



APOGÉE

STRATEGIC DOCUMENT

Politecnico di Milano
Facoltà del Design
Product Service System Design MSc

APOGÉE
Strategic Document

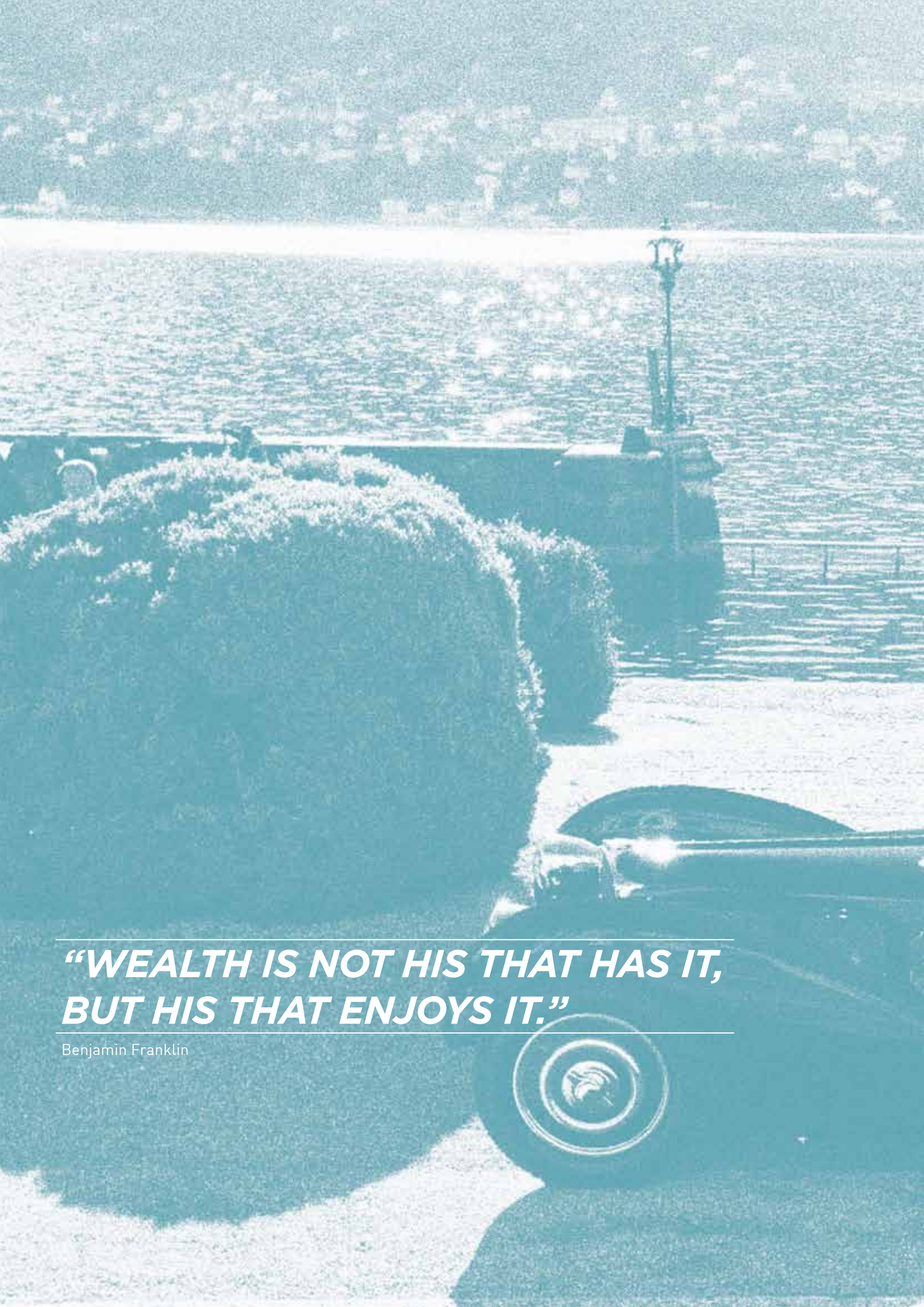
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***“WEALTH IS NOT HIS THAT HAS IT,
BUT HIS THAT ENJOYS IT.”***

Benjamin Franklin



PREVIOUS PAGE

BUGATTI Atlantic 1938
at the Concorso d'Eleganza Villa d'Este

WHAT IS APOGÉE?

APOGÉE CLUB is a reward-based service provided by a Private Banking institution that gives you the chance to invest in your favourite luxury brands and, in return, get special and exclusive products along with returns in line with a rapidly and greatly expanding sector.

Earn credits and spend them in a vast array of high class products that will take you to an whole new lifestyle.

Moreover, the more you invest, the better your benefits will get. By becoming a CONNAISSEUR or SAVANT status member, you will be able to access more brands and a wider array of products.

Through our mobile app you will be able to consult your investments portfolio, the products you have booked and check other available brands that might be of your interest.

Our offers can range from exclusive products - vintage rarities, hard highly coveted luxury items, your very own unique handbag... - to the setting up of unforgettable moments such as a meet and greet with your favourite designer, a spot at the Monaco marina watching the Monaco Grand Prix or an invitation to the most restricted luxurious events in the world.

Apogée is the ultimate guide to a still unexplored world of boutique and gourmet luxury brands blooming in all the hidden corners of the world. With its large brand data-base, the client will be sure to find the exact brand that matches his socio-emotional and financial whims.

Along with the already established luxury icons, Apogée is the step further towards the best things life has to offer.

Apogée also works as PR platform for brands that aim at being positioned amongst the top luxury companies of the world.

The online app makes the process of discovering and exploring new brands seemingsless.

By understanding the connections between brands - within conglomerates, for instance - purchase behaviors can be induced inside the same group, as it has benn proven by airline alliances.

Ultimately, the goal of Apogée is to emotionally connect an extremely broad customer base to highly regarded luxury Meccas like Paris, Milan or New York but also enlarge this ideal of luxurious lifestyle to the new high-end centers all around the world by turning investments into a retail business with a heavily emotional aura around.

STARTING POINT

"[Differentiation is difficult, mostly because your offering will not distinguish you.]"

Beni Eggli, head brand management for UBS

Apogée sets off from a sector plagued by inertia in its offer keeping it from being a competitive environment for its players.

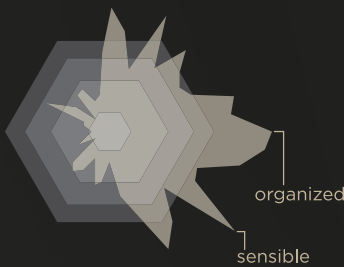
In (private) banking there is no differentiation whatsoever between competitors for all product ranges are alike and no brand stands out from a crowd of similar core concepts and communication strategies.

It is a deeply numerically cold market in which emotion is nowhere to be found.

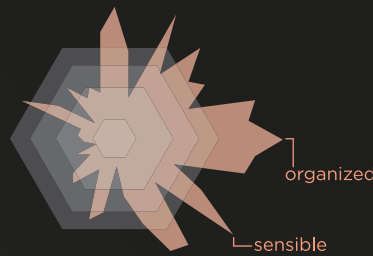
The banking sector relies solely on reputation built on rigor, efficiency and other objective values. Aspirational ethics are not allowed in a purely mathematical business lacking the hot-blooded market approach of other sectors that lands them a much more effective new client catchment.

PERSONALITY PROFILES OF SOME MAJOR FINANCIAL BRANDS

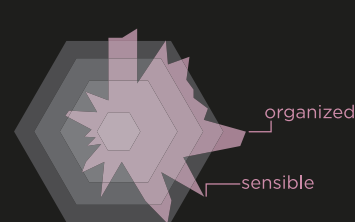
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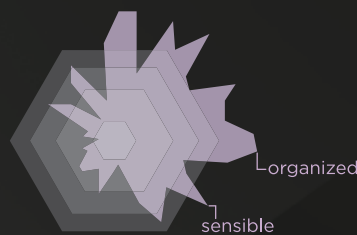
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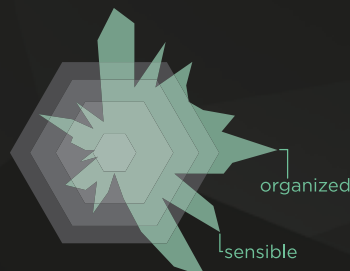
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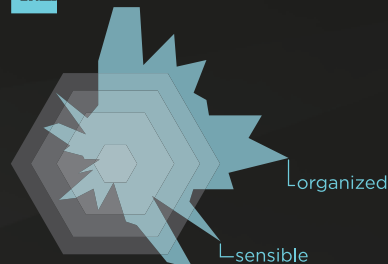
citi 



MasterCard 



AMERICAN EXPRESS 



ULTIMATE GOALS

The main goal of this enterprise is to confer Private Banking a more seductive aura and to augment it into a more emotionally appealing meta-service.

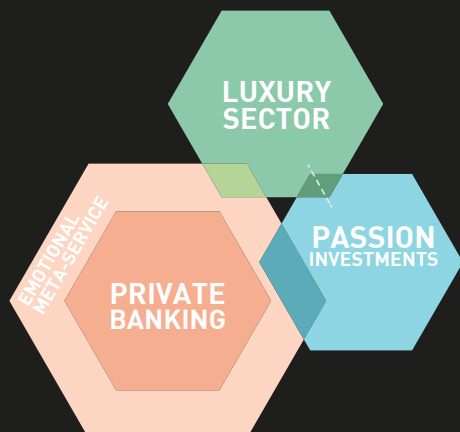
1. try and change the engagement private banking has with its audience. It is known that investments are often driven by passion and, as such, if an emotional connection is outlined between private banking and its customers, new relationships can be established.

This new hook will demystify private banking and open new windows of targeted public, thus clearing the way for more investments based on belief and not on return alone.

2. cope with the current global economic situation and find new trails to blaze in order to obtain profit. By resorting to emerging economies - and their astonishing wealth generation - and to the booming luxury sector, Apogée is able to escape from the hardships that most businesses are going through.

3. adapt an already observed behavior from the airline industry.

As clients become aware of links between companies - airline alliances - they automatically resort to companies within their favorite brand connections. The goal here is to try to make such connections more public in the luxury market - conglomerates, for instance - and induce purchase behaviors within each group.



By allying Private Banking with the luxury sector and the current growth in passion investments, an entirely new sector perception is created amongst prospective clients

PRADA's Shanghai store,
the brand with the largest value change in 2013
Brandz 2013 top 100 report

63%

PRADA
9454\$m



***“THE RICH ARE DIFFERENT
FROM YOU AND I.”***

Ernest Hemingway



QEELIN, a local chinese jewellery brand that fully represents the current trend of the blooming luxury sector in emerging countries

BENCHMARKING | CONTAMINATION

Airlines have been experiencing a considerable growth in profits due to their newly found strategy of inter-airline alliances. By making these alliances public to their audiences, they helped clients understand that, if they cannot get what they want - a specific route or time-table - from their preferred airline, they can resort to partner airlines to get it, instead of going to any other company.

