Kearney specialized in luxury goods
	Luisa M.	Female	Merchandise Manager at the Kadewe Group
	Mar R.	Female	International Marketing Specialist at Carolina Herrera
	Phillip V.	Male	Marketing Manager at Lacoste
Jewelry Industry	Laura M.	Female	PR & Marketing Intern at Tiffany & Co.
	Matthias L.	Male	High Jewelry Retailer
	José Carvalhais L.	Male	Jewelry and watches Product Specalist at Luxclusif
(Luxury) Online Retail	Moritz B.	Male	Founder of Kerbholz – an online business for jewelry
	Mariana M.	Female	Customer Service Manager at Farfetch
	Lindsey B.	Female	International Online Retail Partnerships Project Manager at Cartier
Luxury in Portugal	Joana M.	Female	Marketing Intern at LAUREL
	Sofia A.	Female	Brand Manager at Leitão & Irmão
	Marta C.	Female	Founder of Martine Love

Topics to be developed:

- Luxury Trends
- Jewelry Trends
- Consumer Preferences
- Online Retail
- Marketing Trends
- Perceptions around Portugal
- Competitor Insights
- Differences between generations

Appendix 13: Quantitative research survey structure

<u>Introduction</u>

The following questionnaire was developed as part of our master's thesis in the Department of Luxury Management at the NOVA School of Business and Economics and aims primarily to investigate the jewelry industry in Portugal. Therefore, it is of utmost importance to know your perception and experience in this sector. All responses to this questionnaire will remain anonymous and will only be used for academic purposes.

To reward you for your effort and support, we are raffling off a 25 EUR voucher for Uber Eats among all participants. All you must do is enter your email address at the end of the questionnaire.

If you have any questions regarding the questionnaire, please contact: Maya Boysen, 48395@novasbe.pt We thank you in advance for your cooperation.

<u>Section 1: Filter Questions</u>

Q1. Have you ever bought or been given a piece of jewelry or tableware with a purchase price of over 200 EUR?

- Yes *(if yes, move to Q2)*
- No *(if no, end the questionnaire)*

Q2. Have you been living in Portugal for the past five years?

- Yes
- No

Section 2: Jewelry Consumption

Q3. Which product would you be most interested in if you were buying luxury pieces from a goldsmith?

- Ring
- Bracelet
- Necklace
- Earring
- Pendant
- Tableware
- Others

Q4. In which of the following situations would you rather buy a luxury piece from a goldsmith?

- As a gift for a special person
- I buy it for myself for a special occasion
- I do not buy it for myself but wish for it as a gift
- I mostly buy jewelry as a form of investment
- When I find a piece I like, I buy it immediately for myself no matter the occasion

Q5. Please rate the following aspects on a scale from (1) Not at all important to (5) Extremely important in terms of how important they are to you when buying luxury pieces from a goldsmith.

	1 Not at all important	**2 Slightly important**	**3 Moderately important**	**4 Very important**	**5 Extremely important**
Design					
Excellence in craftsmanship					
High Quality					
Online presence					
Recognition value					
Shopping experience					
Brand Purpose					
Sustainability					
Brand status					
Country of origin					

Q6. Please rate the following options on a scale from (1) Never to (5) Always, on where you usually get your inspiration for buying luxury pieces from a goldsmith.

	1 Never	**2 Rarely**	**3 Sometimes**	**4 Often**	**5 Always**
Blogs					
Brand website					
Brands social media					
Customer recommendations in store					
Customer recommendations online					
Family					
Friends					
Magazines					
Online celebrities/Influencers					
Print ads					
Sales associates					
Store display					
TV commercials					
TV shows & movies					
Events					

Section 3: Shopping Experience

Q7. Please rate the following aspects on a scale from (1) Not at all important to (5) Extremely important in terms of how important they are to you when you shop in a luxury jewelry boutique.

	1 Not at all important	**2 Slightly important**	**3 Moderately important**	**4 Very important**	**5 Extremely important**
Access to digital tools (e.g., Tablets)					
Attractive shop window					
Customization option of the product					
Direct option to buy the product					
Direct repair service					
Individual purchase consultation					
Luxurious furnishing					
Personalized welcome and service offerings					
Relaxed atmosphere					
After-sale services					
Trained and certified staff					

Q8. Before you buy luxury products from a goldsmith, do you look at the brand's website?

- Yes
- Maybe
- No

Q9. Would you consider buying luxury products from a goldsmith directly from the brand's website?

- Yes
- Maybe
- No

Q10. Please rate the following aspects on a scale from (1) Not at all important to (5) Extremely important in terms of how important they are to you when you are visiting the website of a goldsmith.

	1 Not at all important	**2 Slightly important**	**3 Moderately important**	**4 Very important**	**5 Extremely important**
360-degree view of the products					
Arrange consultation appointment online					
Easy to navigate					
Filter options					
Information about the brands history					
Manufacturing process and material information					
Option to customize products online					
Option to purchase products online					
Price transparency					
Professional imagery					
See product availability in the shop					
Website needs to be available in various languages					
Imagery of models wearing the products					

Q11. Please rate the following post-purchase service offerings on a scale from (1) Not at all important to (5) Extremely relevant in terms of how important they are to you after you have purchased a product from a goldsmith.

	1 Not at all important	**2 Slightly important**	**3 Moderately important**	**4 Very important**	**5 Extremely important**
Having a direct contact for questions					
Invitation to exclusive events					
Jewelry cleaning service					
Jewelry repair service					
Newsletter updates on latest developments and new product offerings					
Option to personalize jewelry					
Receive personalized messages and offers					

Q12. To verify that you are completing the questionnaire attentively, please type ":)" in the field below.

<u>Section 4: The Origin of Luxury</u>

Q13. Please select the countries you most associate with luxury goods manufacturing. *(Please select maximum 3 countries)*

- Albania
- Austria
- Belgium
- Bulgaria
- Chile
- China
- Croatia
- Czechia
- Denmark
- Estonia
- Finland
- France
- Germany
- Greece
- Hungary
- Iceland
- India
- Indonesia
- Ireland
- Israel
- Italy
- Japan
- Lithuania
- Luxembourg
- Mexico
- Monaco
- Montenegro

- Netherlands
- Norway
- Poland
- Portugal
- Romania
- Serbia
- Spain
- Sweden
- Switzerland
- United Arab Emirates
- United Kingdom
- United States
- Ukraine
- Other

Q14. When you think of Portugal as a manufacturer of luxury goods, which association comes up first? *(Please select maximum 3 associations)*

- Digital Pioneer
- Excellence in Craftsmanship
- Fashion Forward Designs
- Handmade Products
- High Quality
- High social status
- History & Heritage
- Pioneer of globalization
- Strong Brand Reputation
- Strong cultural values & traditions
- Maritime Exploration
- Others

Section 5: Brand Awareness

Q15. What brand comes to your mind when you think of jewelry or tableware?

Q16. Based on the following list, which brands do you know at least by name?

- Arthus Bertrand
- Bluebird Co.
- Boucheron
- Bulgari
- Carrera y Carrera
- Cartier
- Chanel
- Chaumet
- Chopard
- David Rosas
- Dior
- Gilles
- Graff
- Gucci
- Harry Winston
- Hermès
- Leitão & Irmão *(if yes show Q18 in Section 6 and if no start showing Q19 in Section 6)*
- LEO MATHILD
- Louis Vuitton
- Luisa Rosas
- Luiz Ferreira
- Machado Joalheiro
- Marcolino
- Mikimoto
- Monseo
- Omega

- Orovivo
- Pandora
- Piaget
- Pricci
- Swarovski
- Tiffany & Co.
- Torres
- Van Cleef & Arpels

Q17a. From which of the following brands would you most likely buy a piece of jewelry or tableware either for yourself or as a gift? *(Please select only one brand)*

- Arthus Bertrand
- Bluebird Co.
- Boucheron
- Bulgari
- Carrera y Carrera
- Cartier
- Chanel
- Chaumet
- Chopard
- David Rosas
- Dior
- Gilles
- Graff
- Gucci
- Harry Winston
- Hermès
- LEO MATHILD
- Louis Vuitton
- Luisa Rosas

- Luiz Ferreira
- Machado Joalheiro
- Marcolino
- Mikimoto
- Monseo
- Omega
- Orovivo
- Pandora
- Piaget
- Pricci
- Swarovski
- Tiffany & Co.
- Torres
- Van Cleef & Arpels

Q17b. Please state the reasons that would lead you to purchase a piece of jewelry or tableware of the previously selected brand. *(Please select maximum 3 reasons)*

- Bespoke Service
- Brand Values
- Design
- Excellence in Craftsmanship
- Exclusivity
- High Quality
- History & Heritage
- Individuality
- Innovation
- Price-performance ratio
- Strong Brand Reputation
- Online Presence
- Others

Section 6: Leitão & Irmão Brand Insights

Q18. You made a reference to the brand Leitão & Irmão. What do you associate with the brand?

(Please select maximum 3 associations)

- Affordability
- Tableware
- Bespoke Service
- Diamonds
- Discovery
- Excellence in Craftsmanship
- Exclusivity
- Fashion Accessories
- Gift giving
- Gold
- Handmade Designs
- High Jewelry
- High Quality
- History & Heritage
- Individuality
- Innovation
- Older Generations
- Portuguese Culture
- Silver
- Strong Brand Reputation
- Young Generations
- Others

Q19. In the following, we would like to show you the Portuguese jewelry brand Leitão & Irmão in more detail. Please rate the pictures from (1) I like it very much to (5) I don't like it at all.

