
il bollettino

Generali Group Magazine since 1893

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The Place To Be



The Place To Be

‘Do you like Europe?’ is an intriguing and controversial question, as Christian Rocca writes in this issue of *il bollettino*.

To gain perspective, it may be helpful to approach reality from different angles and to focus on the extraordinary phenomena unfolding in the Old Continent, trying to interpret a complex reality by unveiling its distinctive traits. After all, it is undeniable that the freedom of expression, democracy in all its facets and contradictions and the creativity needed to imagine the future, with peace as an unshakeable foundation, all deserve our vigorous ‘LIKE.’ —AK.

The Place To Be

Europe is an extraordinary continent because of its history, its complexity and the opportunities it still offers to its citizens. It is a large social, political and economic workshop that is currently facing some immense challenges. Nevertheless, it will maintain its position of leadership and guidance on any aspect concerned with individual and community well-being.

Some opinion leaders, including ECB President Mario Draghi, believe that the Old Continent is confronted with five key issues whose consequences will be felt over the next ten to twenty years.

Europe's population growth rate is dropping and European citizens are living longer. People mobility across continents will last at least 50 years and may eventually lead to some integration of cultures, traditions, religions and blood. The global economy will see falling demand for traditional manufactured goods that will be replaced by specialized technologies, causing a decrease in manual labor and employment. People will have more free time available, pushing them to seek personal satisfaction through a more complex pursuit of 'well-being' like

travel, tourism, culture and personal care. The financial system will require a profound reorganization, starting from capital mobility to the creation of international currencies.

In light of these issues, the strategic objective of this edition of *il bollettino* is to stimulate an internal exchange and discussion providing a rational overview of today's Europe and of what it will become in ten years.

Europe remains the world's largest market, producing and exporting goods and services with a high added value not only in terms of technology but also of significance.

Such successes will offer solutions able to meet people's new needs emerging from the ongoing changes, with particular attention to distribution channels, online and offline. The fashion industry, featured in several articles in this issue, is an example of a sector that has been able to channel and translate sophisticated elegance codes into mass market products.

Europe's diverse society is Generali's community of reference: observing it and analyzing what is happening around us is our first goal. Those thoughts form the basis of the articles

in our Community First Section. They are followed up in Business & Strategy where we explain how we turn our observations into brand equity. In *We*, Generali we see the effect of those observations on transforming our business model and close in *Twist* with some fun examples of spotting the trend.

Leadership shows itself in capturing and planning new trends, by putting forward a vision, creating new products and services, thanks to the feedback of distributors, agents and staff working on a daily basis with customers. Being ahead of competitors means having a deeper knowledge of our context and paying particular attention to the changes in society and consumers' expectations.

This is an excellent start to a new phase, beginning with the appointment of Generali Italia Country Manager Philippe Donnet as new Group CEO and Group CFO Alberto Minali as General Manager. Both of them are leaders of the highest international quality with a deep understanding of the insurance business and well appreciated by the markets. For all those reasons, Europe is the place to be. It is the place where a company's leadership

must be established if it wants to play a decisive role in the global insurance and finance industries.



by Simone Bemporad
Editor in Chief



Dear all,

Over the past few years at Generali we were able to meet important results during a complex financial turnaround and I am honored to have the opportunity to drive that transformation forward as Group CEO together with Alberto Minali as General Manager.

The Generali Group is strong and focused, solid and competitive. We can count on an incredibly skilled network of agents and distributors and we are devoted to understanding and supporting the communities around us.

Our aim is to be the first choice for insurance solutions and a priority for the management team will be therefore to take our business forward becoming simpler and smarter, more agile in serving customers and generous in rewarding our shareholders.

We are all aware that market conditions are tough: fierce competition, more stringent regulation and ultra-low interest rates all make things even more

complicated than what we expected a year ago. But we do have shown that we have the ability to beat expectations.

These are challenging but exciting times and we will get through those thanks to the competencies, passion and energy of all Generali people who will contribute to our future successes.

Warm regards,
Philippe Donnet
Group CEO

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Community First

Europe is the biggest soft-power project of the post-war era writes Christian Rocca in this section. The third most populous market after Asia and Africa, it is also a wealthy one. In 2015, according to the Global Wealth Databook, it was worth \$75,059 billion. Each adult averaged \$128,506 in wealth meaning one-third of Europe's 741 million citizens are considered middle-class and active contributors to the consumer society.

More than that, within this market are dynamic consumers who create our society and evolve as producers of trends, adds Francesco Morace in his article on x-Change People. Those companies capable of catching these trends early gain the greatest success. Fashion and retail opened the way to a completely different method of observing and analysing consumer trends 20 years ago and has experienced the rewards ever since.