Following this line of thought, the same could be applied to the general luxury market.

By making the connections - conglomerates, for instance - more visible to the public eye, brands will be able to induce certain purchase behaviors from which they'll be able to greatly profit.

On the other hand, rarity and exclusivity, as concepts, bring new human factors that should be addressed when penetrating the

market place into play: desire, the longing for something and the entire quest ending in the possession of a certain coveted article. These are the elements that show luxury as the answer, not so much to necessity, but, above all, to the most primary and subconscious whims and wishes of clients.

Bernard Arnault,
chairman and CEO of LVMH, the largest
luxury conglomerate in the world



MARKET | COMPETITORS

Apogée roams to unexplored areas of the luxury market.

By joining different processes and brands in the same service, Apogée is able to create a new and innovative proposal to its target.

Let's go through each cluster of competitors.

Firstly, **investment banking concierge services** offer an undefined service, that is, with no specific range of services, this kind of businesses often fall into the ignorance of its clients: the ignorance of not knowing what they really want.

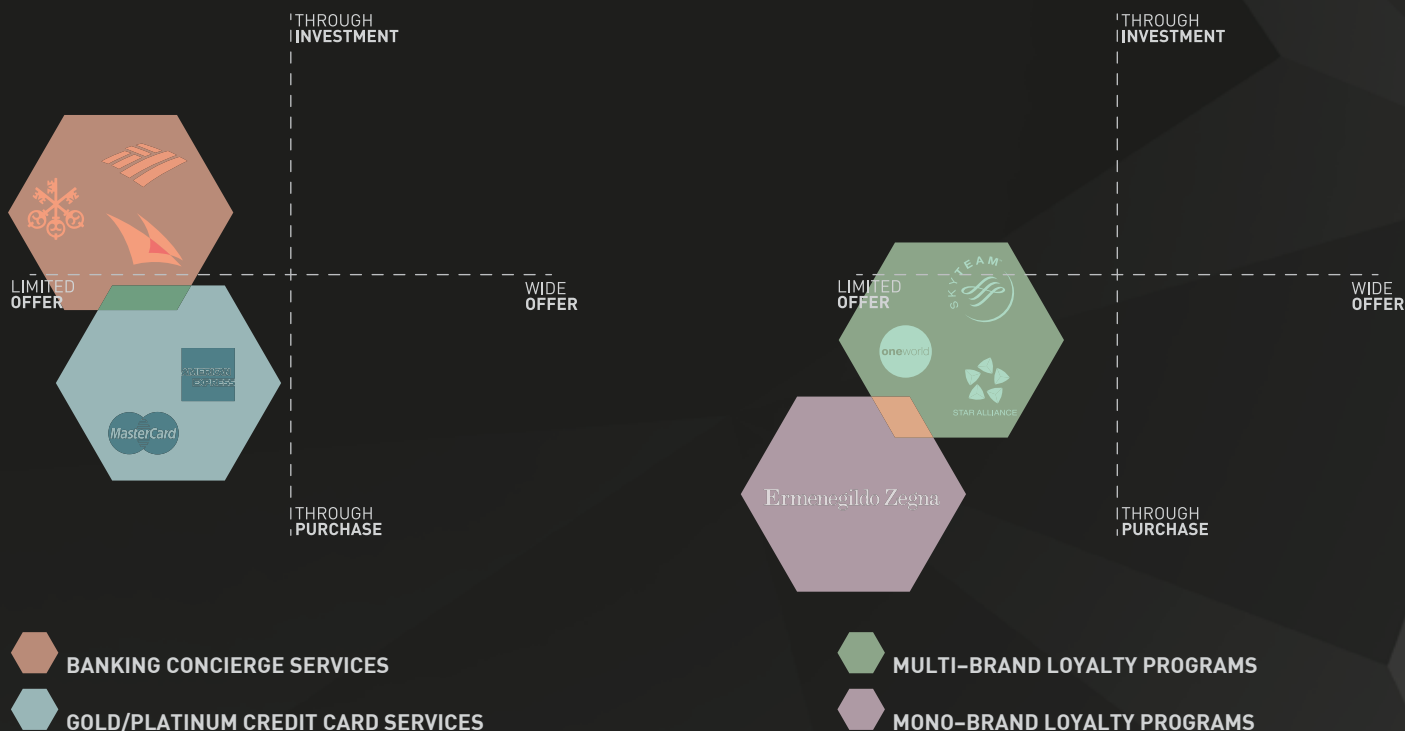
Furthermore, they lack the emotional attraction that a passionate link with a particular brand could obtain. Its is as barren and without real content and context as it could be.

Secondly, a similar service provided by credit card operators - VISA, AMEX, MASTERCARD - which offers special deals for clients who have earned a certain status from their credit or debit expenses.

Then again, it is a service based on its clients' purchases and not investments.

When analyzing loyalty programs, two taxonomies can be outlined: mono and multibrand services.

Multibrand loyalty programs take their main benchmark from airline alliances' frequent flyer programs (FFP) in which clients earn miles from specific airlines and are able to redeem them towards any other company within the alliance. These consist on a purchase-based service with a very interesting benchmark left to consideration: the status evolution of clients.



Competitors, a sector of non-incisive offerings and undifferentiated brands and products

MARKET | COMPETITORS

Finally, **monobrand loyalty programs** - extremely rare in the luxury market. Ermenegildo Zegna, for instance, gives clients that spend over 10.000\$ within one year in their brands (Zegna, Zegna Sport, Ermenegildo Zegna...) access to exclusive services and products that aren't even shown to the common public. All of these aren't direct competitors and, as such, can (and should) be considered somewhat of benchmarks for Apogée - though even that relation wouldn't be accurate.

Be it for being purchase-based services - as opposed to investment based - or for not specifying its offer - not complying with the common knowledge that dictates that clients don't know what they want unless it is presented to them -, or even for not delivering a wide array of brands from which clients can choose, these "competitors" do not represent a threat to Apogée as Apogée is able to join what each of these services does best and add very competitive features that position itself even

further away from these similar - but not equivalent - businesses.



SINGAPORE AIRLINES's Silverkris Lounge,
at the Changi Airport, a perk that all FF from
Star Alliance member can benefit from

MARKET | PERCEPTION

The luxury market is starting to be perceived as not innovative and expanded enough by its main customers.

For the last ten years or so, a trend of customization after the purchase of branded products has shed light on the imperturbable demand for uniqueness of every item bought by the super-wealthy.

The client's sense of self-image building with the help of the brands he uses joined with the awareness of purchase power resulted in a unruled murder of brand visual values by

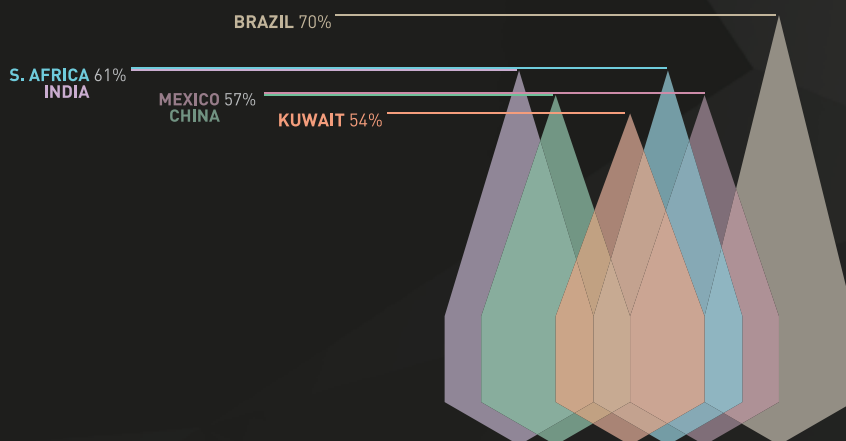
"chop shops" transversal to every sector of the luxury market.

Here lies one of the major drives of Apogée: the luxury clients' need to be told apart from someone that has bought the same product. Having a Birkin Bag that looks the same as your neighbor's isn't enough anymore.

In this flaw, Apogée sees an opportunity of expanding the offer of the luxury market upwards towards a more luxurious, exclusive and desirable range of products and services.

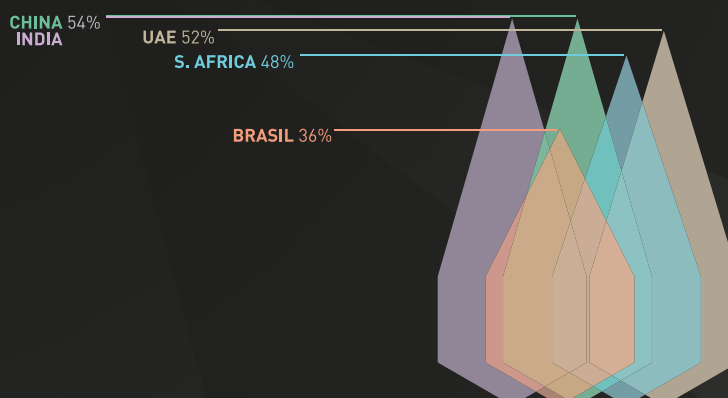
Buying is no longer the standardized paradigm for these customers, they need to feel as an integral part of brands and they need to be able to show it to others.

The feeling of belonging (somewhere, to someone or to something) is a very strong way of attracting these targeted personas and by telling them that a brand ambassador status can be obtained through Apogée, we are able to engage them in quite an emotional and extensive way.



It's worth paying extra for quality goods (any agree)

source TGI Global Country Comparison (self perception)



I like to stand out in a crowd (any agree)

source TGI Global Country Comparison (self perception)



***“LUXURY IS NOT ONLY A LARGE
COUNTRIES BUSINESS...”***

Hana Ben-Shabat, A. T. Kearney



MISSONI HOTEL KUWAIT, a very public depiction of its co-venture with **HAVAIANAS**, a brazilian brand that has repositioned itself into the luxury market

MARKET | TARGET

Economical growth is not equivalent to the creation of large numbers of great fortunes but, generally, an environment that provides the right conditions for a vast array of entrepreneurial opportunities is.

