Meeting Agenda and Purpose

HERMÈS
PARIS

Agenda	Purpose
Minutes 0 - 5: Introductions Minutes 5 - 30: Research presentations Minutes 30 - 40: Questions & discussion	To discuss what factors support the continuation of Hermès expanding it's operations and retail presence to Lagos, Nigeria through the opening of a brick and mortar location. This team is aiming to fully confirm the viability of opening this location based on manufacutring logistics, geographic and development analysis and numerous other factors.

Market Opportunity

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Hermes Locations

Europe: Austria, Belgium, Czech Republic, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Monaco, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom

Middle East: Bahrain, Lebanon, Qatar, United Arab Emirates

American Continent: Argentina, Brazil, Canada, Chile, Mexico, Panama, United States

Asia: China, Hong Kong, India, Indonesia, Japan, Korea, Macao, Malaysia, Philippines, Singapore, Taiwan, Thailand, Vietnam

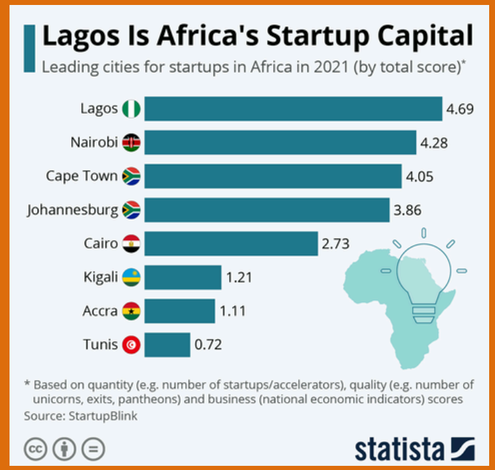
Oceania: Australia
(Hermès)

Why Lagos, Nigeria?

- GDP hit $259 billion in 2025
  - (Lagos State Government, 2025)
- Rising disposable income, luxury spending
  - (Statista, 2023)
- 21 million+ residents
  - (Sheposh, 2024)
- 78% smartphone penetration
  - (Ozibo, 2025)
- Lagos Fashion Week & rising local designers
  - (Lawanson, 2022).
- Growth of malls & improved airport logistics
  - (Internet Geography, n.d.)

Potential Problems

- Infrastructure Deficiency
  - (Mashable Nigeria, 2023)
- High Risk of Natural Disaster
  - (Britannica, 2025)
- Supply Chain Inefficiencies
  - (Mashable Nigeria, 2023)
- High Cost of Real Estate
  - (Mashable Nigeria, 2023)
- High Crime Rates
  - (Mashable Nigeria, 2023)



Levels of Development Factors

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Education

- Nigeria= largest youth population in Africa, rising university enrollment
  - (Sheposh, 2024)
- National literacy rate: 78% as of 2023
  - (Statista, 2023)

Human Rights

- Constitutional democracy with legal protections for civil liberties
  - (Commisceo Global, n.d.)

Infrastructure

- Lagos GDP reached $259 billion in 2025, Africa's 2nd largest city economy
  - (Lagos State Government, 2025)
- Major investments in roads, airports, malls, and telecommunications

Bureaucratic Efficency

- CAMA 2020
- Lagos port is the fastest-clearing in the country
  - (Reuters, 2025)

Labor Costs

- National minimum wage = ₦30,000/month (~$20 USD/week)
  - (Ohuocha, 2025)

Overall Stability and Security

- Lagos = Nigeria's safest economic zone
- Crime occurs elsewhere, far lower in upper-income districts, ideal for Hermès clientele

Geographic Factors

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Shipping Cost	Shipping Time	Import Duties
20 Foot Container: $3,113.72 40 Foot Container: $3,344.37	5 - 25 days	20% duty on finished goods 1% of FOB administrative 7.5% VAT, 0.5% ECOWAS

(BR Logistics USA Inc, n.d.) (BR Logistics USA Inc, n.d.) (DHL, 2024) (Nigeria Customs Services, n.d.) (Concessionary Logistics Limited, 2024)

Risk for Natural Disaster	Cultural Values and Norms
High risk for flooding • Rising sea levels • Heavy rainfall	Communication styles vary, generally welcoming Prefer personal relationship prior to business • Be polite and conservative, gift giving, do not use left hand

(Britannica, 2025) (The Elephant, 2022)

