



PRADA

MARKET REPORT

FASM 220
SUMMER 2024
PROFESSOR ROBERTA DEMESKO
VALERIA RIVERA



PURPOSE STATEMENT

“ By being *DRIVERS of CHANGE*,
we offer an unconventional dialogue and
interpretation of the contemporary,
as expression of our way of doing business
for *PLANET, PEOPLE* and *CULTURE* ”

- P R A D A G R O U P



BRAND DESCRIPTION

Prada was founded in 1913 as a Leather goods shop by Mario Prada & Fratelli Prada. Today it is one of the top luxury fashion brands known for its minimal Italian aesthetic. The house's head designers are Mario's grand daughter Miuccia Prada and Raf Simmons. The brand is known for its iconic runway shows, re-nylon bags, sunglasses, and perfumes.

8th



Top Leading Luxury Brand In
The World

\$7.32 B




Total Brand
Value

7th



Top Impacting Brand In The
World

Statista *SOURCE: Statista.com



“The intersection
between commerce
and the cutting edge of
contemporary art,
cinema, design and
architecture.”

Robert Williams
For BoF 26 April 2024



Image:
Prada Fall 2024 Ready-To-Wear
Vogue Runway



BRAND HISTORY





FINANCIALS AND SALES



ANNUAL SALES



Prada Fall 2024 Ready-To-Wear
Vogue Runway

\$ 4.2 B

Total Net Revenue

*3,912,309 Thousands of Euro 2023

\$ 3.8 B

Total Retail Net Sales

* 3,488,276 Thousands of Euro 2023

PRADA Annual Report 2023
*SOURCE: PRADA.COM

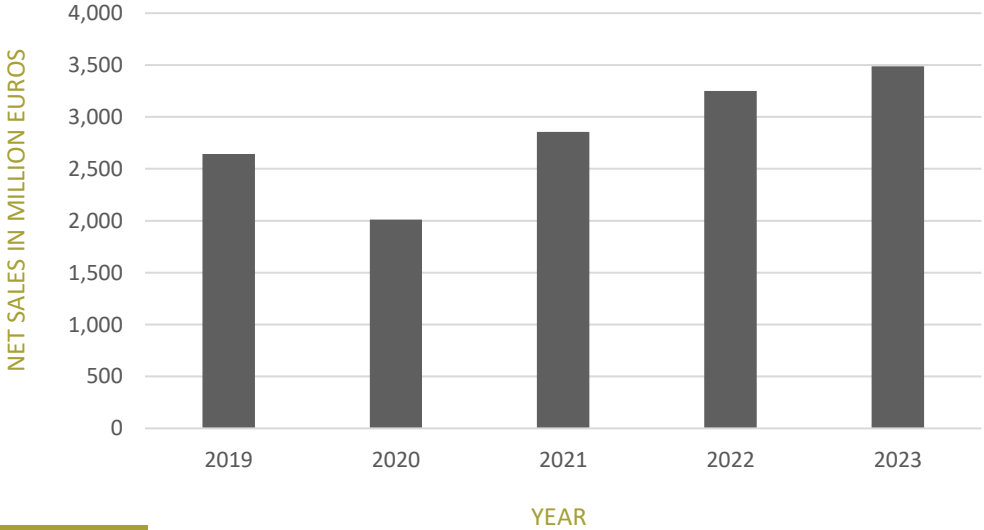


ANNUAL SALES



Prada Fall 2024 Ready-To-Wear
Vogue Runway

Prada's Net Sales 2019-2023



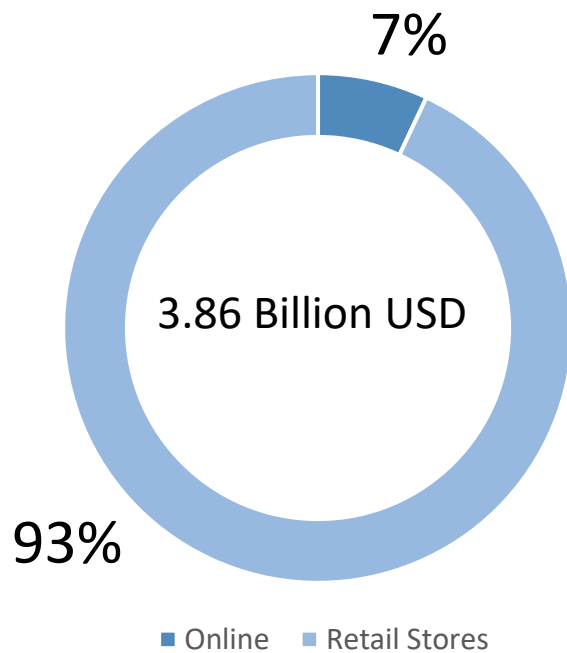
PRADA Annual Report 2023
*SOURCE: PRADA.COM