Brand Introduction:

Its origins in the city of Porto in the late eighteenth century, Casa Leitão & Irmão became the epitome of Jewelry on being appointed Goldsmith of the Imperial House of Brazil by Pedro II, emperor of Brazil, in 1873, and Jewelers of the Portuguese Crown by Luís I, king of Portugal, in 1887. The title of Jewelers of the Crown led Casa Leitão to move from Porto to Lisbon to be near the Court, where it set up a "modern" goldsmithery. It has been in operation to this day. With shops in Lisbon and Cascais – Chiado, Bairro Alto and Casino Estoril Gardens – Casa Leitão represents modernity, character and quality in Jewelry, incorporating into traditional production processes the most up-to-date design and manufacturing techniques. Casa Leitão is also noted for the manufacture of tailor-made, personalized pieces, including engagement rings, jewelry, cutlery, tableware and other articles, as well as their maintenance and restoration. These services, carried out by the workshop's team of professionals whose knowledge is handed down from generation to generation each with their own character, are the distinguishing factor of Casa Leitão.

Q19a. Please rank <u>the following rings of the brand Leitão & Irmão</u> below.

Downtown ring in silver and enamel blue ceramic, €250

'Inverso' reversible ring in gold with diamonds and green topaz, €3 000

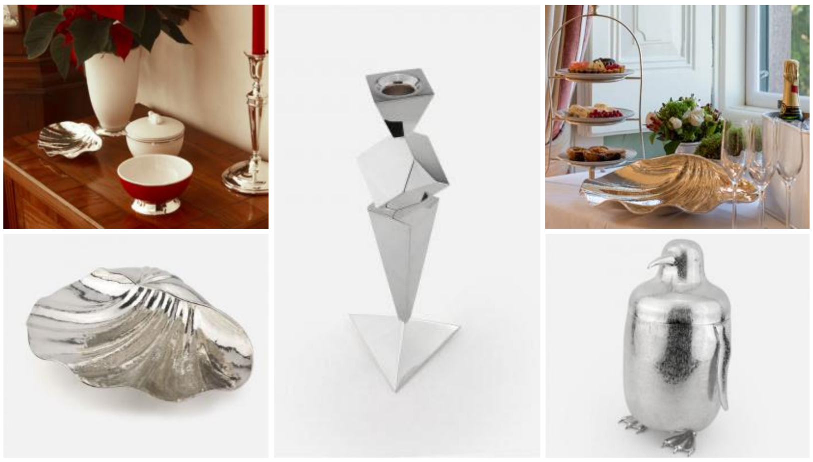
'Solitário' ring in platinum with diamonds, €10 800

'Portuguese heart' ring in yellow gold, €325

Ring Constellation Eternity Moon & Stars in gold and diamond, €845

Q19b. Please rank <u>the product portfolio of the brand Leitão & Irmão</u> below.

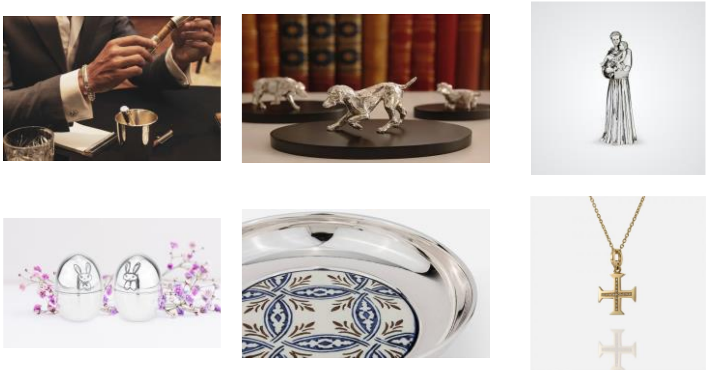
Product Category: Jewelry



Product Category: Home Décor

Product Category: Tableware

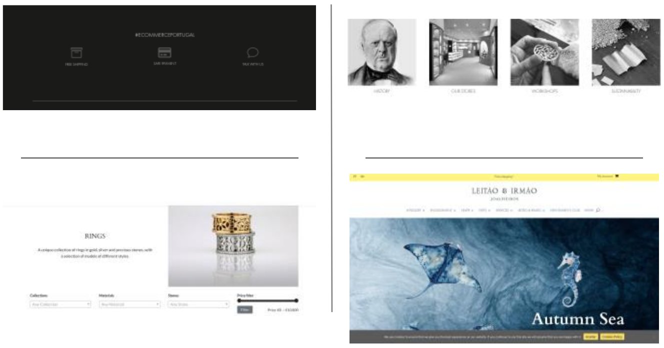
Product Category: Giant Silver Sculptures



Product Category: Gifts & Religion

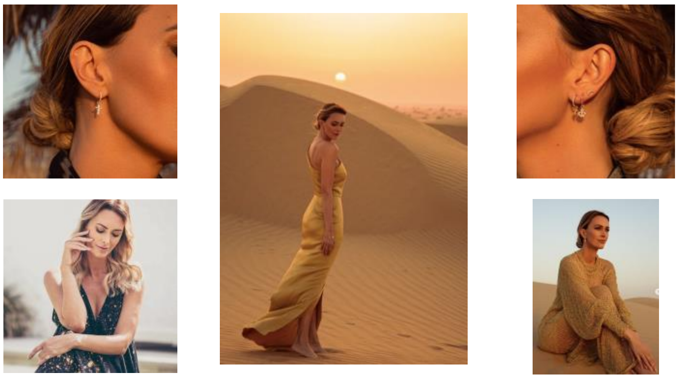
Q19c. Please rank *__the distribution & communication initiatives of the brand Leitão & Irmão__* *below.*

Leitão & Irmão Boutique



Leitão & Irmão Website

Leitão & Irmão Instagram



Leitão & Irmão x Débora Montenegro

Register to visit the workshop

Name | 18/10/2022 | ID / Passport

Phone | E-mail

Country | City

☑ I have read and agree with the **Privacy Policy** and the **Terms and Conditions** of Leitão & Irmão.

Register

Leitão & Irmão Workshop visits

Q20. Now that you have gained an impression of the brand, would you consider buying a piece from Leitão & Irmão in the next two years?

- Yes
- No

Q21a. Please indicate the reasons that would make you decide to purchase a product from Leitão & Irmão. *(Please select maximum 3 reasons)*

- Bespoke Service
- Brand Values
- Design
- Excellence in Craftsmanship
- Exclusivity
- High Quality
- History & Heritage
- Individuality
- Innovation
- Portuguese Culture
- Price-performance ratio
- Strong Brand Reputation
- Online Presence
- Store Atmosphere
- Others

Q21b. Please indicate the reasons why you would not purchase a product from Leitão & Irmão.

(Please select maximum 3 reasons)

- Old-fashioned Design
- Low Quality
- Price
- Brand Reputation
- Brand History
- Online Presence
- Customer Journey
- Store Atmosphere
- I prefer other brands
- I cannot identify with the brand
- International boundaries
- Sustainable/ ethical aspects
- Not enough available information on the brand
- Others

Section 7: Respondents Profile

Q22. Please select the gender that you identify with.

- Male
- Female
- Non-binary / third gender
- Prefer not to say

Q23. Please select your age from the following age groups.

- <18-24
- 25-40
- 41-56
- 57-66
- 67-75
- 76-80
- >80

Q24. Please choose your nationality from the list below.

Q25. Which is the highest level of education you have acquired?

- High School Education incomplete
- High School Education completed
- Currently obtaining Technical/Sports/Artistic degree
- Technical/Sports/Artistic degree completed
- Currently obtaining an academic degree (Bachelor's/Master's/PhD/post- grad)
- Academic degree completed (Bachelor's/Master's/PhD/post-grad)
- In another situation, please specify

Q26. Please select your current occupation.

- Student
- Active employee
- Unemployed
- Retired

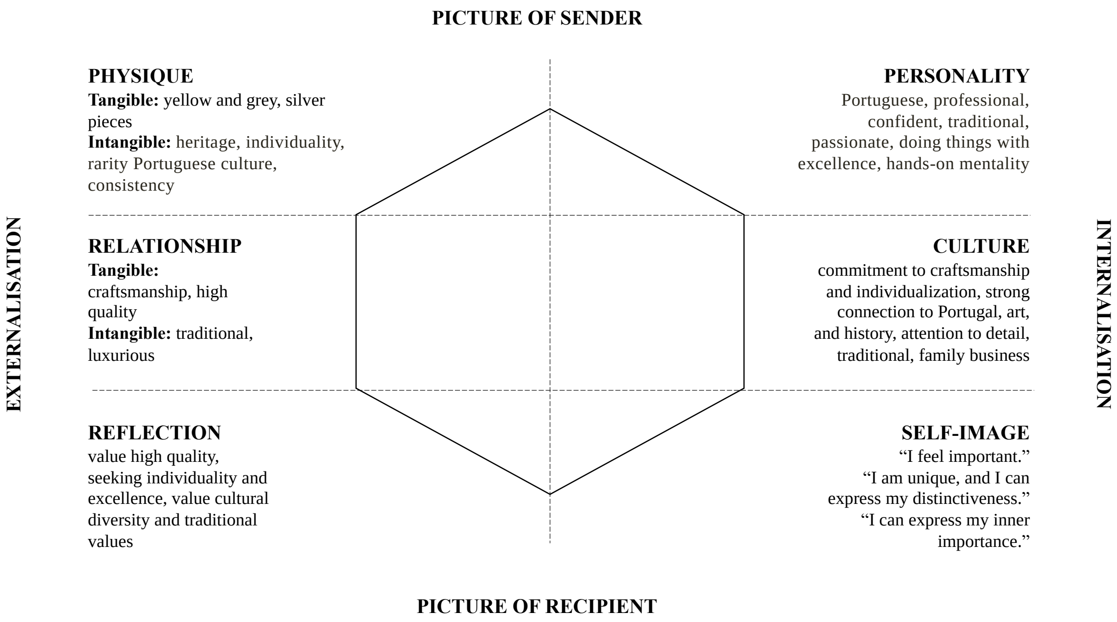
Q27. Please select the professional area that suits you best.