Target Market

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Demographic

- Age: 35-65 years old
- Gender: Primarily female, but gender inclusive
- Income level: HNW / affluent individuals
- Geographic: Primarily based in the Lagos metropolitan area

Psychographic

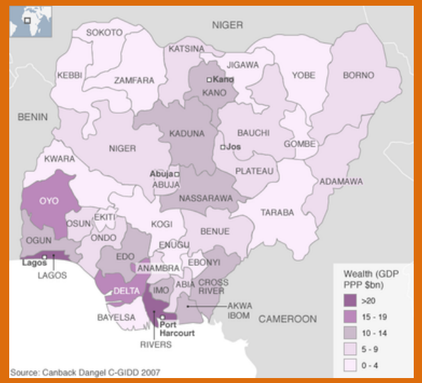
- Values: exclusivity, quality, authenticity
- Personality Traits: status-driven, elitist, detail-oriented, globally minded
- Interests: premium experiences, global culture, social media, art, fashion

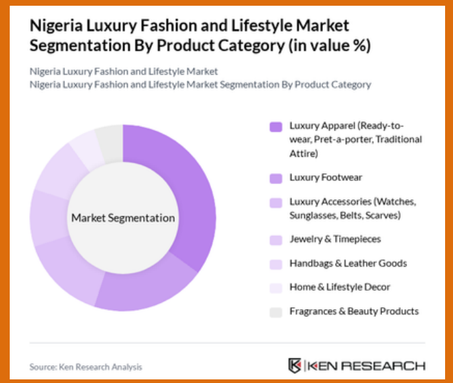
Behavioral

- Habits: Seek luxury items, may travel to obtain items (tourism)
- Spending: Will pay premium prices, disposable income for fashion purchases
- Buying Motivation: Signaling social status or wealth, luxury quality, brand identity

Stats

- Nigerian Luxury Fashion and Lifestyle Market valued at 1.5 billion (Ken Research, n.d.)
- Growth is primarily driven by increasing disposable incomes, an expanding middle and upper class, and a rising interest in luxury brands among Nigerian consumers (Ken Research, n.d.)
- Nigerian millionaires outperformed the worldwide average, with Nigerian millionaire numbers increasing by 44% while worldwide HNWI volumes declined by 0.3%. Nigerian millionaire volumes increased from 10,900 HNWIs in 2007 to 15,700 in 2013 (Ken Research, n.d.)
- Lagos is home to the largest portion of Nigeria's richest people (61% or 9,500 individuals). It is the economic hub of Nigeria, port is the leading facility in West Africa. (Ken Research, n.d.)
- Current metro area population of Lagos in 2025 is 17,156,000, a 3.75% increase from 2024 (Macrotrends, n.d.)
- Lagos state stands as Nigeria's largest economy (5th largest on the African continent) In 2022, its GDP surpassed $100 billion, and its internal revenue in 2021 exceeded N500 billion. (Nairametrics., 2023)





LINE PLAN

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PARIS

$3,650
France
100% Silk

$1,275
Italy
96% Cotton,
4% Elastane

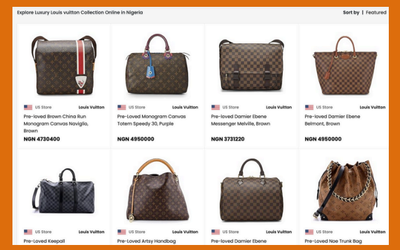
$2,575
France
100% Silk

$880
Italy
100% Cotton

$5,650
France
100% Silk

Competitor Analysis

Brand	HERMÈS PARIS	Dior	GUCCI	LOUIS VUITTON
Fashion Level	Fashion Goods	Fashion Goods	Fashion Goods	Fashion Goods
Price Level	Ultra-luxury	Premium Luxury	Premium Luxury	Premium Luxury
Store Presence (Nigeria)	None, available via luxury multi-brand boutiques	None, available via luxury multi-brand boutiques	None, available via luxury multi-brand boutiques	None, available via luxury multi-brand boutiques



SWOT Analysis

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Strengths	Weaknesses
• Existing demand for luxury • Brand control • Ports	• Rely heavily on business travelers and tourists • Reset expectations

(Investing in Africa, n.d.)
(Ken Research, 2025)

(Statista, 2025)

Opportunities	Threats
• Economic hub • High access compared to rural areas • Expansion into many sectors • Growing wealthy population	• Flooding • Pollution • Rapid growth • Political instablitly

(Internet Geography, n.d.)