DISTRIBUTION

Sales Channels



PRADA'S TOTAL NET SALES FOR ONLINE AND OFFLINE IN 2022



Online Stores: .27 Billion USD Net Sales in FY 2022
Retail Stores: 3.59 Billion USD Net Sales in FY2022

$$428 + 20 = 448$$

Total Retail + Franchised Stores = Total stores

ECDB- The Luxury eCommerce Market Report 2023
*SOURCE: commercedb.com

DISTRIBUTION

Retail Store Distribution

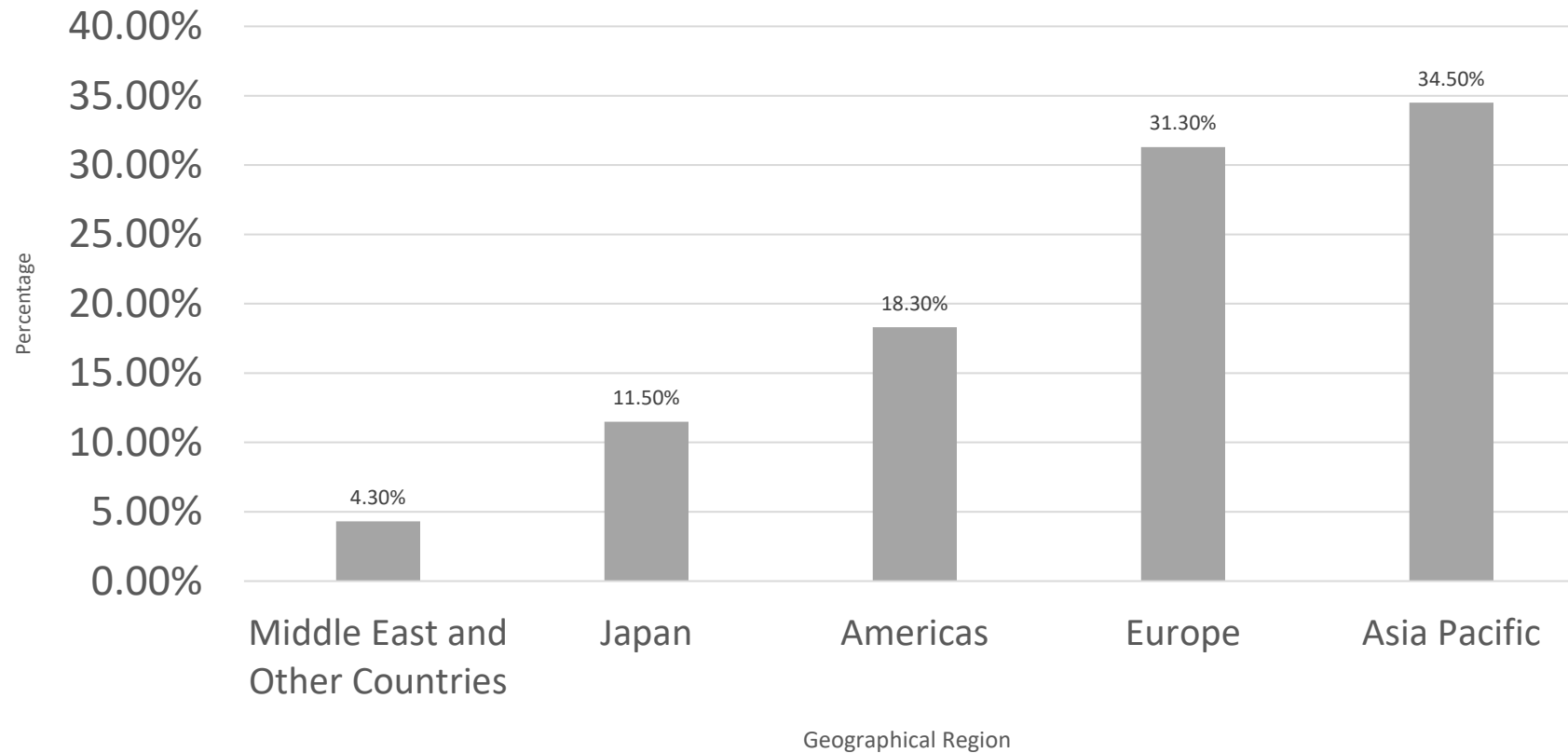


Europe: 200
Americas: 102
Asia Pacific: 196
Japan :85
Middle East: 23

*PRADA Website
SOURCE: PRADA.COM

DISTRIBUTION

Sales by Geographic Distribution



PRADA'S NET SALES SHARE BY GEOGRAPHICAL REGION IN 2023

SOURCE: Statista

FINANCIAL SNAPSHOT



NET REVENUE ANALYSIS 2023 [PRADA GROUP]