New methods are affecting our buying habits too. In the UK, fashion is now the top retail category searched for on mobile devices with 65% of searches accounted for on smartphones and 57% on tablets. According to Forrester, European consumers will spend \$327 billion per

year on online shopping by end 2016. Digital shopping is one of the areas explored by Stefania Saviolo as she takes us through the fast-changing mix of offerings, production sites and channels that make up today's fashion industry.

A prosperous market full of dynamic consumers and trend makers pioneering new technologies and buying methods certainly make Europe the place to be.

by the Editorial Office

PREFACE The European Union represents a bright alternative to darkness thanks to the freedom of movement, exchanges and expression. Will the doubters and mass migration dismantle it?



EUROPE, THE PLACE TO BE

by Christian Rocca

Europe is a wonderful idea: it is a political union, a sophisticated market, a formidable birthplace of culture. Europe is also the world's largest economy where tradition and innovation meet at unprecedented levels.

And yet, this extraordinary success story has been on the verge of collapse for some years. In the first decade of the 21st century, the European Constitution referendums have brought to light all the possible contrasts among the EU member states, between the Brussels-based institutions and the national governments, and among the leaders of the single countries. 'Do you like Europe?' has now become a thorny question, even though the answer should come easily and naturally. Of course we like Europe. It is the biggest soft power project of the post-War era, a chance to live peacefully, which has adjusted and evolved with time to become the biggest worldwide attraction for individuals and whole countries alike. As the Soviet Union dissolved, the European Union

represented a bright alternative to darkness thanks to the freedom of movement, exchanges and expression it offered, and a well-oiled welfare system that is accessible and sustainable. Desperate people escaping from war and hunger continue to reach our borders crying for liberty; they have no doubts about where they would like to live. The European dream has never been as emphatic as the American one. Still, it exists and it is real, made of legislative harmonization, apparently boring things but also exchanges, sharing, mutual influences.

'Do you like Europe?' has now become a thorny question, even though the answer should come easily and naturally

A French student can study in Germany or the Netherlands, and anyone can drive from Palermo to Tallinn or from Lisbon to Athens without having to go through border checks, using the same currency to fill up their cars.

Nevertheless, some would like to dismantle this Europe. After the Constitution referendums, the financial crisis hit hard,

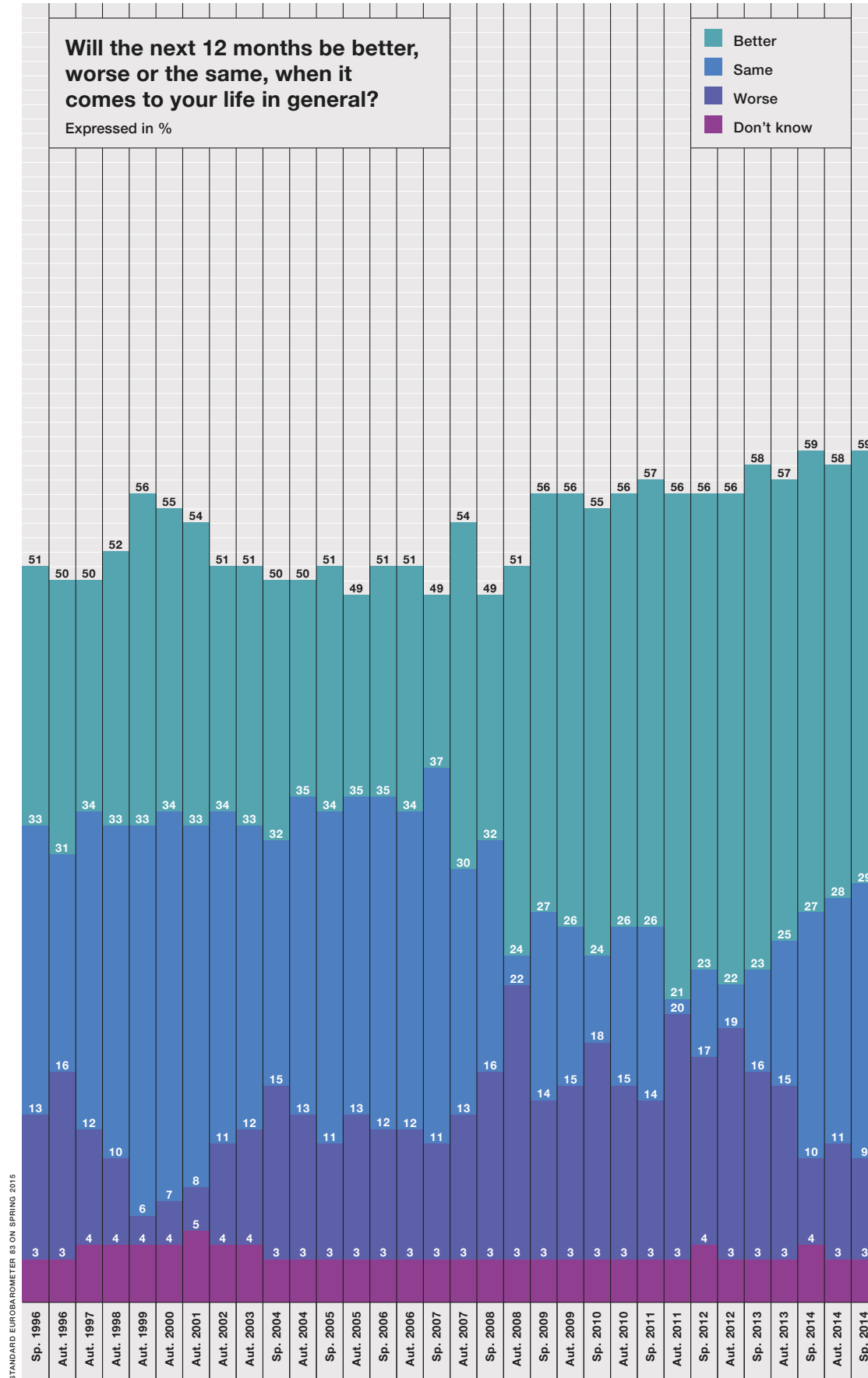
followed by a recession and the gradual hardening of national positions, in the pursuit of a solution that did not exist and was not based on a community spirit. The notorious Brussels troika turned into a European monster, lurking around the continent scoffing about leadership and strategies, while reforms became an enemy to fight with public demonstrations, annoying historical precedents, and feuds rooted in the past but suddenly contemporary. Soon, these centrifugal forces converted into newly born political movements, cradling people's discontent and fueling the anti-reform and anti-austerity philosophy. And the level of political polarization in the European Union has never been so high.