The targeted consumers for this service are high net worth individuals (or their close family members) with ages comprised between 25 and 75 years-old and that surround themselves by equally important and influential people and that consider

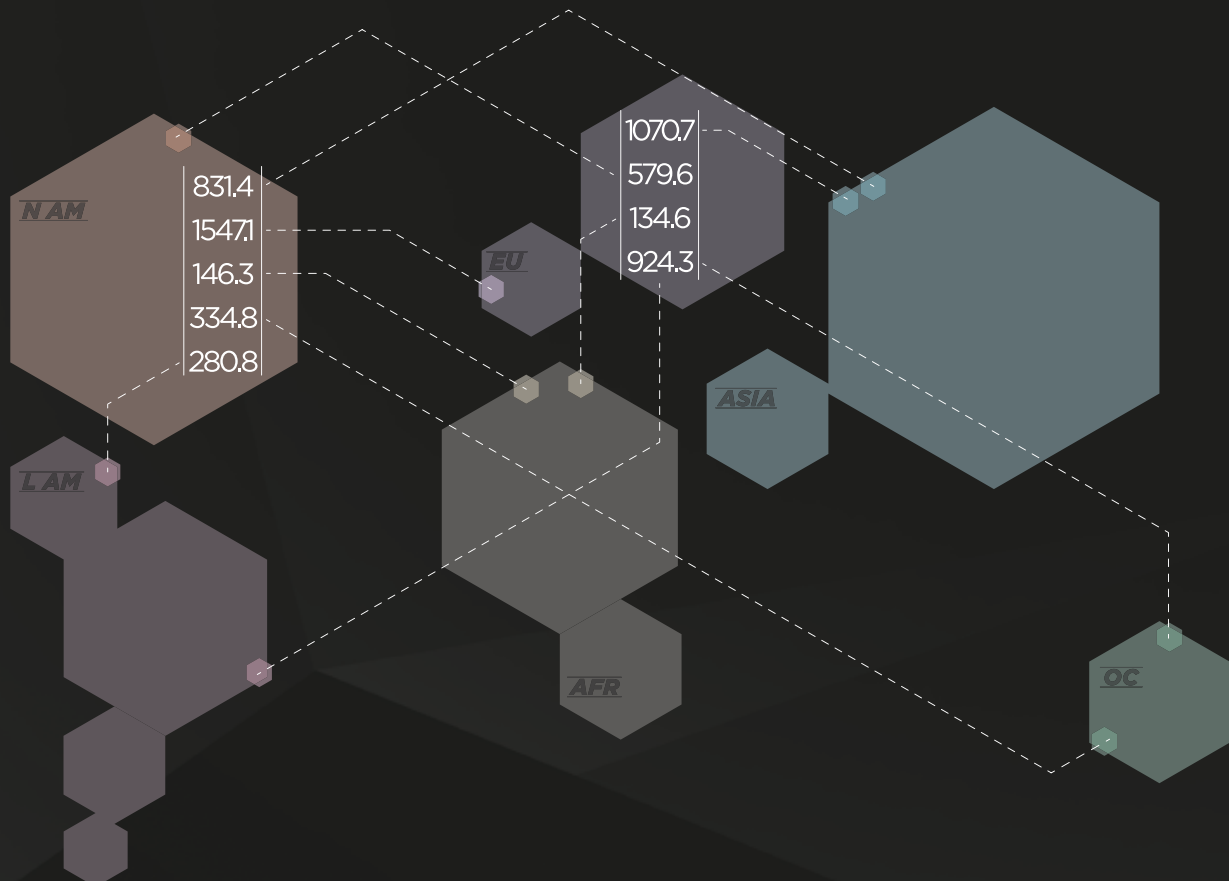
mobile technology a major drive in today's business management.

The service focuses on people that appreciate a luxurious lifestyle and the perks that come with it; people that are inspired by the front-line of luxury services and goods often displayed by european or american socialites. Being from an emerging economy plays a very important role when defining our targeted audience.

Apart from the financial and economical aspects of this choice - which will be

presented further on - the particular way HNWLs from these countries face luxury is a major drive for this project.

In growing economies, HNWLs' awareness of what they really want regarding luxury goods and services consumption is yet to be mature. They still aspire to be like someone else - often taking on western celebrities as role models - and haven't realized yet that, by the way global economy is evolving, they will soon be the trend-setters in a 100% globalized trend world.



MARKET | TARGET

Why do emerging countries suit this project?

Studies show that, by the end of the current decade, 60% of luxury products and services sales are expected to come from countries in developing conditions economy-wise (Russia, China, India, Brazil...). Furthermore, - and according to a recent study by PwC -, an emerging trend amongst luxury seekers in these nations is the quest for status (through luxurious possessions) and a growing brand loyalty amongst clients. Moreover, a continuous growth in

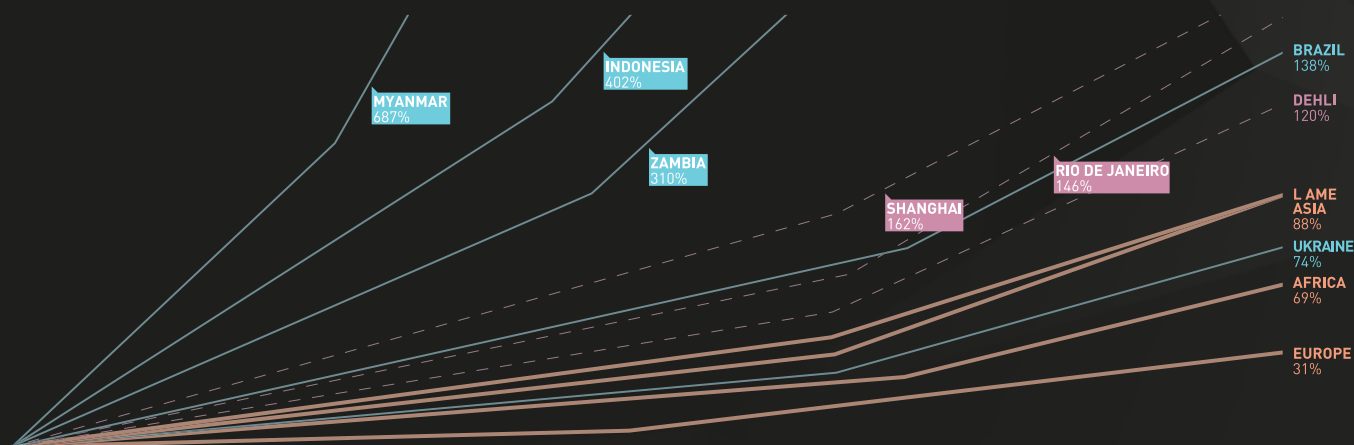
the number of millionaires has been observed since the year 2000 in Brazil, China, India, Indonesia, South Africa, Chile, Malaysia and Colombia.

In general, developing countries represent a big slice in the luxury market nowadays, Brazil alone had an annual 11% growth in purchases in 2011.

In 2010, China placed 5th in the luxury sector consumption (9,6b\$US - 35% YoYgrowth), South Korea was 8th (6,3b\$US - 25% YoYgrowth) and Russia was 11th (4,7b\$US - 4% YoYgrowth).

In China, the trimonthly growth of this sector in the 2nd quarter of 2011 was 20.2% (regarding the following brands: Bulgari, Burberry, Dior Coutoure, PPR, Hermès, Hugo Boss, LVMH, Richemont, Swatch Group, Tiffany & Co. and Tod's Group). Nevertheless, outside of China, chinese travelers are responsible for 12 to 15b\$US worth of purchases.

Other significant markets are India, Thailand, Singapore, Taiwan, South Korea (Pacific Asia) and Brazil and Mexico (plus Latin America).



top HNWI population changes between 2012 and 2022 by

— continent
— country
- - - city

source The Wealth Report 2013
by Knight Frank

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US\$bn invested by private investors in commercial property in 2009. Investments coming from emerging continents into the luxury havens (Europe and North America) account for 98% of the total world fund flow in luxury real estate.

source The Wealth Report 2013
by Knight Frank

MARKET | TARGET

ISHANA . 28 years old
ACTRESS in INDIA

Works about 41 hours each week but enjoys the nice things of a luxurious lifestyle.

Has a top of the line Audi which she frequently drives to one of the booming shopping malls in Mumbai where she has access to several international high-end fashion brands.

She enjoys Bollywood movies and feels deeply connected to Indian tradition. Apart from business trips, she travels a lot across Asia promoting the benefits of fine education for children.

FU . 39 years old
BUSINESS OWNER in CHINA

Domestic and international business traveller. Has a collection of luxury watches and has three luxury cars from European makes. His iPad is indispensable and he prefers to split his fortune into several investment accounts rather than just one.

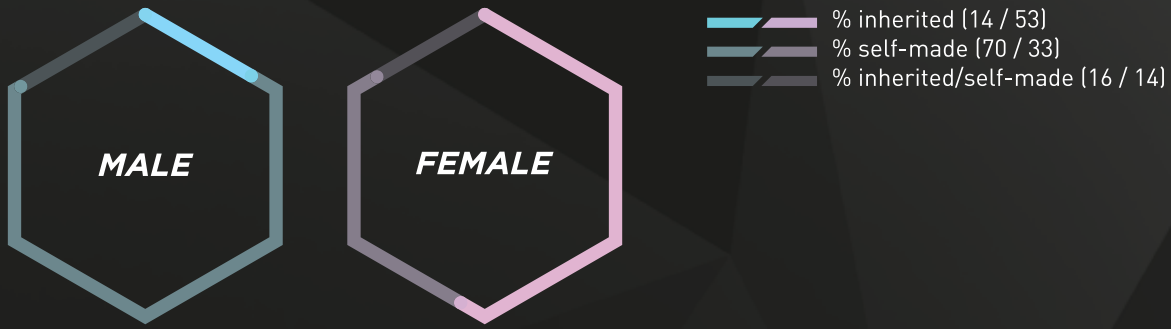
When he can, in the end of the day, FU enjoys going golfing or swimming as he finds it really relaxing. On the weekends he regularly attends horsemanship events.

SOLANGE . 26 years old
BUSINESSWOMAN in BRAZIL

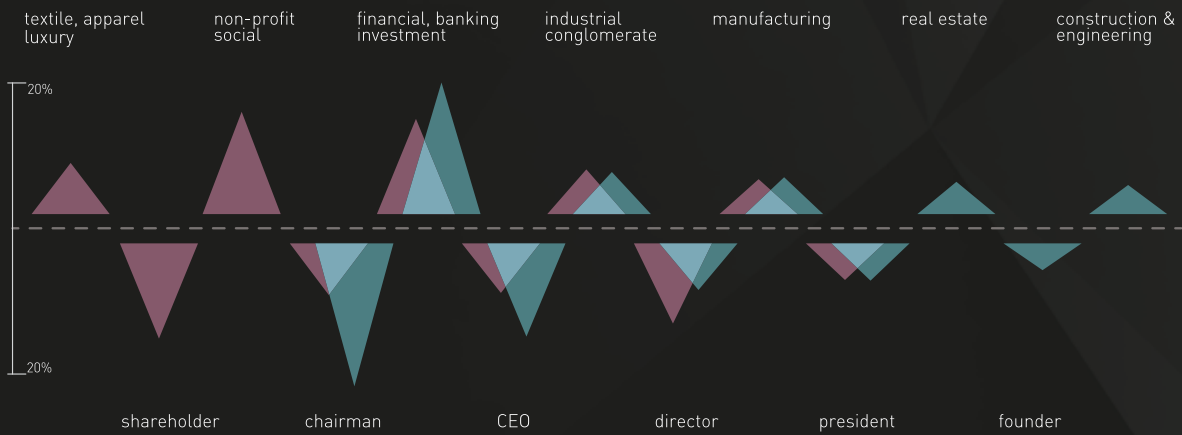
Opened her own online company up with a bank loan 3 years ago and got a 300% growth so far.