- Administration/business
- Arts & design
- Science & technology
- Social sciences
- Communication
- Engineering Environmental
- Health & well-being

Section 8: Raffle

If you would like to enter the prize draw for a 25 EUR Uber Eats voucher, please enter your email address.

Appendix 14: Brand identity prism of L&I



Source: Desk Research

Appendix 15: SWOT analysis of L&I

SWOT Analysis Leitão & Irmão	
STRENGTHS • High-quality jewellery and tableware • High level of creativity and craftsmanship • Proximity between office, workshop and stores • Access to resources and know-how • Unlimited possibilities to create customised products • Heritage status in Portugal	***WEAKNESSES*** • Low brand awareness in and outside of Portugal • Portuguese luxury does not have the same reputation as France or Italy • Low online visibility • Lack of luxury online presence • Brand lacks to convey its value • Lack of social media engagement
OPPORTUNITIES • Self-expression is getting stronger • Consumers increasingly ask brands to fulfill a desire for purpose and affiliation • Draw on its heritage and its connection to Portugal • Become the market leader for a specific product line • Enhance online presence through website improvement, search engine optimisation and social media content	***THREATS*** • No unique selling proposition and no iconicity compared to other fine jewellery brands • Competitors try to engage with younger consumers • Lack of well-known brand ambassadors compared to competitors

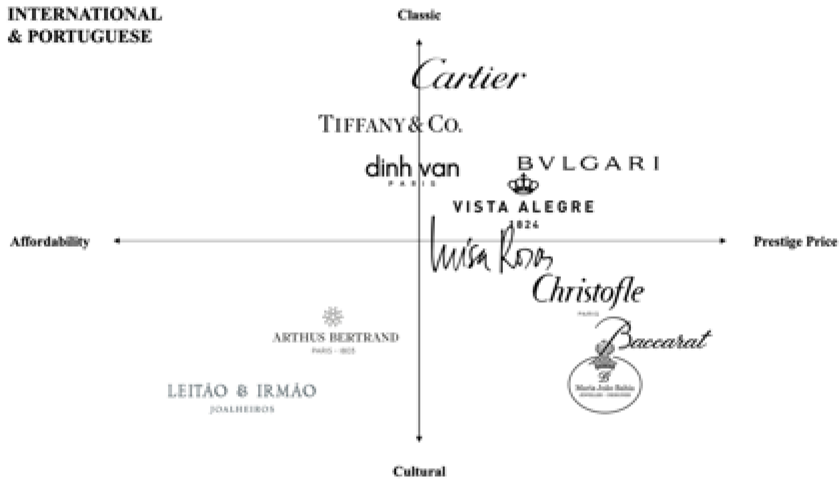
Source: Desk research

Appendix 16: Positioning maps of L&I

a) Positioning Map for fine jewelry and tableware brands according to pricing and product portfolios – International

b) Positioning Map for fine jewelry and tableware brands according to pricing and product portfolios – Portuguese

c) Positioning Map for fine jewelry and tableware brands according to pricing and product portfolios – Portuguese & International



Appendix 17: Main competitor insights

Brand	Product Offer	Pricing*	Distribution Channels	Online Appearance	Communication
Arthus Bertrand	Jewelry, Watches, Honorary Decorations	€ 550 Gloria Heritage Ring	Direct Distribution, Indirect Distribution	News, about The Arthus Bertrand House, Store locator, about Arthus Bertrand's Collector (gold recycling process)	Social Media (Instagram, LinkedIn, TikTok, Pinterest, Facebook, Twitter), Newsletter
Baccarat	Jewelry, Accessories, Lighting, Decoration, Barware, Tableware	/	Direct Distribution, Indirect Distribution	about The Legend of Baccarat, about The World of Baccarat, New collections, Store locator, Boutiques Bbar Lounge locator, Museum locator	Social Media (Instagram, LinkedIn, YouTube, Pinterest, Facebook, Twitter), Newsletter
Bulgari	Jewelry, Watches, Bags, Accessories, Fragrances	€ 1 750 B.zero1 Ring	Direct Distribution, Indirect Distribution	News, Bulgari history, about Bulgari Hotels & Resorts, Customer care (incl. cleaning and polishing services, engraving services, re-sizing services, repair service, virtual and in-person appointment booking), Store locator, Virtual try on tool	Social Media (Instagram, LinkedIn, YouTube, Pinterest, Facebook, Twitter), Newsletter
Cartier	Jewelry, Watches, Fragrances, Bags, Accessories,	€ 840 1895 Wedding Ring	Direct Distribution, Indirect Distribution	News, Event calendar, about Cartier's commitment and culture, Store	Social Media (Instagram, LinkedIn, TikTok, YouTube, Pinterest,

	Home Décor, Writing, Baby Gifts			locator, Customer care (incl. Cartier Care, Service requests for caring, adjusting, and repairing, personalization services, and appointment booking)	Facebook, Twitter), Newsletter
Christofle	Jewelry, Accessories, Flatware, Tableware, Barware, Home Décor, Children, Vintage	€ 3 550 Idole de Cristofle (gold & diamond circle ring)	Direct Distribution, Indirect Distribution	News, about La Maison Cristofle, Store locator, Customer care (incl. engraving services)	Social Media (Instagram, LinkedIn, YouTube, Facebook, Pinterest), Newsletter
Dinh Van	Jewelry	€ 650 Menottes dinh van R7 chain ring	Direct Distribution, Indirect Distribution	News, about Dinh Van's history and know how, Store locator, Online catalog	Social Media (Instagram, YouTube, Facebook), Newsletter
Luisa Rosas	Jewelry	€ 690 True Heart Ring	Direct Distribution, Indirect Distribution	News, Store locator, about Luisa Rosa's world incl. heritage and concept	Social Media (Instagram, Pinterest, Facebook), Newsletter
Maria João Bahia	Jewelry, Tableware, Home Décor	€ 995 B-Loved Sapphire Ring	Direct Distribution	News, about Maria João Bahia, Store locator, Campaigns, create your own jewelry function, appointment booking, Workshop visit for couples booking	Social Media (Instagram, YouTube, Facebook), Newsletter

Tiffany & Co.	Jewelry, Watches, Fragrances, Accessories, Home Décor, Tableware, Baby Gifts	€ 580 Paloma's Graffiti Love Ring	Direct Distribution, Indirect Distribution (excl. Jewelry)	News, about World of Tiffany, Customer care (incl. personalization services, repair services, gift consultation services), Tiffany Size Guide, virtual and in-person appointment booking, Store locator	Social Media (Instagram, LinkedIn, TikTok, YouTube, Pinterest, Facebook, Twitter), Mobile App, Newsletter
Vista Alegre	Home Décor, Tableware, Glass, Crystal, Cutlery	/	Direct Distribution, Indirect Distribution	News, Store locator, about Porcelain Factory and Museum, about Crystal Factory, about Vista Alegre Hotel, customization options, about Collectors Club	Social Media (Instagram, LinkedIn, TikTok, Facebook), Newsletter

* To make pricing comparable, the entry prices for *yellow gold rings* from the jewelry brands were considered.

Sources: Arthus Bertrand Website, Baccarat Website, Bulgari Website, Cartier Website, Christofle Website, Dinh Van Website, Luisa Rosas Website, Maria João Website, Tiffany & Co. Website, Vista Alegre Website (from 11.12.2022)

Appendix 18: SWOT analysis of Portugal

SWOT Analysis Portugal	
STRENGTHS • High experience in the art of gold smithery • Strong reputation in the excellence of craftsmanship • Privileged geographical location • Great value for money • History full of discovery and expansion • Iconic traditional jewellery, e.g. gold filigree	***WEAKNESSES*** • Low recognition as the country of origin of luxury goods • Low natural resources for silver, gold and diamonds • Low purchase power by Portuguese consumers • Lack of innovation in craftsmanship
OPPORTUNITIES • Growing attractiveness of "Made in Portugal". • In the last 9 years, the tourism sector has grown at a CAGR of 7.2% • Tourists, christenings and weddings increase the demand for gold and silver by almost 30%. • The country is emerging as one of the top markets in Western Europe - e.g. Pandora acquired a network of stores in Portugal (25 concept stores and nine shop-in-shops)	***THREATS*** • Major luxury brands are entering the jewellery market in Portugal • The rise of costume jewellery endangers Portuguese craftsmanship

Source: Mellery-Pratt, 2015; Cartwright, 2021; Doerr, 2019; Fox, 2018; Eurostat, 2021; ePortugal, 2020; Statista, 2022a; Pinto, 2022; Pandora, 2022; Statista, 2022b