(Cool Geography,, n.d.)

Textile Sourcing Plan

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Silk:

- Fibers sourced from a silkworm plantation in Brazil
- Transferred to Lyon, France (Silk manufacturing capital/hub)
- Privately owned manufacturing facility: Holding Textile Hermès
- Located in Pierre-Bénite in the Region of Lyon
- Address: 16 chemin des Mûriers 69310 Pierre-Bénite
- Products manufactured in France (No tariff cost)
- Shipping times: 1 day
- Website link: https://www.holding-textile-hermes.com/en

Cotton & Elastane:

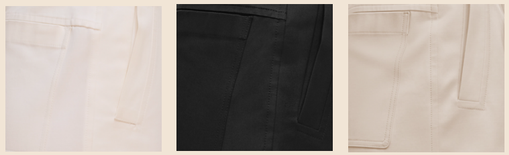
- Fibers sourced from small cotton farmers located across Africa (CMiA)
- Transferred to Italy for production
- Manufacturing Facility: Cotonificio Albini
- Address: Via Dr. Silvio Albini, 1, 24021 Albino BG, Italy
- Estimated Tariff Cost: $0 (both countries are apart of the European Union)
- Shipping times: 3-5 days
- Website Link: https://www.albinigroup.com/

Albini 1876

HOLDING TEXTILE HERMÈS

Fabric 1: 100% Silk

Fabric 2: 96% Cotton 4% Elastane



Fabric 3: 100% Silk

Fabric 4: 100% Cotton

Fabric 5: 100% Silk

Garment Manufacturing Plan

LEMARIÉ

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	Short pants in "Candy Libris Bandana" printed in mottled silk	Shorts in double stretch cotton twill	Tunic in "Palefroi Remix" printed silk scarf	Straight t-shirt in "Palefroi Remix" printed jersey	Draped dress in "Palefroi Remix" printed silk crepe
Factory	Maison Lemarié	Maison Lemarié	Maison Lemarié	Maison Lemarié	Maison Lemarié
Location	Paris, France	Paris, France	Paris, France	Paris, France	Paris, France
Manufacturing Services	CMT	CMT	CMT	CMT	CMT
Estimate Tariffs	20%	20%	20%	20%	20%
Estimate Shipping Time	16 - 17 days	16 - 17 days	16 - 17 days	16 - 17 days	16 - 17 days

(Lemarié) (Fluent Cargo) (Nigeria Trade Portal) Website Link: https://www.lemarie-paris.com/en/la-maison/

Supply Chain Overview

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Fiber

Silkworm Plantations: In Brazil

Textile Manufacturing

Holding Textile Hermès
Location:
Pierre-Bénite, Lyon, France

Cut, Trim, & Sew

Maison Lemarié
Location:
Paris, France

Shipping

Fluent Cargo
Paris, France
to
Lagos, Nigeria

Retail

Hermes
Flagship in
Lagos, Nigeria

Fiber

Cotton fibers from farms in Africa

Textile Manufacturing

Cotonificio Albini
Location: Albino, Italy

Sourcing Calendar

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Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec	Jan
Trend and color	Trend and color	Trend and color											
			Design and sample	Design and sample	Design and sample	Design and sample	Design and sample	Design and sample	Design and sample	Design and sample			
							Buy	Buy	Buy	Buy	Buy		
									Production	Production	Production		
												Logistics	
													Set Floor

Seasonal Sales Goal

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Annual Revenues (12 Months, All Stores): 16,415,000,000
Number of Stores Globally: 293
Annual Revenues / number of stores = avg $$ per store, per year: 56,023,890
avg $$ per store, per year / 2 = 6 month seasonal sales goal for new store (28,011,945)

Month	Percent %	x Seasonal Sales $	= Monthly Sales $
January	8%	$28,011,945	$2,240,955.60
February	13%	$28,011,945	$3,641,552.85
March	25%	$28,011,945	$7,002,986.25
April	20%	$28,011,945	$5,602,389.00
May	18%	$28,011,945	$5,042,150.10
June	16%	$28,011,945	$4,481,911.20

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