SOLANGE belongs to the high socialite of São Paulo, a small community highly defined by each member's social status. In São Paulo, Rio or Floripa, she splits her days between work, leisure and exercise. She often attends Óscar Freire street for shopping, Kiss&Fly club for going out or A Bela Sintra restaurant for a nice dinner.





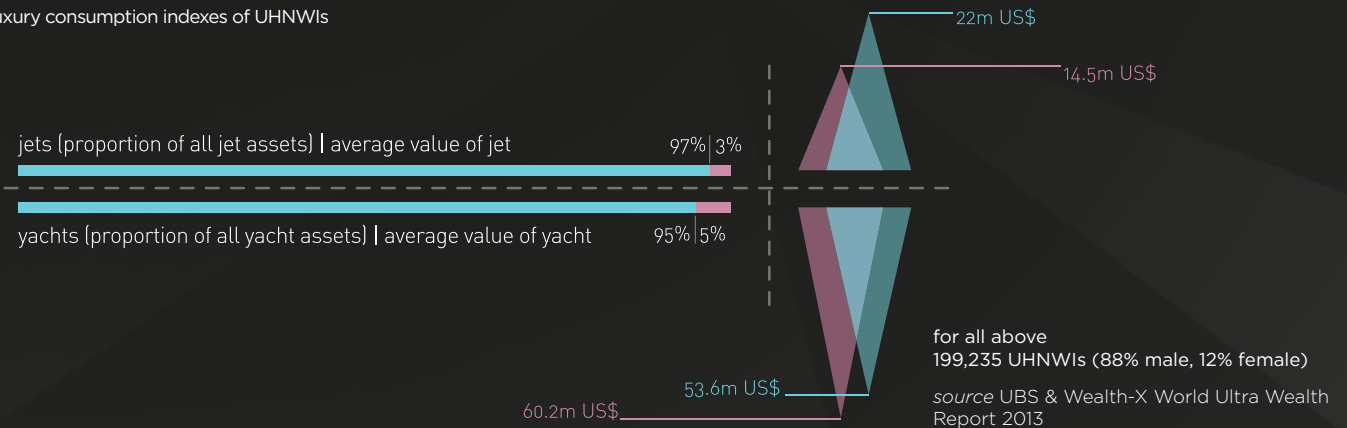
Most common Industries of UHNWIs |
Most common job titles of UHNWIs



Marital status of UHNWIs |
Education of UHNWIs (% with at least a Bachelor's degree)



Luxury consumption indexes of UHNWIs



OPPORTUNITIES

The opportunities created by Apogée are mainly related to bringing Private Banking into a level of emotional attachment with its clients that has never been achieved before.

By hierarchizing membership status, Apogée is able to induce an eagerness to climb higher and higher in the client organization. This is a strong emotional bound between provider and customer. Furthermore, it manages to link two dichotomized worlds: emerging economies and luxury havens; the base of wealth and the imaginary of lifestyle.

Lastly, Apogée has been designed to let banks work, within the same service, in two fronts. **It is a product that works as a platform, allowing its provider to add to the typical client-provider relation a third party intervenient.**

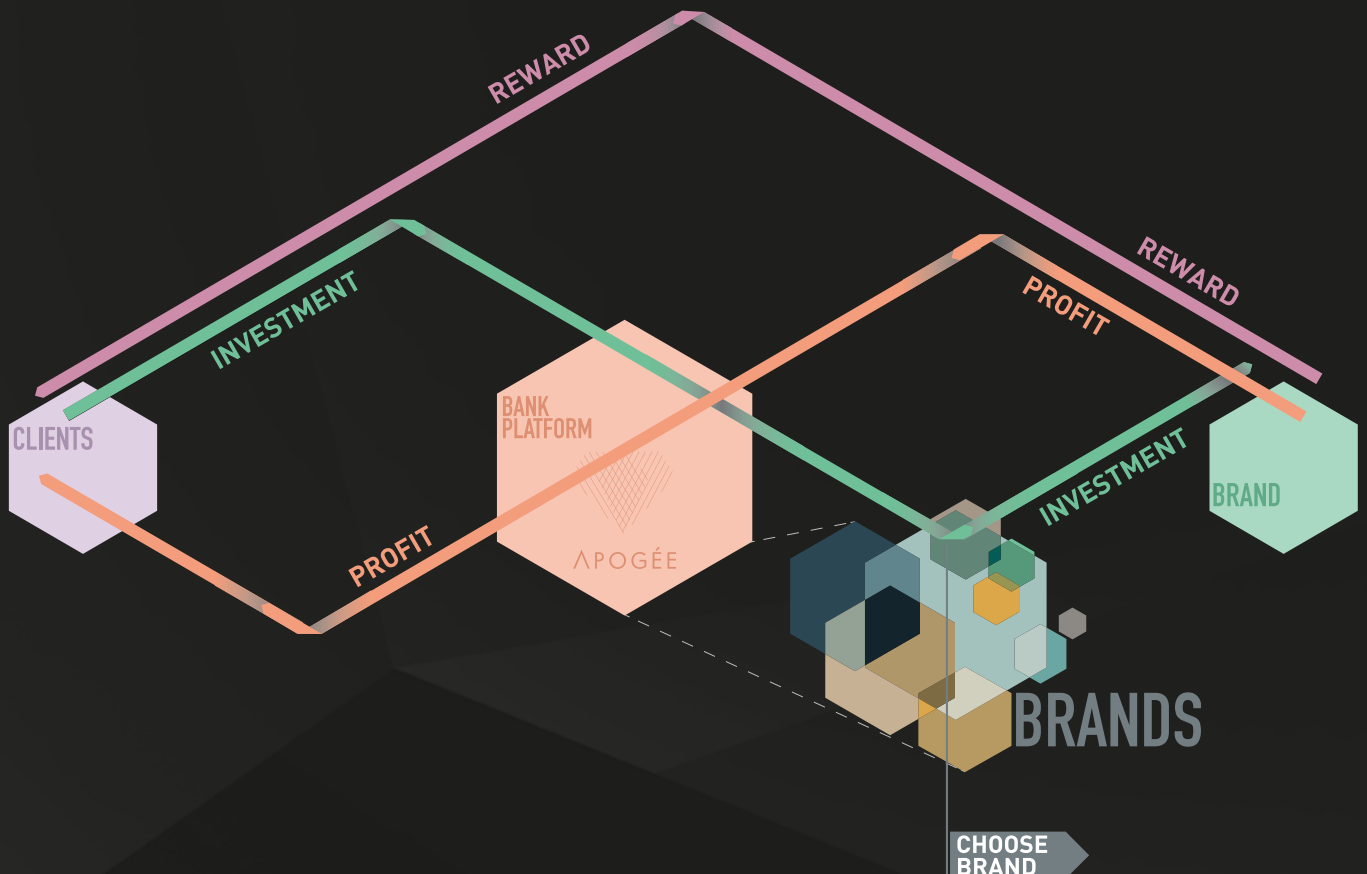
In the future, working as a multibrand investment interface, opportunities for Apogée will mainly consist of partnerships with new brands - a crucial part of the development of the service in accordance to its core values - and sponsorship ventures of main events throughout the world.

Partnering up with entities that, somehow, excite our audience - sports clubs, hotels, performers and entertainers - is a very plausible way to go.

Without fail, preferences are always set at coupling with high-end luxury brands.

In general, Apogée is fully adaptable to a continuously expanding market which represents an immense openness to change, development and improvement.

Note: Apogée should keep itself as a service-product. At this point, venturing into merchandising or licensing projects is not a fit strategy.