Appendix 19: Relevance of various purchase factors on a scale from 1 to 5

Relevance of various purchase factors		Generation Z	Millennials	Generation X & Baby Boomers	TOTAL
Purchase Decision Factors	Brand Status	3.13	2.53	3.21	**2.82**
	Country of Origin	1.55	2.08	2.14	**1.95**
	Design	4.7	4.76	4.81	**4.75**
	Craftsmanship	4.09	4.12	4.58	**4.18**
	High Quality	4.72	4.53	4.75	**4.63**
	Recognition Value	2.98	2.08	3.19	**2.69**
	Shopping Experience	3.25	3.06	3.87	**3.21**
Purchase Inspiration Factors	Blogs	1.55	1.20	1.26	**1.36**
	Brand Website	3.04	2.94	2.95	**2.87**
	Brands social media	3.67	2.76	2.95	**2.95**
	Customer Recommendation in store	2.00	1.82	2.72	**2.12**
	Customer Recommendation online	2.26	2.39	3.02	**2.48**
	Family	3.47	3.04	4.08	**3.38**
	Friends	3.77	3.65	4.12	**3.70**
	Magazines	1.66	1.69	2.10	**1.76**
	Influencers	3.19	2.59	2.41	**2.70**
	Print ads	1.58	1.73	2.52	**1.81**
	Sales Associates	1.96	1.61	3.47	**2.17**
	Store display	2.74	2.63	3.77	**2.98**
	TV commercials	1.38	1.22	1.56	**1.35**
	TV shows & movies	1.58	1.61	1.64	**1.58**
	Events	2.02	1.69	2.39	**1.93**

In-Store Purchase Factors	Access to digital tools	1.89	1.65	2.31	**1.84**
	Attractive shop window	3.85	3.37	4.04	**3.64**
	Customization option	3.52	3.16	3.94	**3.41**
	Direct buying option	4.00	3.9	4.54	**3.99**
	Direct repair service	3.89	3.71	4.35	**3.83**
	Individual consultation	3.60	3.1	4.35	**3.55**
	Luxurious furnishing	2.58	2.1	3.15	**2.52**
	Personalized welcome and service	3.25	2.67	4.29	**3.21**
	Relaxed atmosphere	3.72	3.57	4.31	**3.77**
	After-sale services	3.58	3.31	4.18	**3.51**
	Trained and certified staff	3.85	3.47	4.64	**3.84**
Website Purchase Factors	360-degree view of the products	4.06	4.02	4.04	**3.92**
	Arrange consultation appointment online	2.85	2.98	3.25	**2.93**
	Easy to navigate	4.21	4.08	4.62	**4.21**
	Filter options	4.04	3.96	4.29	**4.00**
	Information about the brands history	2.77	2.37	2.96	**2.58**
	Manufacturing process and material information	3.4	3.59	3.87	**3.57**
	Option to customize products online	3.43	3.14	3.87	**3.35**

	Option to purchase products online	3.87	3.92	3.87	**3.74**
	Price transparency	4.32	4.08	4.56	**4.20**
	Professional imagery	4.3	4.22	4.54	**4.23**
	See product availability in the shop	4.15	4.18	4.29	**4.11**
	Website needs to be available in various languages	3.28	3.45	3.31	**3.26**
	Imagery of models wearing the products	4.04	3.82	3.75	**3.81**
Post Purchase Factors	Having a direct contact for questions	3.7	3.57	4.1	**3.68**
	Invitation to exclusive events	2.74	2	3.33	**2.51**
	Jewelry cleaning service	3.96	3.55	4.5	**3.88**
	Jewelry repair service	4.34	4.04	4.6	**4.25**
	Newsletter updates on latest developments and new product offerings	1.81	1.55	2.52	**1.82**
	Option to personalize jewelry	3.49	3.12	4.06	**3.42**
	Receive personalized messages and offers	2	1.9	3.14	**2.17**

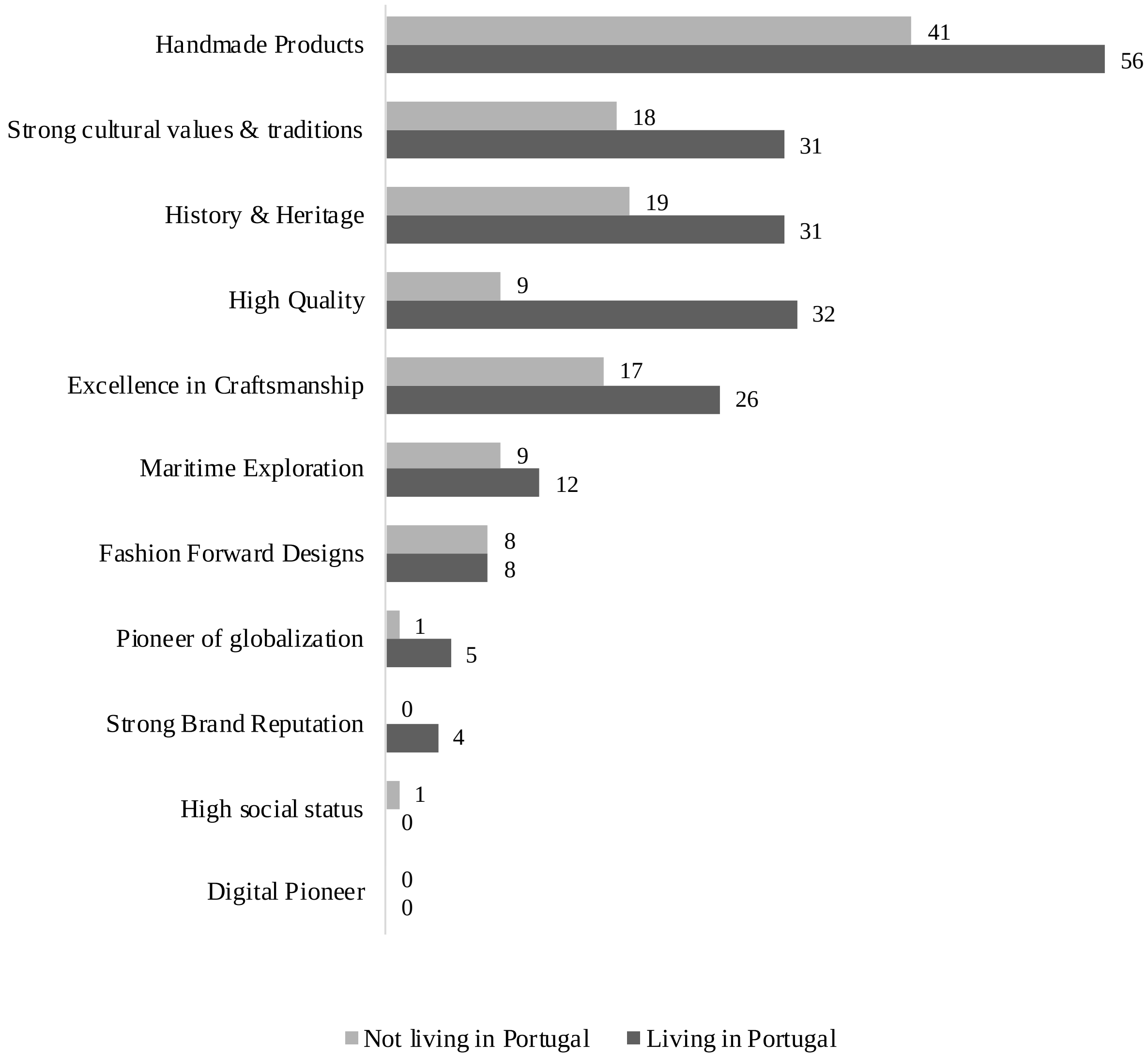
Source: Quantitative Research, n=140

Appendix 20: Countries associated with luxury by survey respondents

Ranking	Country associated with luxury	Number of respondents	% of total respondents
1	France	88	63%
2	Italy	82	59%
3	Switzerland	66	47%
4	Germany	45	32%
5	United Arab Emirates	20	14%
6	Portugal	16	11%
7	United States	12	9%
8	Monaco	8	6%
9	Belgium	7	5%
10	Spain	5	4%
11	India	4	3%
12	Luxembourg	4	3%
13	Other	4	3%
14	Austria	3	2%
15	China	3	2%
16	Denmark	3	2%
17	Sweden	3	2%
18	United Kingdom	3	2%
19	Greece	2	1%
20	Japan	2	1%
21	Netherlands	2	1%
22	Norway	2	1%
23	Finland	1	1%
24	Iceland	1	1%
25	Ireland	1	1%
26	Israel	1	1%
27	Montenegro	1	1%
28	Poland	1	1%