(amounts in thousands of Euro)	twelve months ended December 31 2023		twelve months ended December 31 2022		% change current exc. rates	% change constant exc. rates (*)	Q4-23 vs Q4-22 % change constant exc. rates (*)
Net revenues							
Retail net sales (Directly Operated Stores and e-commerce)	4,189,676	88.6%	3,736,971	89.0%	12.1%	17.2%	17.4%
Wholesale net sales (independent customers and franchisees)	433,206	9.2%	387,621	9.2%	11.8%	13.0%	32.1%
Royalties	103,529	2.2%	76,082	1.8%	36.1%	36.1%	-5.8%
Total net revenues	4,726,411	100%	4,200,674	100%	12.5%	17.2%	18.1%
Retail net sales by brand							
Prada	3,488,276	83.3%	3,252,025	87.0%	7.3%	12.1%	9.5%
Miu Miu	648,936	15.5%	431,768	11.6%	50.3%	58.2%	81.6%
Church's	28,555	0.7%	33,120	0.9%	-13.8%	-12.7%	3.4%
Other	23,909	0.6%	20,058	0.5%	19.2%	19.4%	19.8%
Total retail net sales	4,189,676	100%	3,736,971	100%	12.1%	17.2%	17.4%

As of December 2023

*PRADA Annual Report 2023
SOURCE: PRADA.COM

Prada Prada Milano As An Individual Brand

FINANCIAL SNAPSHOT



CONSOLIDATED P&L STATEMENT [PRADA GROUP]

(amounts in thousands of Euro)	Notes	twelve months ended December 31 2023	% on net revenues	twelve months ended December 31 2022	% on net revenues
Net revenues	32	4,726,411	100%	4,200,674	100%
Cost of goods sold	33	(924,640)	-19.6%	(888,580)	-21.2%
Gross margin		3,801,771	80.4%	3,312,094	78.8%
Operating expenses	34	(2,740,079)	-58.0%	(2,536,104)	-60.3%
Operating income - EBIT		1,061,692	22.5%	775,990	18.5%
Interest and other financial income / (expenses), net		(32,031)	-0.7%	(24,498)	-0.6%
Interest expenses on lease liability		(58,825)	-1.2%	(40,990)	-1.0%
Dividends from investments		627	0.0%	473	0.0%
Total financial income / (expenses)	35	(90,229)	-1.9%	(65,015)	-1.5%
Income before taxation		971,463	20.6%	710,975	16.9%
Taxation	36	(298,071)	-6.3%	(241,820)	-5.8%
Net income for the year		673,392	14.2%	469,155	11.2%
Net income - Non-controlling interests	31	2,366	0.1%	3,962	0.1%
Net income - Group	30	671,026	14.2%	465,193	11.1%
Basic and diluted earnings / (losses) per share (in Euro per share)	37	0.262		0.182	

As of December 2023

*PRADA Annual Report 2023
SOURCE: PRADA.COM

Important Financials



CUSTOMER PERSONA

TOP AGES: GEN X

Generation X are the most loyal, have the most ownership and Prada is one of the most popular brands within the generation.

Both Gen Z and Baby boomers are the second consumers that support and shop the most.