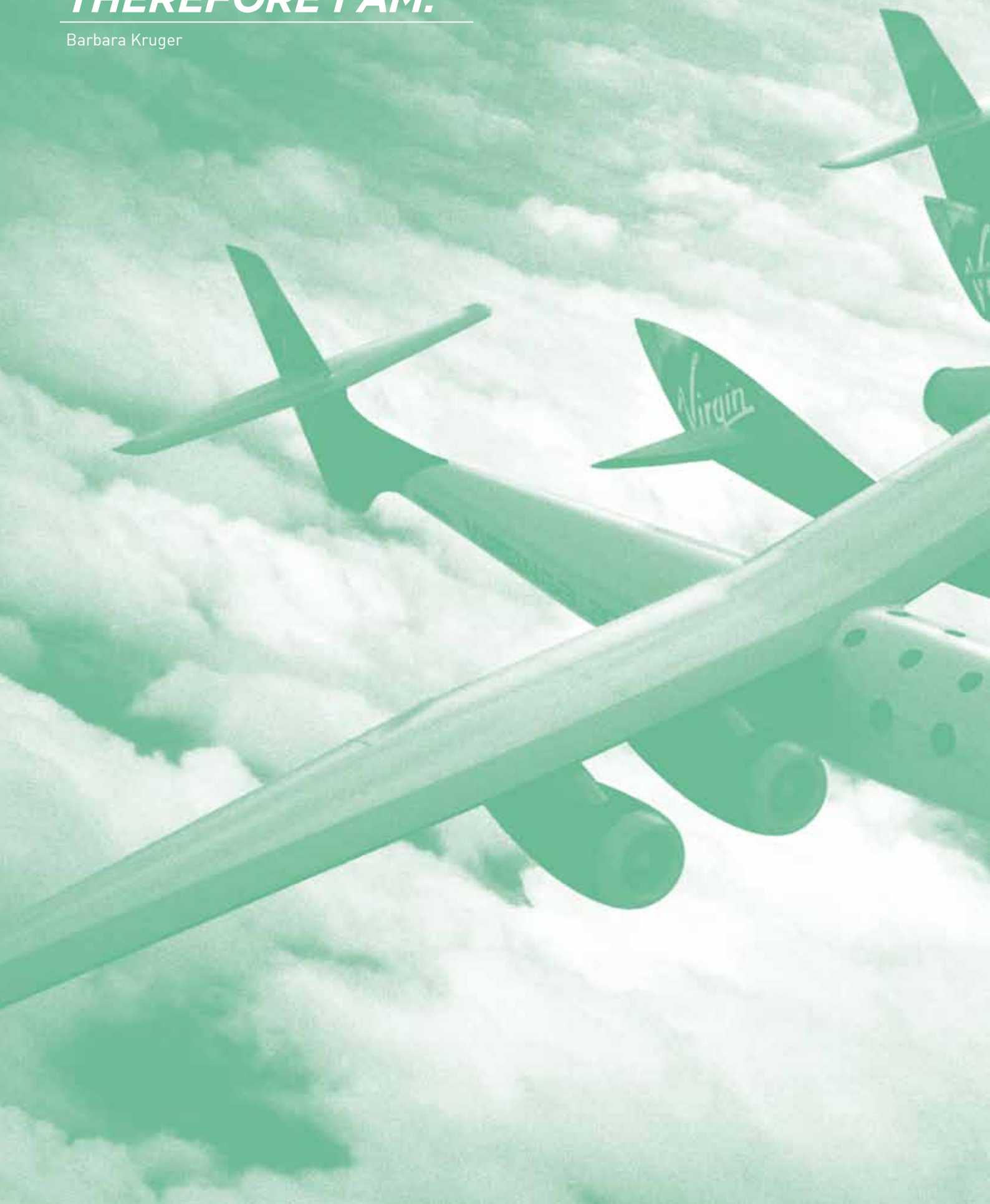


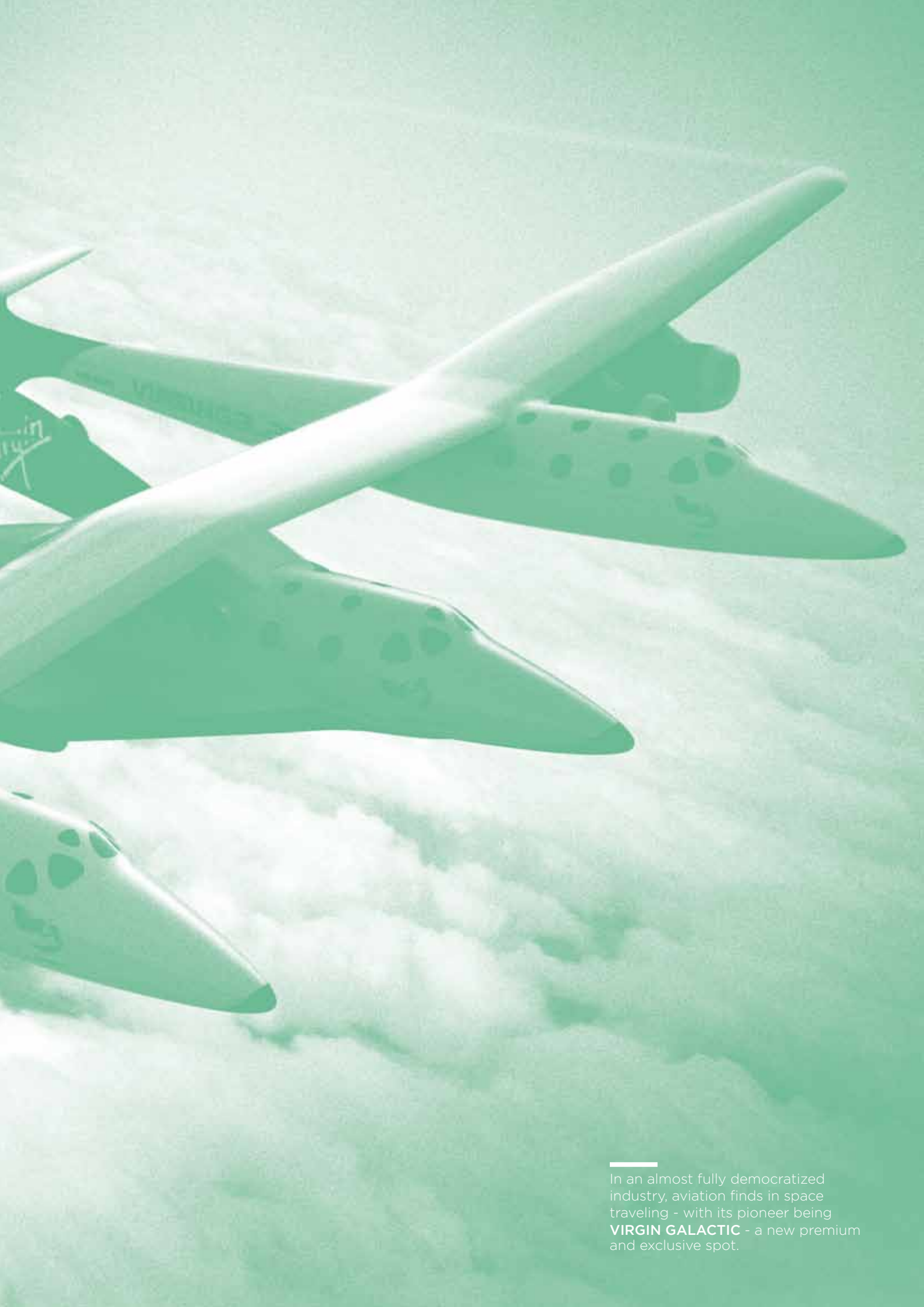
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Apogée's system map
service that opens the traditional banking product organization to third-party stakeholders and, as such, designs a new platform model for financial services

***“I SHOP,
THEREFORE I AM.”***

Barbara Kruger





In an almost fully democratized industry, aviation finds in space traveling - with its pioneer being **VIRGIN GALACTIC** - a new premium and exclusive spot.

CONCEPT & POSITIONING

Apogée's positioning consists solely in the exercise of conceptual (dis)placement.

Since it has no direct competitors, Apogée's strategic core should tell a story rather than worry about market gaps or threats.

As such, positioning and concept building are two tasks that, in this case, co-exist within the same marketing activity.

Firstly, Apogée intends to set itself apart from the typical numerical coldness of Private Banking.

It does so through its functionalities and services - that obtain a quite singular relationship with its members.

Its fundamental purpose is to confer a new image to a business that is totally focused on financial factors without damaging its efficiency and success rate.

The humanization of this kind of businesses is a way to open them up to new customers that would otherwise be uninterested in their products.

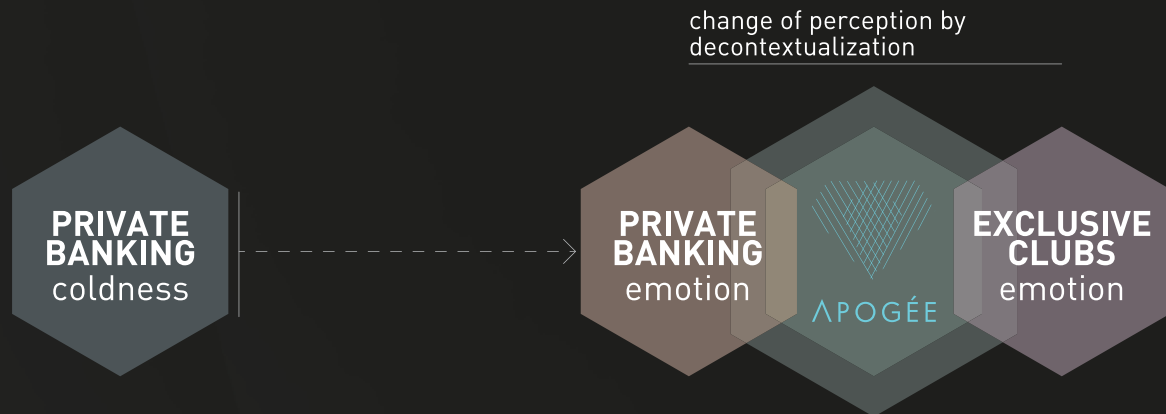
This way, this untapped clientele can clearly understand how to venture into this otherwise complex type of

products. It needn't be explained, it is just necessary to be in sync with the emotions a brand or sector want to send out to its prospective clients.

Secondly, it aims at joining two worlds that have been, otherwise, far apart: private clubs and banking.

It is by connecting these two features that a novelty is inserted into this stagnated market and that a decontextualization of concepts is able to create a sense of (pleasant) surprise amongst its prospective clients.

From this merger of models, a much



Private Banking is given a new image through its association with highly emotional and humanized environments.

CONCEPT & POSITIONING

more enfolding and seductive link between provider and user results; when awarded with services/products - in addition to financial returns - for their investments, clients get a new and engaging perk to long for, thus creating a lasting path for them to walk through and securing their loyalty to Apogée and to their preferred brands.

Here follow the major strategic positioning drives of Apogée.

Exclusivity and hierarchy.

Apogée is not the run of the mill private club; it permits its members to climb the status ladder and, along with the ascent, get access to more and better services and products. It must build a sense of "wanting more and better" within its clients and this must be fully perceptible in every level of membership. To the *Apogée* Members it must be clear that, although being a member is

already something to be proud of, there is a lot more to get and that this stage is only the beginning.

To the *Connaisseur* Member, it must be explained that they have obtained an higher level of intimacy with their brands. It is not so much a quest to get higher in Apogée's hierarchy; it is rather the aim of getting closer to their favorite brands.

Finally, the *Savant* (french for expert) Member must realize he is on top of the "food chain". Being amongst the



Apogée's membership status named to convey a level of proximity to brands rather than to portray a numerical ascent through different levels

CONCEPT & POSITIONING

top of Apogée's clients exceeds, in a great deal, the service itself: it means the member has obtained the absolute best and most exclusive status a luxury consumer can obtain.

Sharing luxury brands expertise with clients.

Apogée provides clients with an unpaired level of expertise in luxury brands, however, it must allow its members to feel a sense of accomplishment when they invest in niche brands and, as such, let them portray their considerable level

of sensitivity and know-how of these matters for themselves.

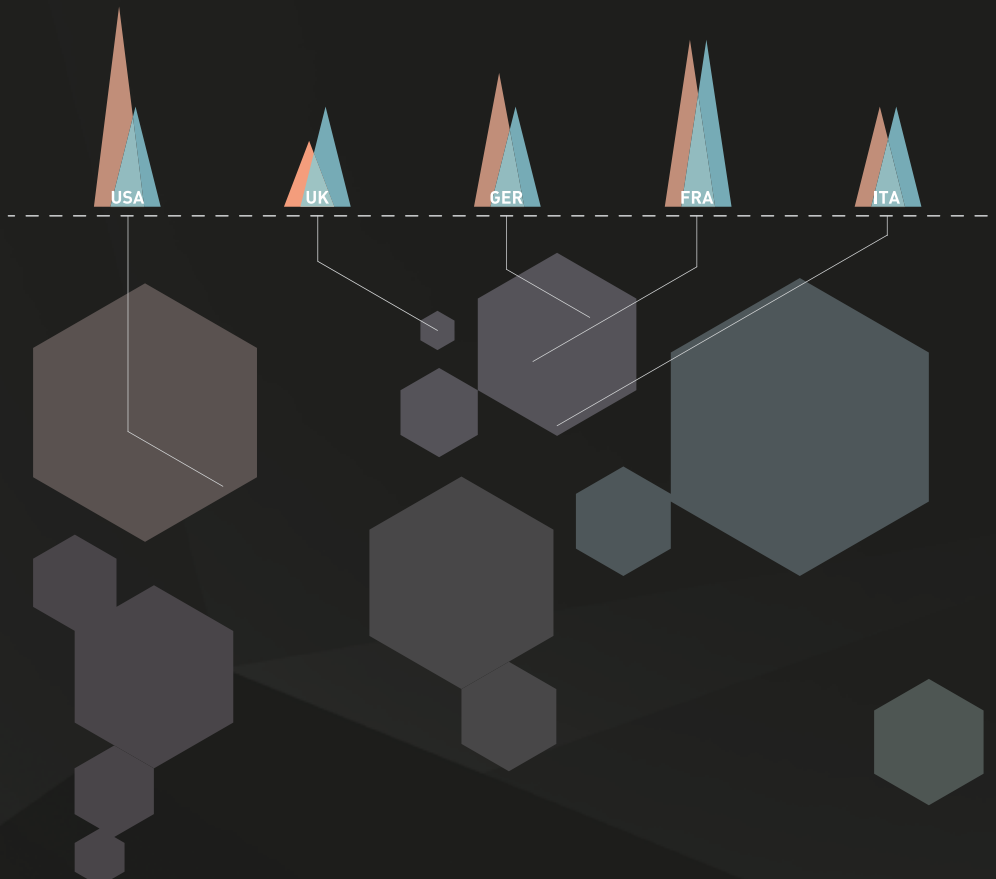
Apogée is a continuously growing system that can be enlarged through a flat organization where provider and client work together towards building a larger platform of brand-partners. It should be based on a constant exchange of knowledge for we consider our clients to be as experienced and informed on luxury as we are.