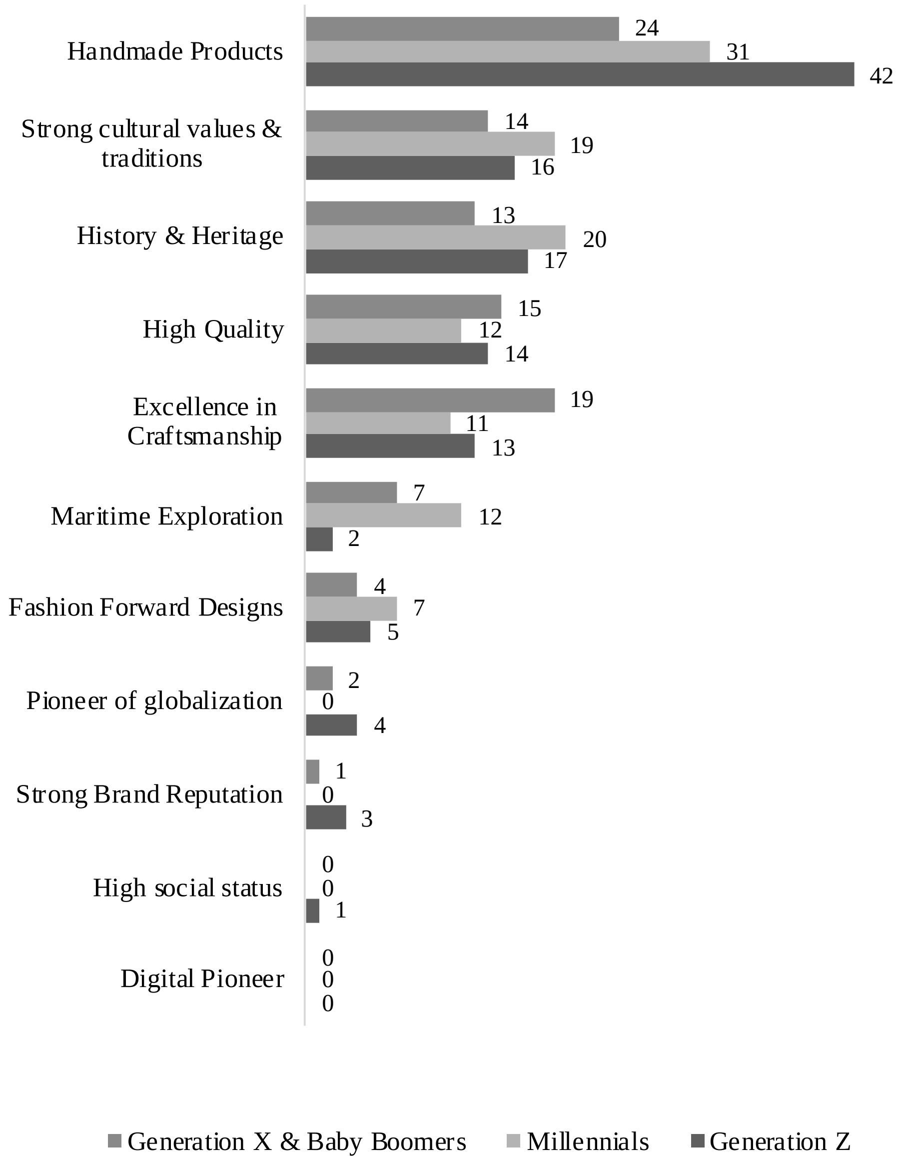
Source: Quantitative Research, n=140

Appendix 21: Associations with Portugal by domestic and local respondents



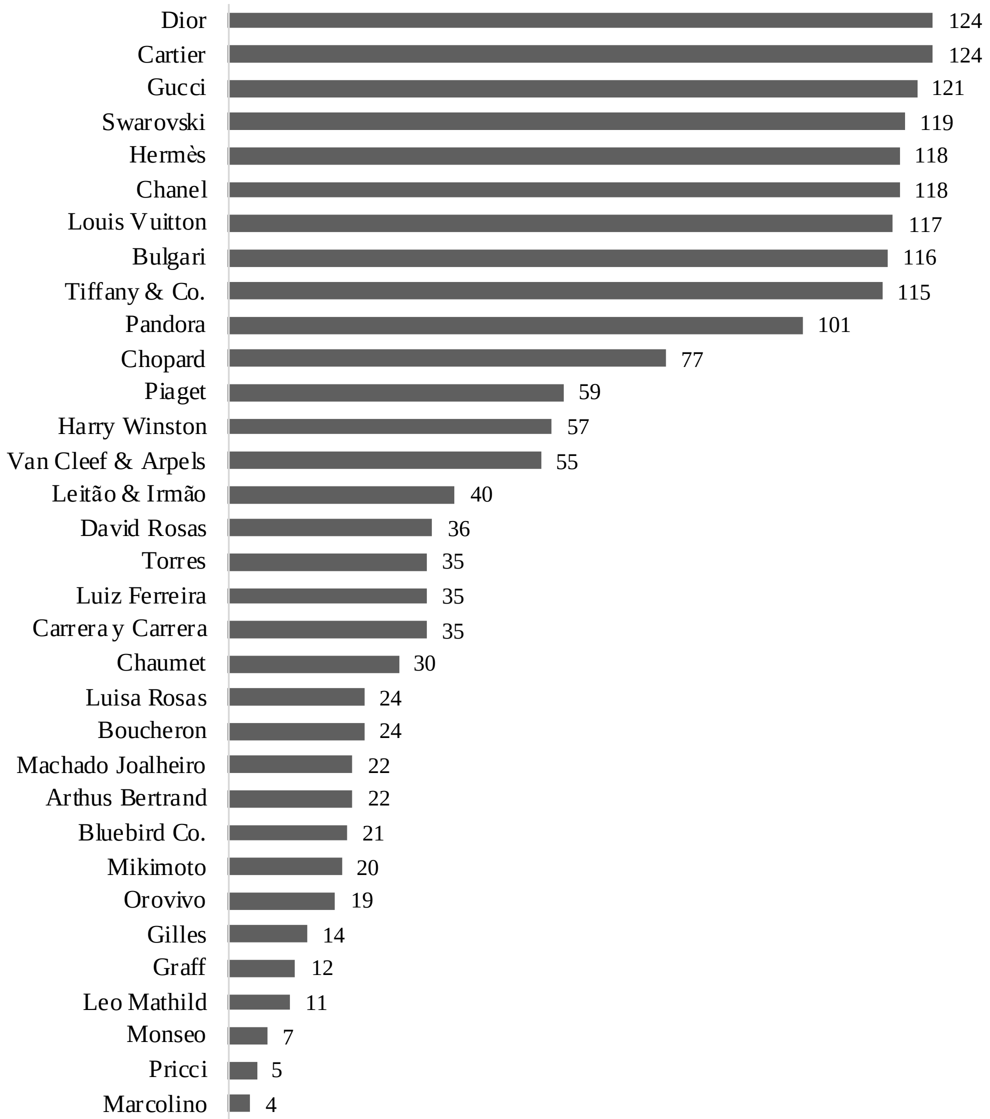
Source: Quantitative Research, n=140

Appendix 22: Associations with Portugal by generation



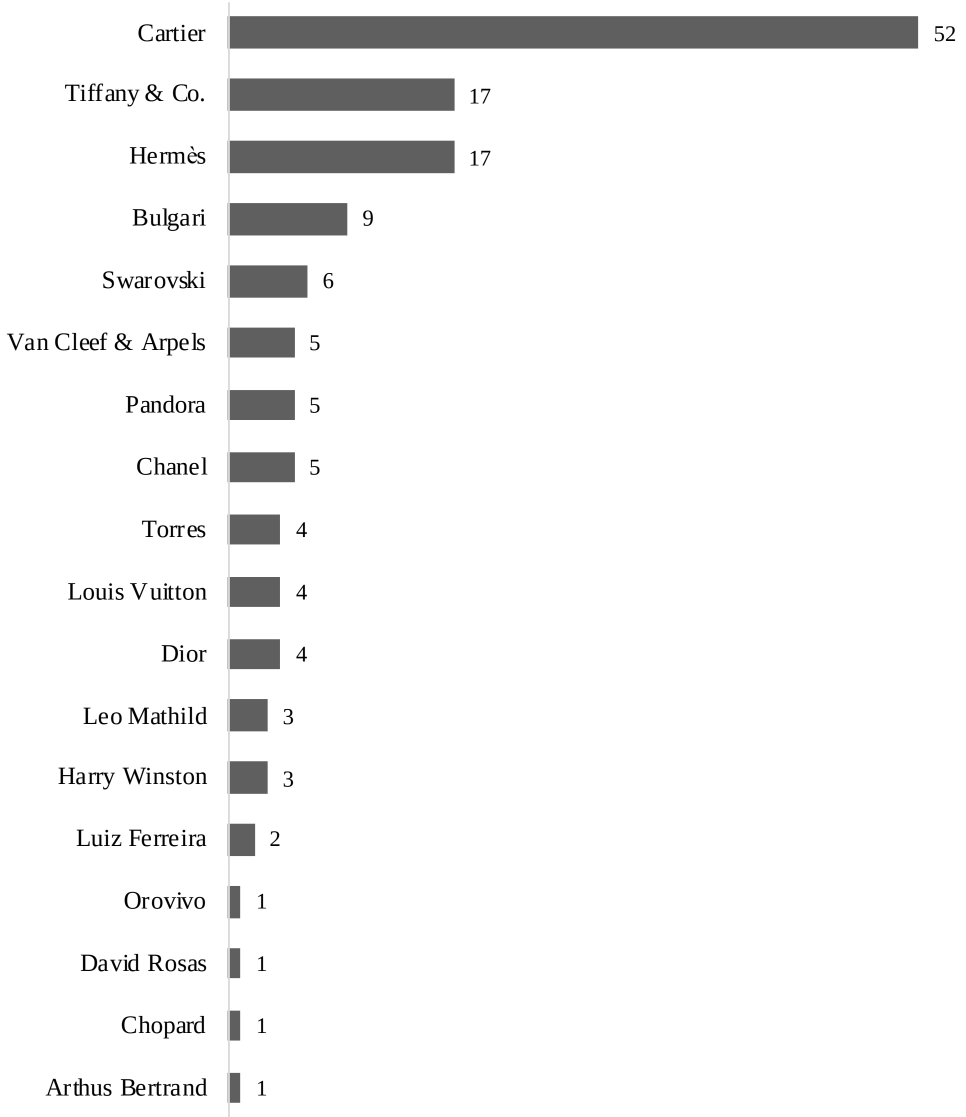