SOURCE: Statista

PRADA OWNERS' TOP VALUES





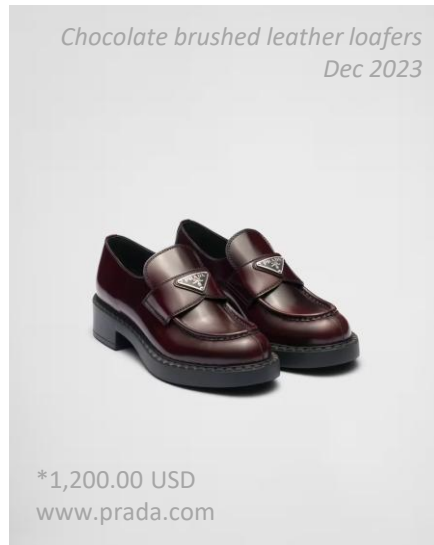
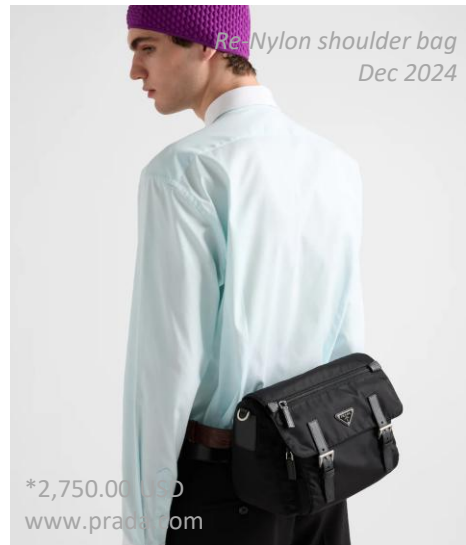
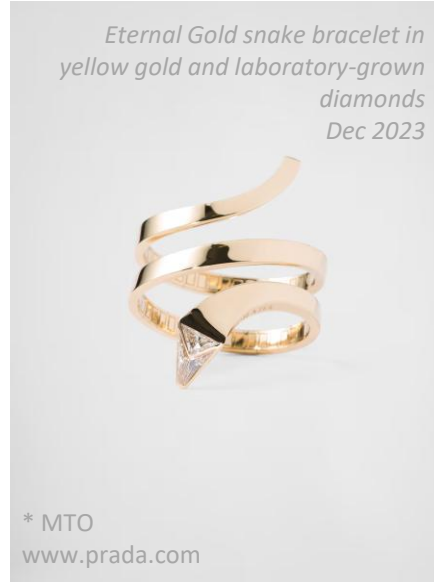
THE PRODUCT

Image:
Prada Fall 2024 Ready-To-Wear
*Vogue Runway



THE PRODUCT

PRODUCT CATEGORIES



Men's & Women's Main Categories:

*RTW, Bags, Shoes,
Accessories, Lifestyle
Accessories, Travel*

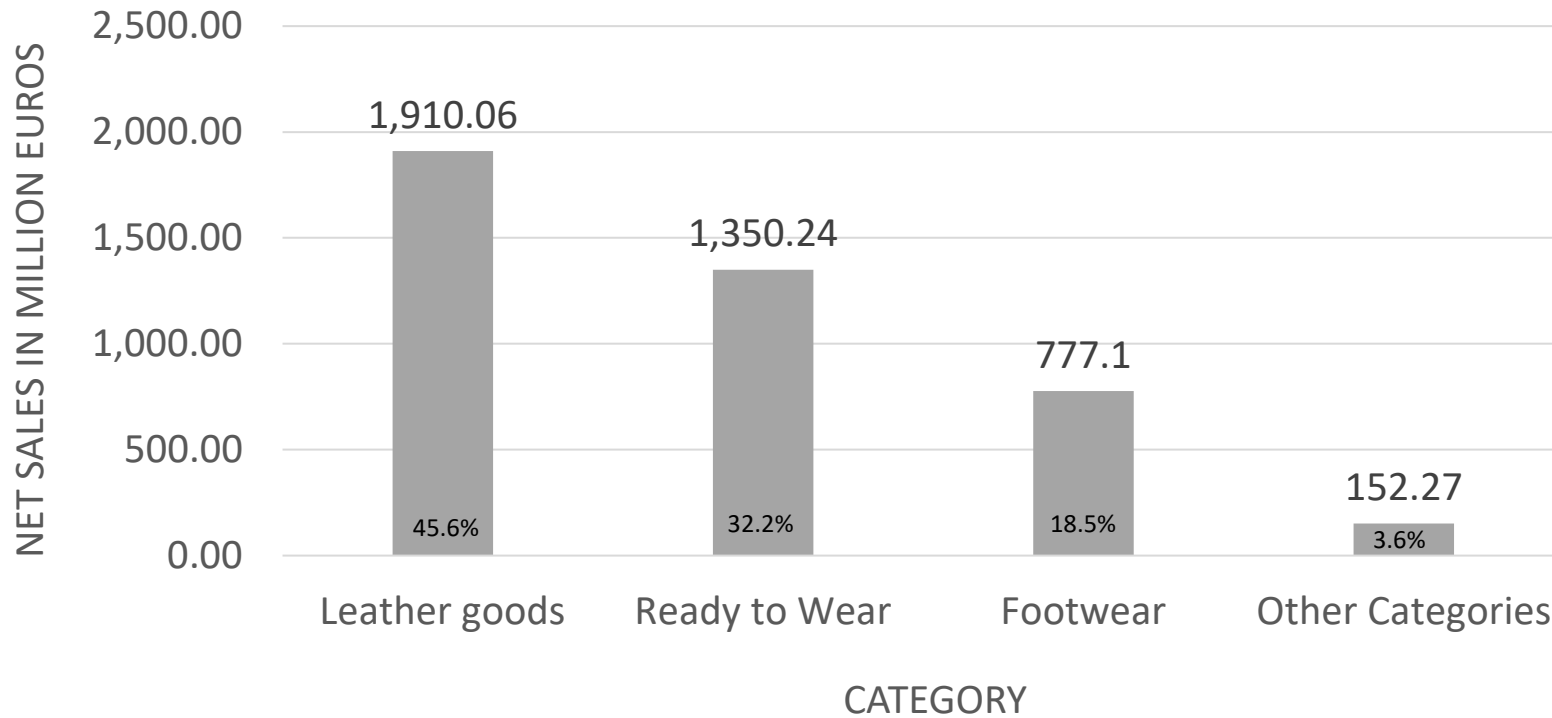
Other Categories:

*Linea Rossa, Fine Jewelry,
Beauty And Fragrance, Made
To Measure, Home*



THE PRODUCT

PRODUCT SALES BY CATEGORY



NET SALES OF PRADA BY PRODUCT CATEGORY WORLD WIDE 2023

* Leather Goods is the category that most contributes to the company's revenue

SOURCE: Statista

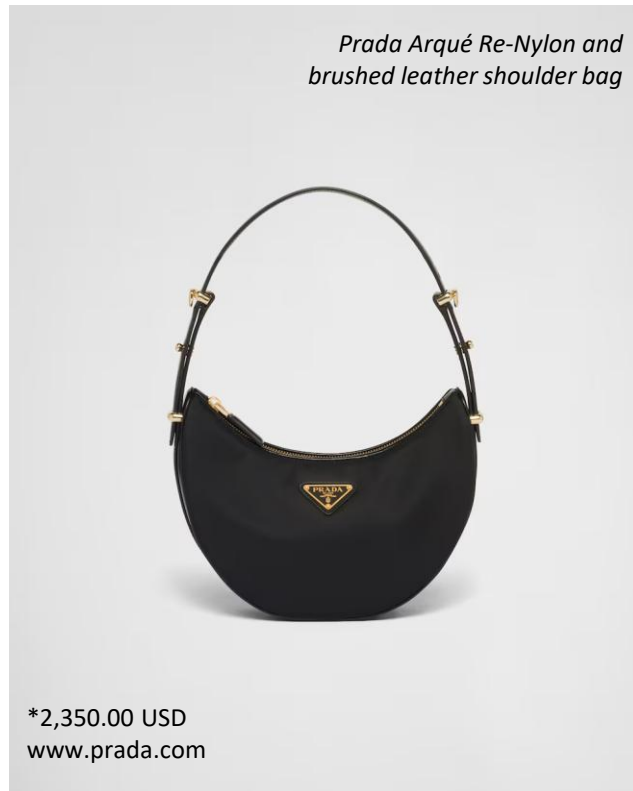


THE PRODUCT

BEST SELLERS

Prada Symbole sunglasses

1. Arqué Leather-Trim Re-Nylon Shoulder Bag
2. Re-Edition 2000 Re-Nylon Shoulder Bag
3. Panier Saffiano Leather Bag
4. Paradoxe Eau de Parfum
5. Luna Rossa Ocean Eau de Parfum
6. Prada Symbole Collection- Glasses





THE PRODUCT

SIZING

European Based, Regular Sizing

Shoe: 5 – 11 (US)
Pants : 34-58
Dresses & Tops: 36-50

PRICING

Premium Pricing Strategy

RTW: \$550 - \$19,300
Bags : \$795 - \$8,500
Shoes: \$695 - \$2,400
Accessories: \$280 - \$5,500



STRENGTHS AND WEAKNESSES



STRENGTHS

- ✓ High Margins And Profits
- ✓ Loyal Customers
- ✓ High Brand Awareness
- ✓ Support From Rising Generations (Gen Z & Gen X)

WEAKNESSES

- ✓ Low Brand Intrigue On Social Media
- ✓ Low Engagement With Millennial Generation
- ✓ Low Social Media Engagement
- ✓ Lack Of Presence In U.S. Market



APPENDIX

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[survey/tool/41/pro_usa_202300_fsh?bars=1&missing=0&tgeditor=0&token=0&index=0&absolute=0&rows%5B0%5D=v47brand16b_luxu_luxuryfashion](http://www.statista.com/global-consumer-survey/tool/41/pro_usa_202300_fsh?bars=1&missing=0&tgeditor=0&token=0&index=0&absolute=0&rows%5B0%5D=v47brand16b_luxu_luxuryfashion). Accessed 12 July 2024.

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