It is not a game of numbers, it is a game of self-accomplishment and success in networking.

As mentioned above, Apogée is all about attaining an unparalleled level of intimacy with one's favorite brands. It is the gateway to a new paradigm of relationship between a luxury company and its clients.

It brings investments down to retail standards but it keeps its prestige and exclusivity where it should be: in the top edge of the luxury range of products/services.

Members must feel they become part of these huge organisms and must get a clear sense of their unique condition within the typical luxury purchasers.



PREVIOUS PAGE

the globality of luxury
though emerging economies are producing
new and exciting luxury firms, the most
valuable luxury brands are still in Europe
and North America.

number of luxury brands per country in
the following ranks

BLUE

source BrandZ 2013 top 100 report

ORANGE

source Best Global Brands 2012

by Interbrand



***“THE ONLY QUESTION WITH WEALTH
IS, WHAT TO DO WITH IT?”***

John D. Rockefeller



HOTEL FASANO RIO DE JANEIRO
- one of the most recognizable hotel
brands in South America.

According to research made by
Ledbury, Brazil is host to three major
clusters of millionaires: discerning
dynasts, boom benefactors and
independent leaders. All value
indulgence as a way to portraying
their social status.

DEVELOPMENT | META-SERVICE

In its essence, Apogée is a three party service. It provides a platform for the harmonic functioning of private banking, its clients and luxury brands.

Apart from its obvious functionalities - reward-based service for investments in luxury brands through an investment banking institution -, Apogée offers both members and brands an alternative process of self positioning amongst peers. It works as a public relations agent.

Regarding its members, Apogée understands the importance of ownership for their self-image and, as such, it can

advise customers what to do to better project themselves onto society.

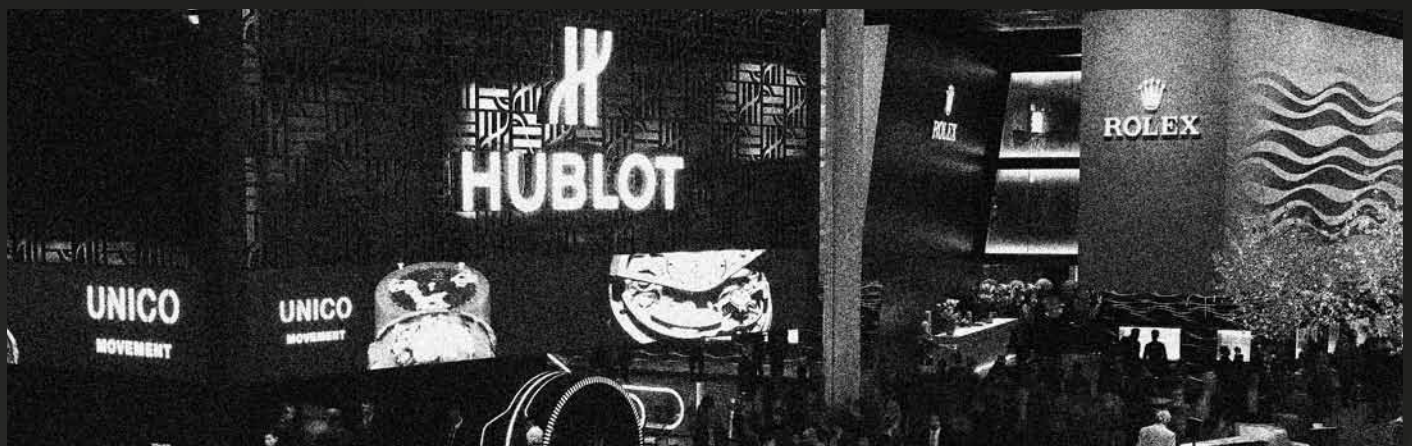
Regarding brands, Apogée has the task of carefully managing their existence within the same space. It consists on a very delicate job that demands both highlighting a brand's qualities and not harming any strategic susceptibilities.

If brands clearly state their core values and if these values are genuine to their inner processes, it becomes easier for Apogée to perform a positioning

exercise amongst partners. With intelligible essences, brands - within Apogée - will fill their market place without impertinent overlapping. On the other hand, considering that the meta is Apogée's strong suit when attracting investors, the more unambiguous a brand is, the more effective it will become in our service.

BASELWORLD 2013,

luxury fairs are a great example of the delicacy involved in pairing luxury brands together in the same space



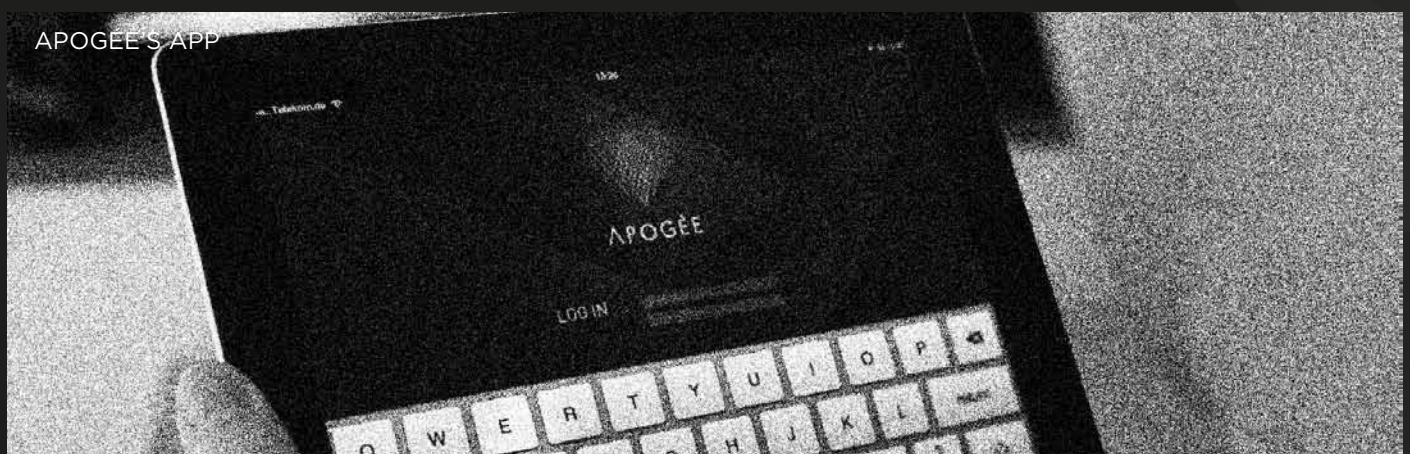
DEVELOPMENT | BRAND

Apogée's visual image combines both sides of luxury: its (sometimes) inherent ostentation and the sobriety typical of discretion.

The logotype - a stylized diamond - symbolizes the preciousness of the luxury good, its delicacy and fragility. It means to portray the intricate details of significances, essences and crossed aspects that form a product or service's whole.

All other image applications try to express its gracefulness and sobriety

through lack of contrast - either by using similar shades of dark grey or by using faded colors instead of bright ones - and through the constant use of regular geometrical shapes.



DEVELOPMENT | BRAND VOICE

Apogée's brand voice aims at appealing to the imaginary of french luxury so deeply instilled in our target's minds.

Apogée: *point le plus élevé; sommet d'une carrière.*

Defining the hierarchy of luxury consumption and Apogée as its peak.

Connaisseur: *ayant des connaissances importantes dans un domaine, expert.*

The first step up the ladder of closeness with one's favourite brand.

Savant: *qui sait beaucoup de choses, en général ou dans un domaine précis; qui est très habile dans son métier.*

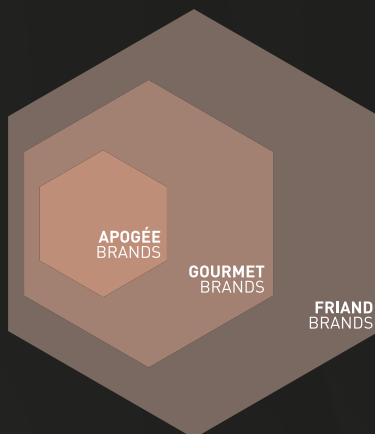
The top level of connection with a member's preferred brands.

Gourmet: *personne qui sait apprécier les bons mets.*

The first level of brand exclusivity within Apogée evokes a sense and taste for exquisiteness.

Friend: *qui aime et apprécie la fine chère.*

The ultimate level of access to the array of brands offered by Apogée depicts a character that values what's expensive and uber-exclusive.



SAVANT
MEMBERS

CONNAISSEUR
MEMBERS

APOGÉE
MEMBERS

DEVELOPMENT | COMMUNICATION

Apogée's communication strategy is intertwined with its partnership tactics. Apogée is not supposed to be a large-scaled advertised service so its exclusivity and - might it be called - secrecy can be maintained in order to secure the sense of uniqueness established amongst its members. As such, every time it takes on a more public strategy, Apogée must do so according to a very strict brand placement policy.

Apogée is only to be publicly displayed in two situations:

- . when a member shares it within his intimate circle - that is - in a word-of-mouth publicity stream;
- . in very specific co-branding ventures with highly exclusive events, happenings, trends or brands. In every single one of these occurrences, our targeted public must be taken into account; thus, Apogée's brand is to be applied only in particularly pertinent conditions.