Source: Quantitative Research, n=140

Appendix 23: Brand recognition of jewelry



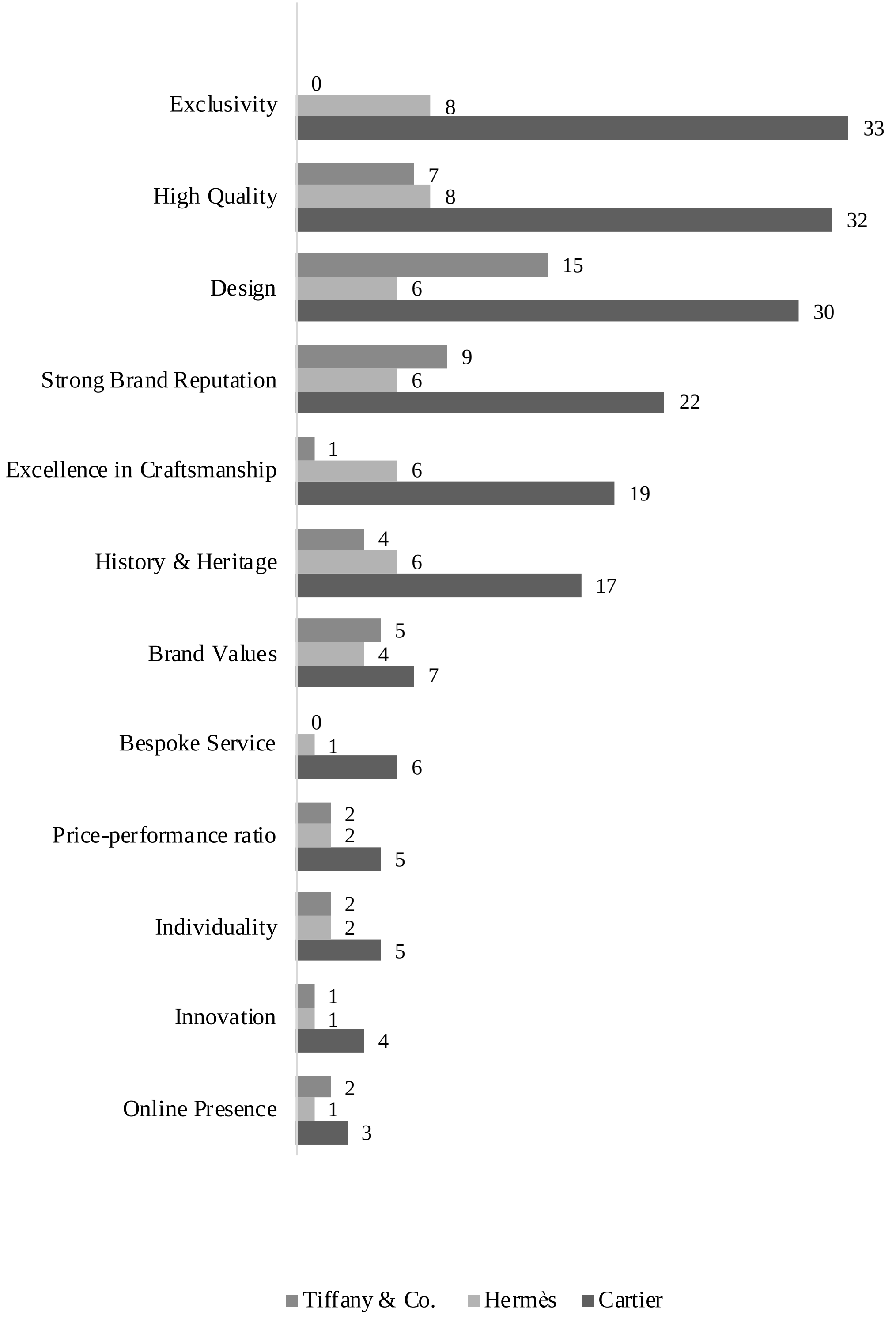
Source: Quantitative Research, n=140

Appendix 24: Brand purchase preferences



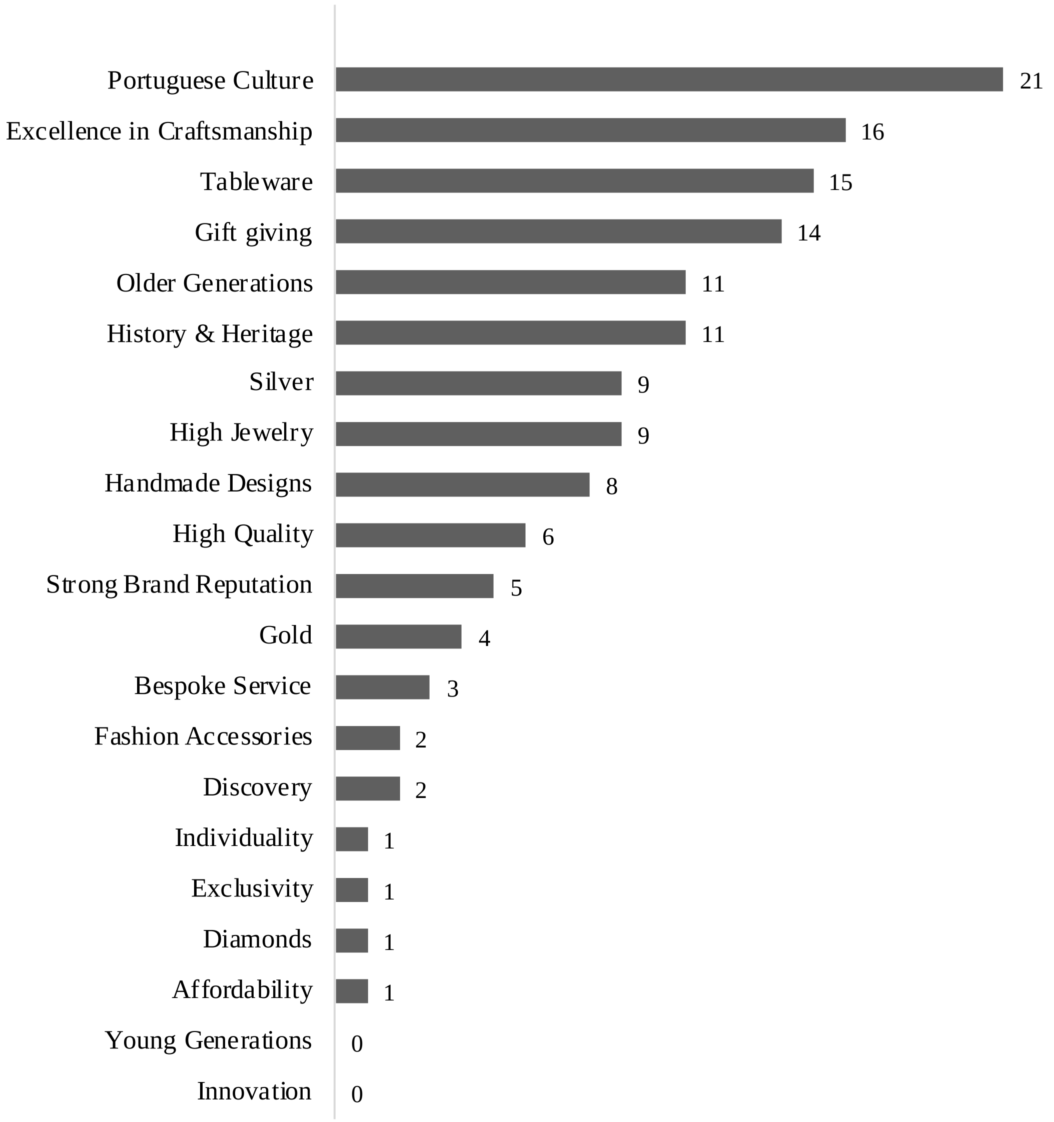
Source: Quantitative Research, n=140

Appendix 25: Purchase motivation for Cartier, Hermès and Tiffany & Co.



Source: Quantitative Research, n=86

Appendix 26: Brand associations with L&I



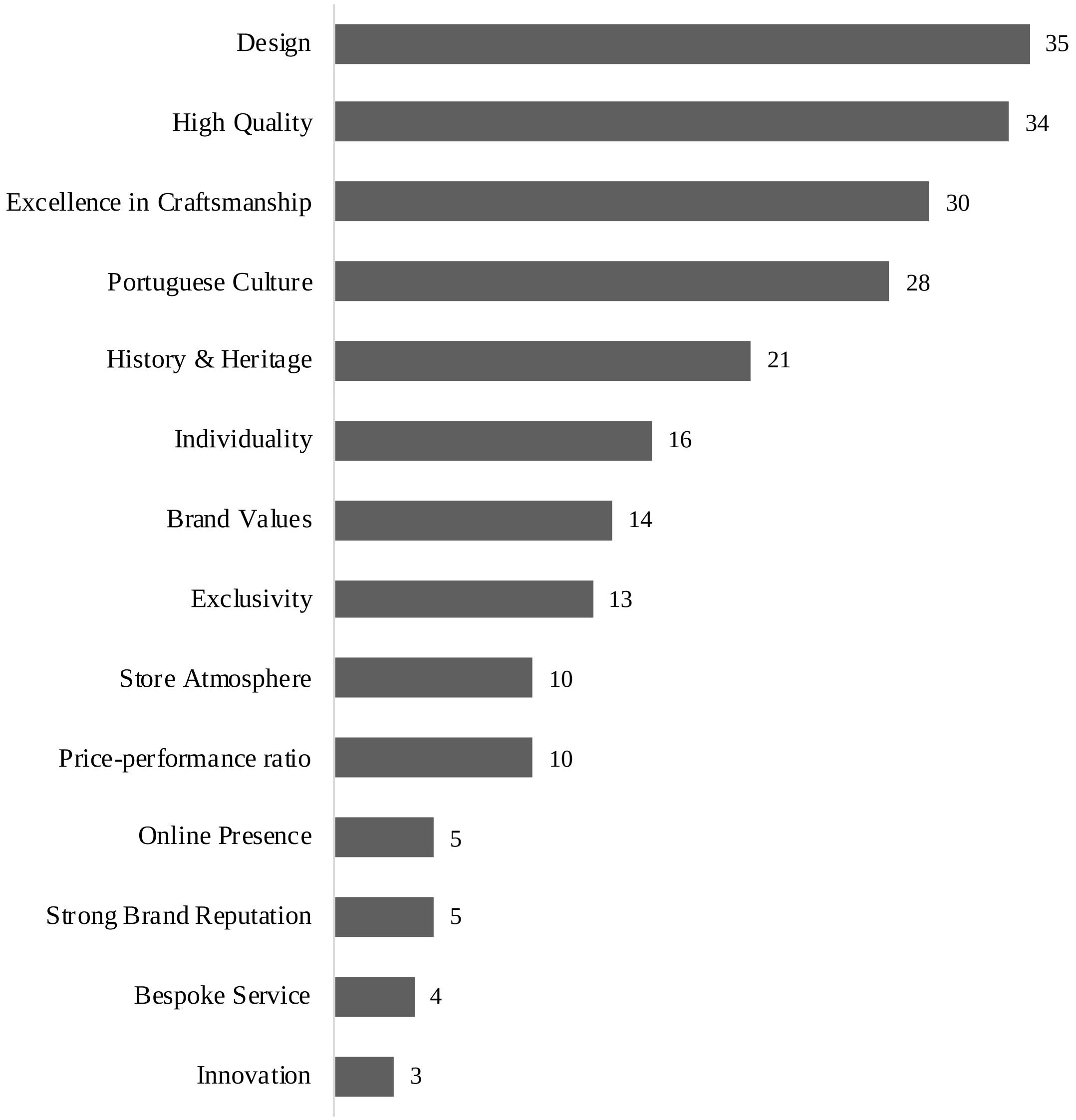
Source: Quantitative Research, n=40

Appendix 27: L&I product ranking in the ring category

Ranking	Product name	Price Point	Image
1	'Solitário' ring in platinum with diamonds	€10 800	
2	'Inverso' reversible ring in gold with diamonds and green topaz	€3 000	
3	'Portuguese heart' ring in yellow gold	€325	
4	Downtown ring in silver and enamel blue ceramic	€250	
5	Ring Constellation Eternity Moon & Stars in gold and diamond	€845	