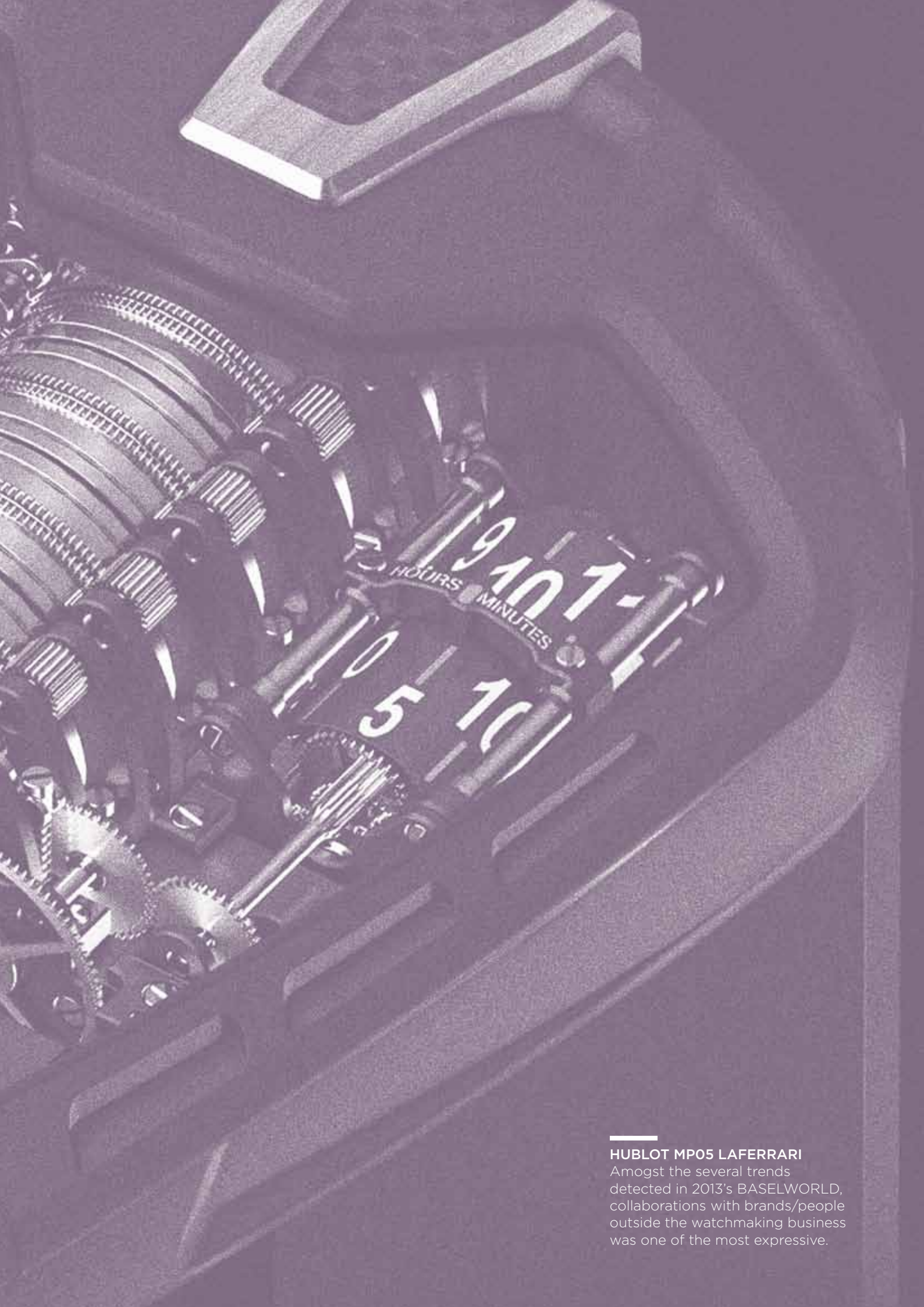
For Apogée any brand placement or sponsorship is a full-on partnership and only events or brands that might contribute to the imaginary of luxury that Apogée tries to, continuously, convey are worthy of being paired up with the service.



***“WEALTH BRINGS STRENGTH,
STRENGTH CONFIDENCE.”***

John Lothrop Motley





HUBLOT MP05 LAFERRARI

Amongst the several trends detected in 2013's BASELWORLD, collaborations with brands/people outside the watchmaking business was one of the most expressive.

MIX | DISTRIBUTION

Apogée's distribution is particularly geography sensitive, hence its focus on emerging luxury hubs that have both a significant number of HNWI's and a tendency for this new luxury that aims at something higher than the regular purchase.

This service wants to completely change the "Paris, Milan, New York & London" seal that most luxury brands use to depict a certain sophistication in their internationalization.

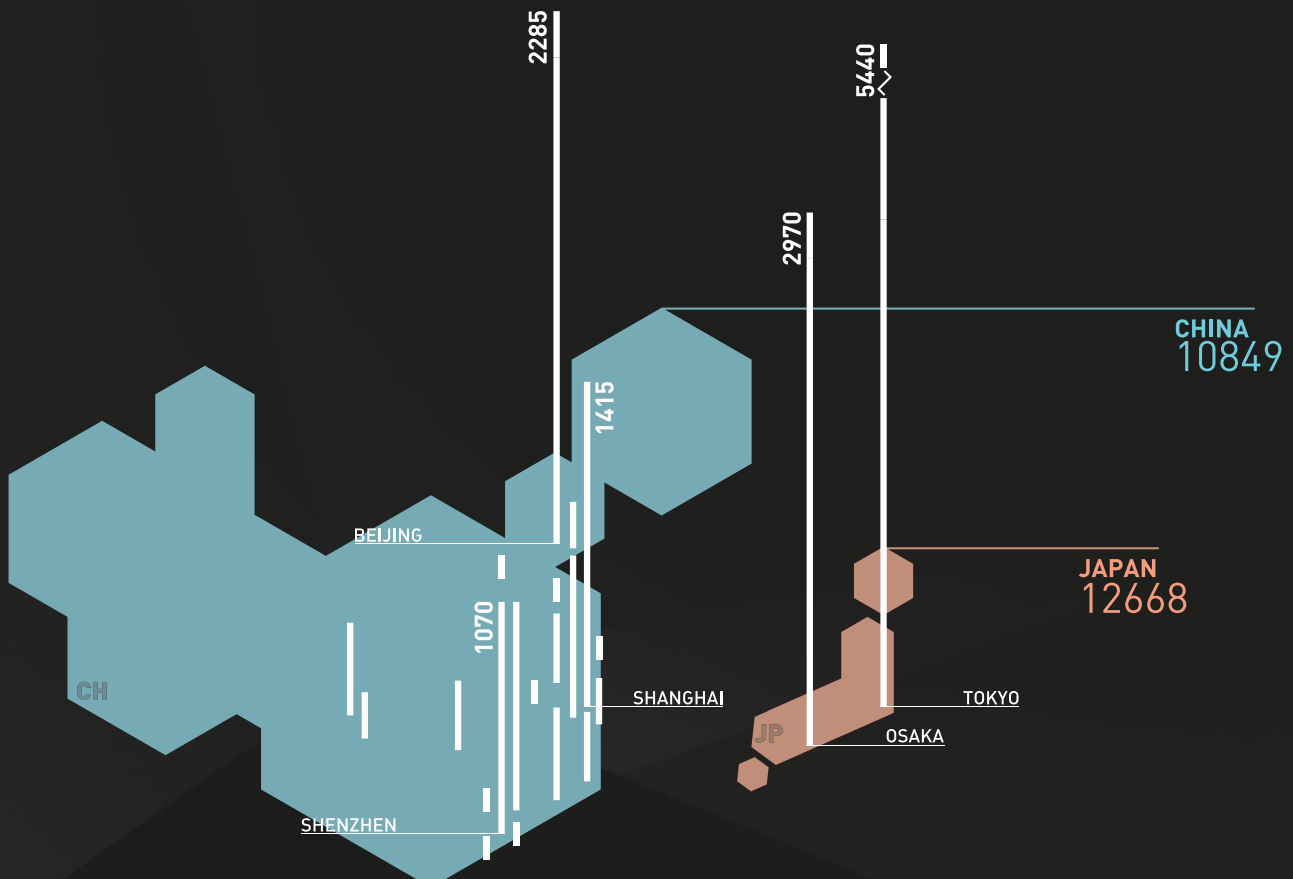
Apogée points at creating a strong sense of surprise by introducing new places with a strong relation to luxury into this market. Taiwan, Manila, São Paulo, Johannesburg, Incheon, Kiev are to be the new hearts pumping luxury trends into the world.

As such, Apogée should focus its distribution in these cities - most of which share their own country with other booming cities and border other ascending economies - and in investment banks that are nimble enough to dabble in these (quite) uncharted waters.

Due to strict corporate constraints, larger banking institutions shouldn't be considered for they would hardly step outside of their comfort zone to accommodate a service as disruptive as Apogée.

Instead, Apogée should find its bases in medium-sized private banks that work closely to a suitable population and that are willing to expand their business according to Apogée's outlines.

Disruption is well perceived by the targeted audience and more easily allied to this cluster of banking



MIX | DISTRIBUTION

institutions. This joint venture joining an unruly service and an institution bold enough to embrace it will enhance the bank's image and contribute to the innovative perception that Apogée is trying to induce in its audience.

Apogée is a service that allows its user to be very independent from his provider.

It is supposed to induce a sense of accomplishment in each member and, as such, it must create an environment in which a client believes he has done everything by himself.

By being greatly based in a mobile application that allows access to all its functionalities it only needs a very brief moment of creation of awareness and education in each bank's communication channels - physical, online... -.

Moreover, if a client believes that - even if he is the one performing all the tasks - there is a strong and steady support team behind Apogée's "digitality" making sure everything goes according to plan, any doubts that might be raised by the lack of physical touchpoints of the service - often valued by this target - will be eliminated.

PREVIOUS PAGE

China alone hosts 20 cities with a HNWI population above 100.

Though they are not amongst the asian countries with the highest expected rate of HNWI population growth - these are Myanmar, Indonesia and Mongolia -, China and Japan were, in 2012, the two countries with the most HNWI's residents.

HNWI city hubs in China and Japan
 source The Wealth Report 2013
 by Knight Frank

PARTNERSHIPS & SOURCES

How do clients benefit from Apogée?

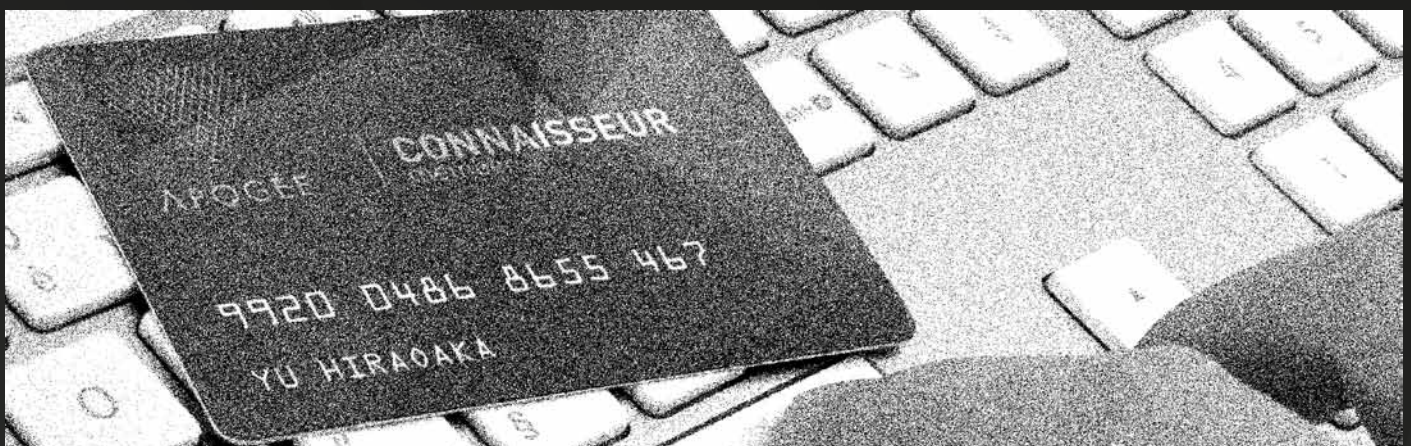
Clients, when having been shown a vast array of luxury brands, will have access to a world of rewards provided by their favorite brands and will be able to easily navigate across the several brands within the same conglomerate, thus seemingly finding precisely what they want or need with the help of Apogée. Their investments will surely have significant returns due to the luxury market's booming growth.

How do Private Banking institutions benefit from Apogée?

Apogée aims at being a mid-way service between retail and investment banking. It focuses on attracting new clients by turning Private Banking into a desirable and status-building service. By making the luxury sector its core partner, Apogée guarantees healthy returns as shown in the sector's growth rates in the last few years and in the expected growth for years to come. With Apogée, Private Banking will be something the new HNWLs will wish to have at a much more emotional basis.

How does the luxury industry benefit from Apogée?

The luxury market is soon bound to realize that it is becoming obsolete in its offer by not complying with the pressing need of expanding its product/service range upwards. The lack of safety of each brand's integrity by falling in the hands of customizers with no brand values awareness jeopardizes a lot of the marketing and sales efforts that many companies have made so far. Apogée helps respond to these



PARTNERSHIPS & SOURCES

issues that have haunted firms for the last decade and that, if no action is taken, will destroy the distinction between branded products and their subsequent modifications.

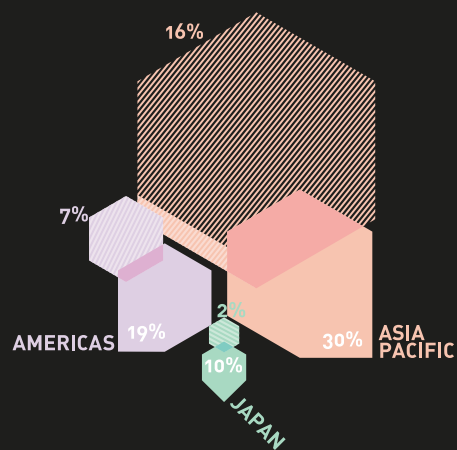
Furthermore, by making connections between brands - like conglomerates - more public - this is, letting people know of the existence of conglomerates and the brands that belong to each group - purchases within the same group will increase.

A client looking for something that, for instance, Gucci doesn't sell will more

likely search for that item within the Kering group.

By designing a custom reward-based service that links new HNWI's with these conglomerates, groups like LVMH or Richemont will have a more frequent inflow of investments.

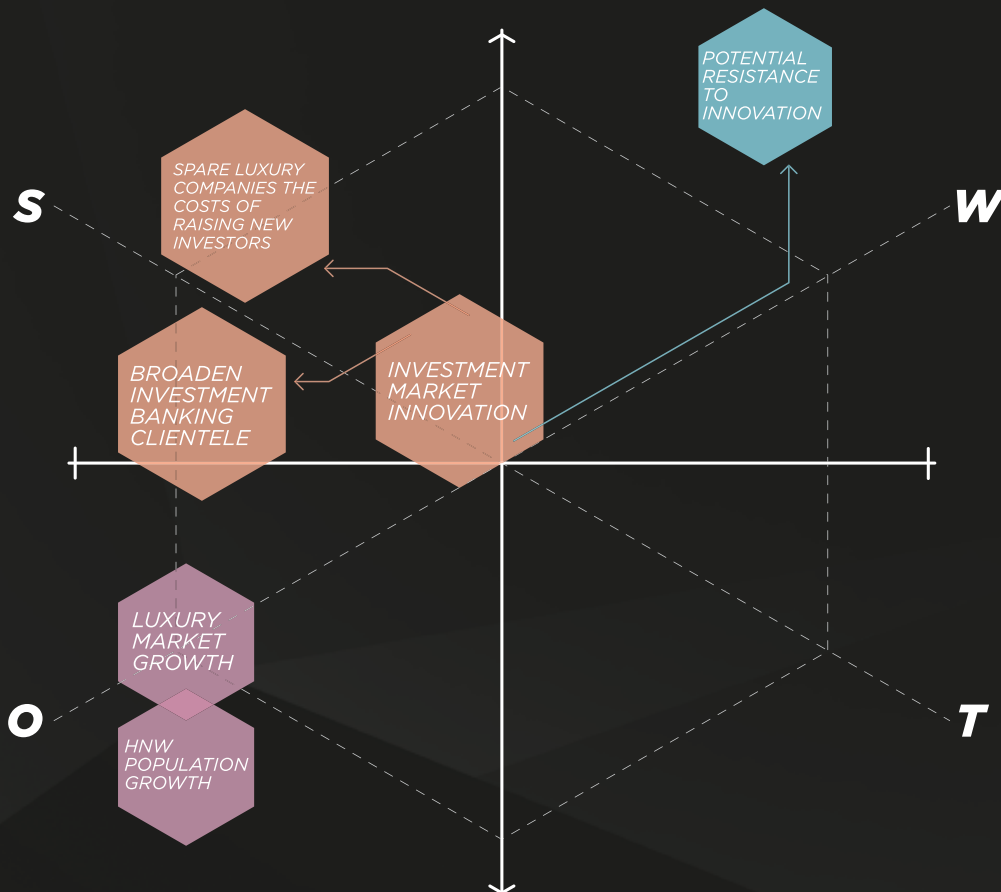
Apogée benefits fashion conglomerates both at a retail and at an investor relations level.



— % of the total global luxury market by area
 — % of forecasted growth rate by area

source Worldwide Luxury Markets Monitor
 Spring 2012 update
 by Bain & Company and Altagamma

ADDENDUM | SWOT CHART



ADDENDUM | PRODUCT INNOVATION CHART

BACKGROUND SECTION

Apogée was born from the urge to innovate in the stagnated market of private banking. It focuses on giving it new life and a freeing it from its long-standing operating paradigms. It points at deviating private banking from its very own archetype of a number-focused industry and merging it with one of the strongest driving forces of today's economy: creative thinking.

AREA OF FOCUS

TECHNOLOGY DRIVERS

Apogée intends to fully profit from the current **mobile technology** trend. Given it is a service of rapid operations - processed by its users - and of global presence, basing a majority of its user contact on a mobile platform is a strategically correct bet.

MARKET DRIVERS

Apogée is able to combine two very strong economic trends observed in the past few years: significant growth in the luxury market and notable increase of the world's largest fortunes and HNW populations.

Considering the integration of these two, somewhat, parallel phenomena of the world's economy, Apogée manages to answer the question that has risen from this scenario: how can luxury brands effectively approach HNWI's?

As such, Apogée excels at an **end-use** - rather than user - focused strategy, in which the experience provided to its final user is more important than the demographics it will embrace.

GOALS & OBJECTIVES

PROFITS

Apogée will mainly profit from commissioning its role as broker of investments in the booming luxury sector.

Both its financial products - indexed deposit account and open-end boutique hybrid investment fund - combine a vast array of external favorable conditions to their success.

GROWTH

Considering Apogée is a new product of an already existing banking institution, it will enable the bank to expand its operations to a new targeted population that would otherwise be afraid of venturing into the complex world of investments. By clearly stating that emotions play a predominant role in the way Apogée performs its business, new doors will be opened to untapped sections of the world's HNW population.

ADDENDUM | PRODUCT INNOVATION CHART

GOALS & OBJECTIVES

MARKET STATUS

Being first-to-market inevitably creates a desired - though sometimes feared - market status. Moreover, market status is almost certainly gained by market growth - another objective mentioned above.

Lastly, since Apogée deals with brands as status building tools for its users - and considering that each customer is a corporate-customer, that is, a person who, by holding and publicly displaying Apogée's products, represents Apogée and contributes to the enlargement of its brand - status is built on a word-of-mouth stream of information amongst users and prospective users.

DEGREE OF INNOVATIVENESS

First-to-market.
Leveraged creativity.

The decontextualization of concepts might be perceived as leveraged creativity and the agglomeration and displacement of distant ideas even more so.
As such, Apogée, by having been created from the adaptation of the notions of Frequent Flyer programs and Private Clubs to the world of investment banking can be considered the result of leveraged creativity.

TIMING

As soon as possible.
First.

MISCELLANEOUS GUIDELINES

Apogée should blatantly attack the inertia of other (competing) banking institutions.
Insist on its disruptive approach to the market.

Leverage its geographic strategy: turn less developed countries into an asset. Let Apogée's clients understand that, even though their countries are poorer than the ones usually associated with a luxurious lifestyle, their nations have larger growth rates and expectations and will soon become the leaders in world trends.

Pod

APOGÉE



TESLA MOTORS

LOCATOR - TESLA showroom Milan



UPCOMING EVENTS

- Sep 2013: TESLA at CHAMPFLAT
- Oct 2013: LUXURY SHOW AND DE JANCIO
- Nov 2013: A GOOD NIGHT TESLA at TURICH
- Feb 2014: A GOOD NIGHT TESLA at CHICAGO
- MAR 2014: A GOOD NIGHT TESLA at GENEVA

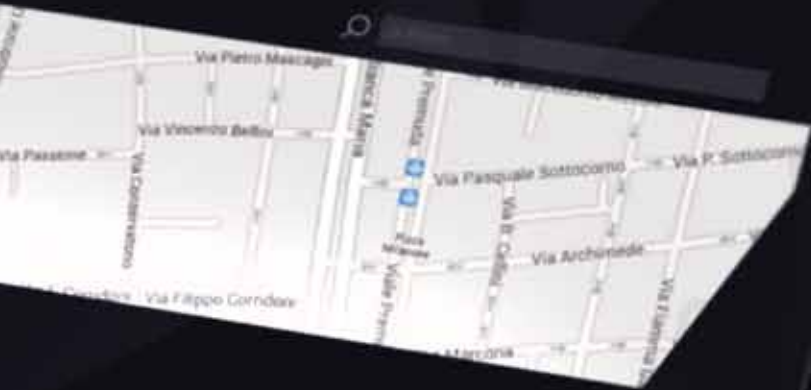
EXCLUSIVE PRODUCTS

- TESLA ELON MUSK DINNER
- TESLA AT THE MILAN FASHION WEEK
- TESLA MODEL X TEST DRIVE
- TESLA BRAND RACE NURBURGRING

14:23

68% BHD

SEARCH
BUY APOGÉE CREDITS



May 2014

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MONTÉ CARLO

Jun 2014

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LJUBLJANA

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ROUTE 66
CROSSING



TESLA
TESLA FLEET
TIMESHARE