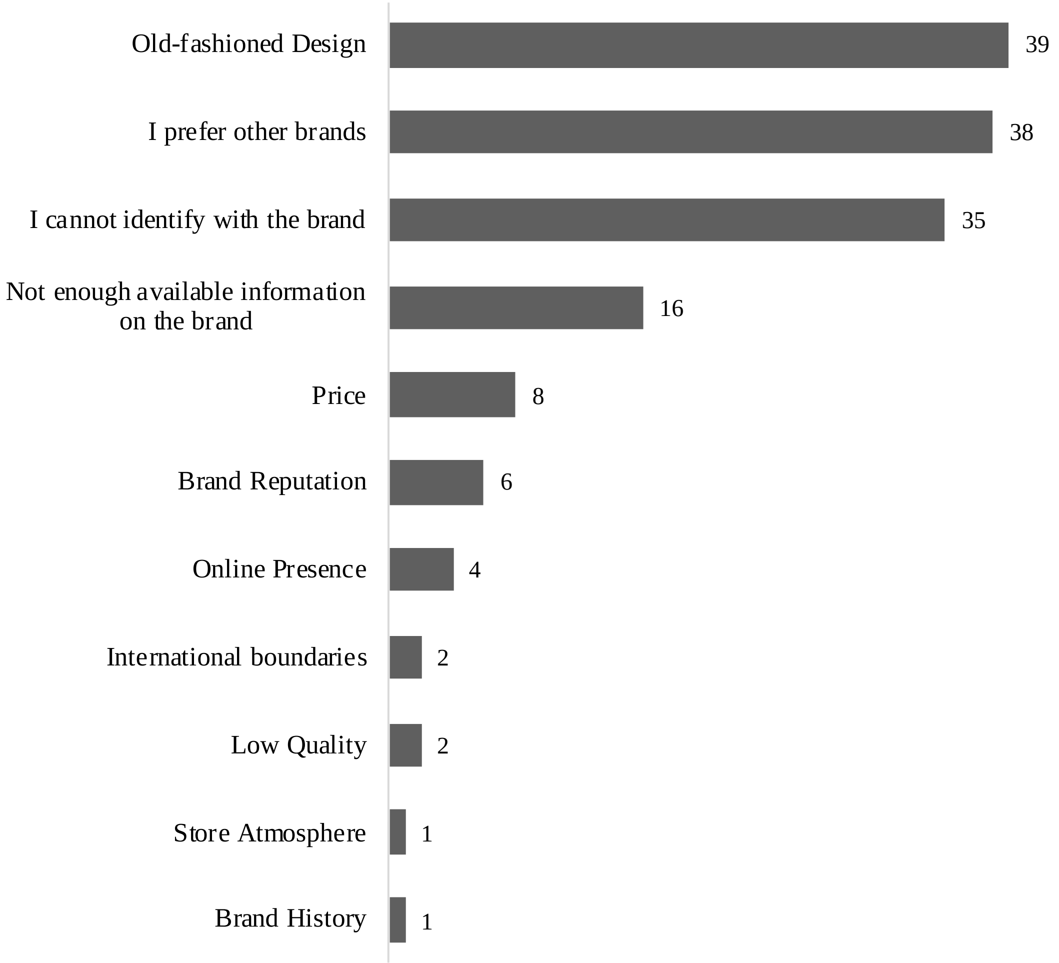
Source: Quantitative Research, n=40

Appendix 28: Reasons to purchase L&I



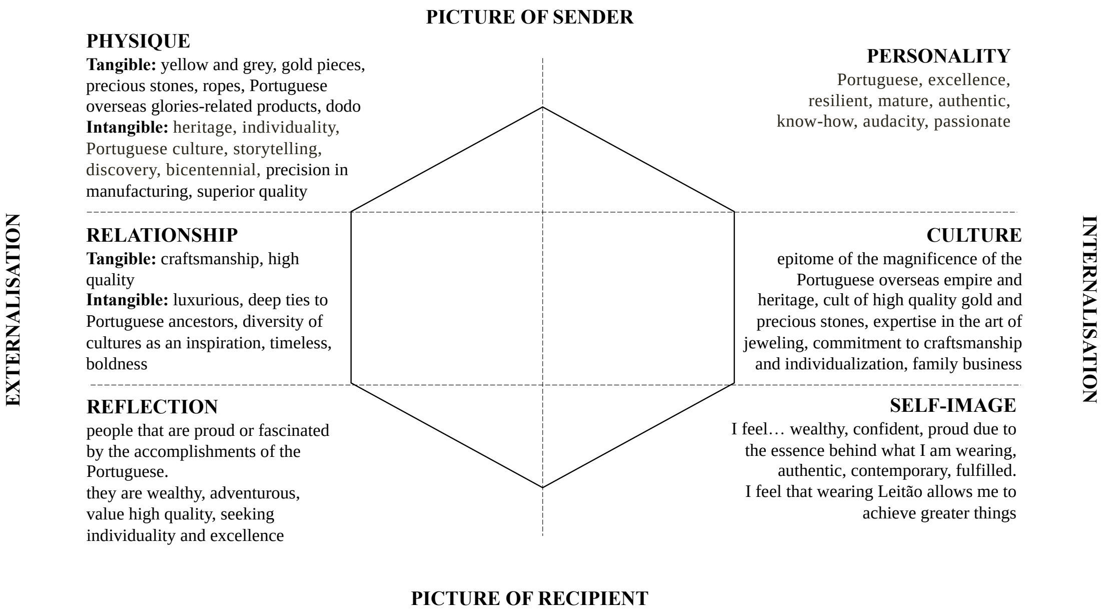
Source: Quantitative Research, n=71

Appendix 29: Reasons not to purchase L&I



Source: Quantitative Research, n=69

Appendix 30: Redefined Brand Identity Prism of L&I

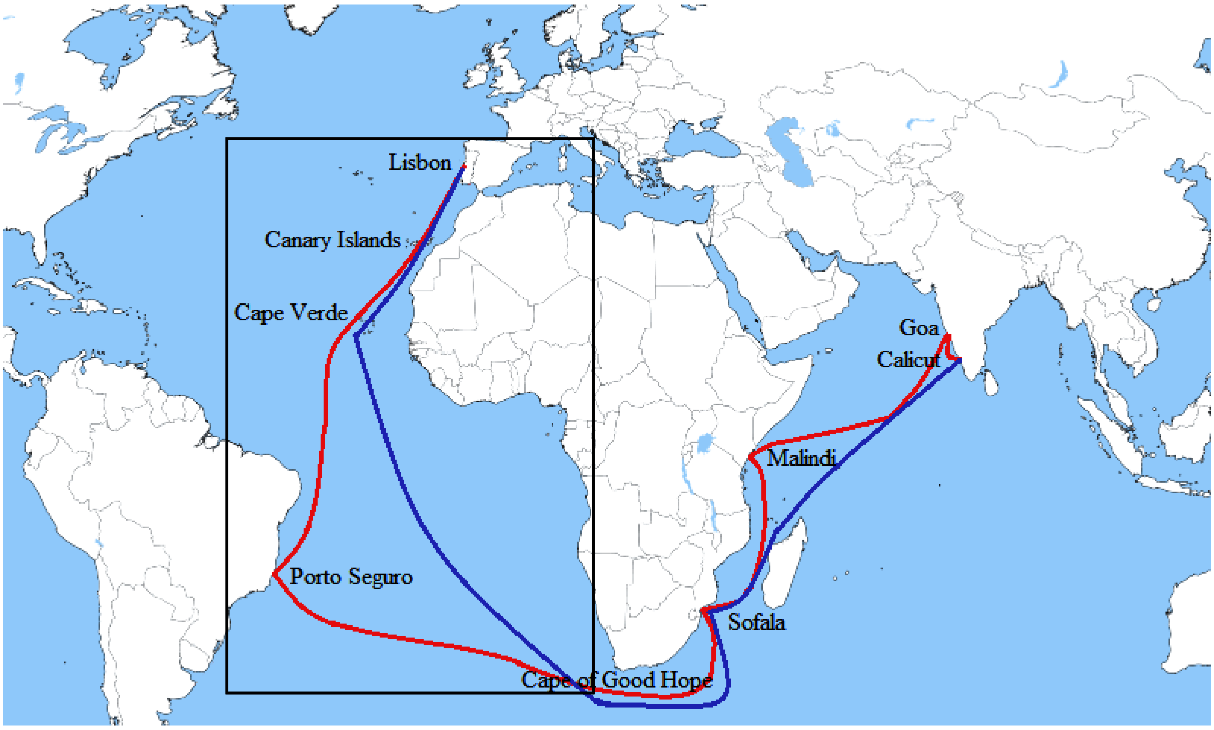


Source: Desk Research

Appendix 31: Golden Independent Heart by Joana Vasconcelos

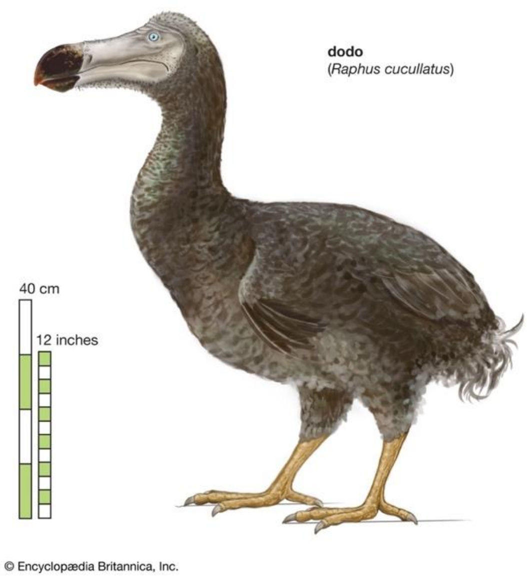
Source: Jornal de Notícias Website (from 08.12.2022)

Appendix 32: Voyage of Pedro Álvares Cabral to Brazil and India



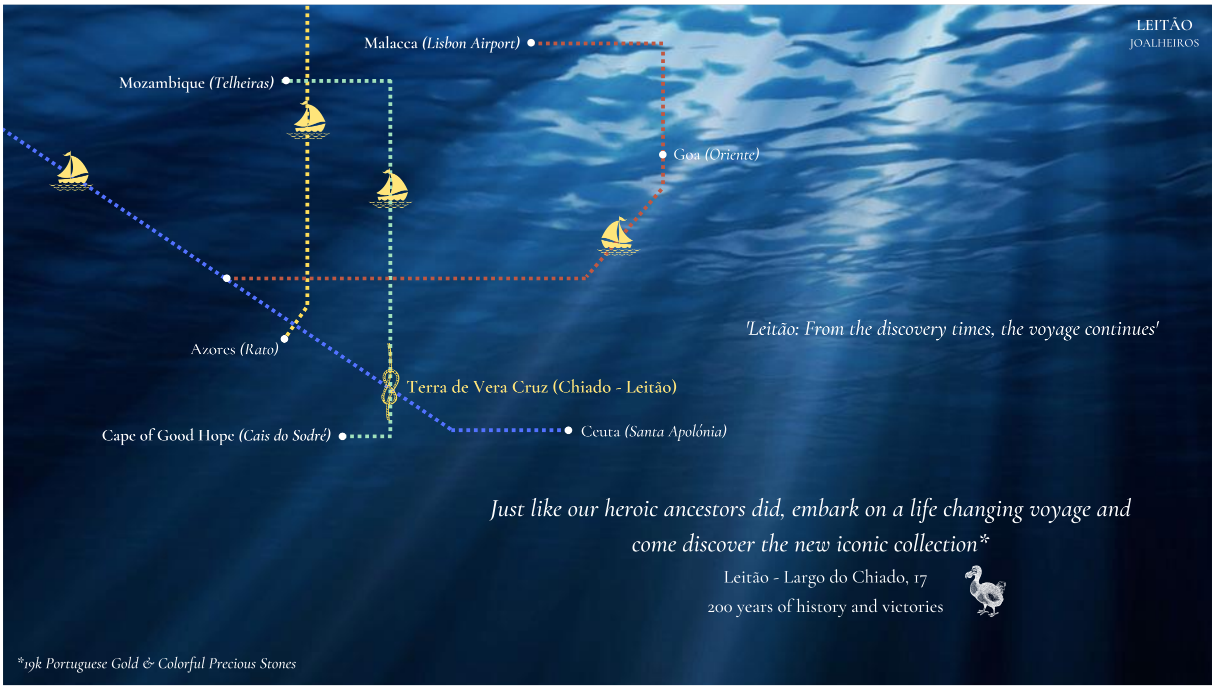
Source: Pedro Álvares Cabral Website (from 08.12.2022)

Appendix 33: Dodo



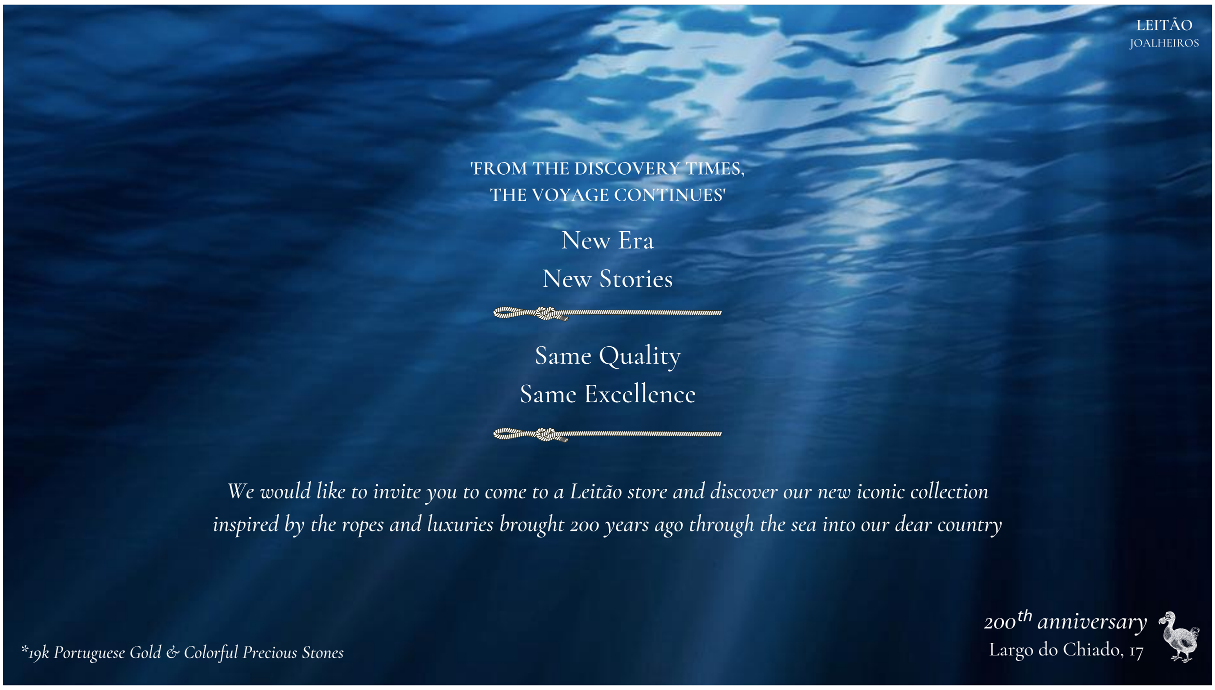
Source: Encyclopedia Britannica Website (from 08.12.2022)

Appendix 34: Outdoor - Lisbon Metro Network with Overseas Destinations



Source: Own Illustration by Maria Teresa F.B. Carvalho, 2022

Appendix 35: Cards to be Sent to Selected High-end Hotels



Source: Own Illustration by Maria Teresa F.B. Carvalho, 2022