Then comes immigration. As the experts say, Europe can survive anything but the shock of an uncontrolled flow of migrants. Receiving migrants is expensive, and this is why eastern European countries, now followed by Austria, are starting to build walls and barriers. Denmark has introduced a threshold to the funds and personal belongings that migrants can keep, while the rest is used to fund soup kitchens and hostels. Immigration policies also require a level of integration within European societies which, at the moment, appears too distant. German Chancellor Angela Merkel says 'we can do it.' She claims it was crazy to keep Greece in the EU and, later, to leave it alone, isolated and marginalized in managing an unstoppable flow. As for the financial crisis, an EU-wide solution seems unreachable. Meanwhile, we witness the collapse of other founding pillars of the European project,

According to the Standard Eurobarometer 83 carried out in spring 2015, the main findings are as follows:

(1) There has been a slight improvement in how Europeans see their personal situation, the employment situation, and the national and European economic situations (2) They are also more optimistic about the next 12 months (3) Immigration has become a priority concern for the European Union. It has also gained ground among the problems identified at the national level (4) The trust Europeans have in the EU and its institutions has increased.

Standard Eurobarometer 83 was carried out between 16 and 27 May 2015 in 34 countries or territories: the 28 Member States of the European Union (EU), the five candidate countries (the former Yugoslav Republic of Macedonia, Turkey, Montenegro, Serbia and Albania), and the Turkish Cypriot Community in the part of the country not controlled by the government of the Republic of Cyprus.



STANDARD EUROBAROMETER 83 ON SPRING 2015

whose goal was to demolish walls and borders, not create new ones: having to show one's passport within the Schengen Area would be a real shock for many Europeans. And the dream of the Palermo-Tallinn road trip begins to fade.

Finally, there is Great Britain, the most worrying uncertainty of the year. The Cameron administration has scheduled an in-out referendum for June 23, with a very blunt question: leave or remain? The Brussels-based institutions are so upset that they won't even comment on the issue, afraid that any pressure from member states may be counterproductive – which says a lot about the loss of the powers of persuasion suffered by the European bodies. For now, indecision prevails in the United Kingdom, but the government has some months to tell its citizens a happy-ending story. A hard task, according to the skeptical; a possible one, says the optimist.

The British debate, stained by an immovable Euroscepticism, reflects the face of Europe. First come the demographic

issues, as European Central Bank President Mario Draghi has repeatedly stressed: the European population is getting older, resulting in higher health and welfare costs. The demand for manufactured goods is going down, while that of services and the tertiary sector is rising, leading to a substantial imbalance in the medium term and a possible stabilization in a longer

The European project's goal was to demolish walls and borders, not create new ones

timeframe, if we seize the opportunity to transform ourselves. To this regard, the example of Great Britain is emblematic. In the Eighties, Margaret Thatcher closed down the mining sites and boosted investments (through low taxation and growth incentives) in the services sector, which remains the



Christian Rocca

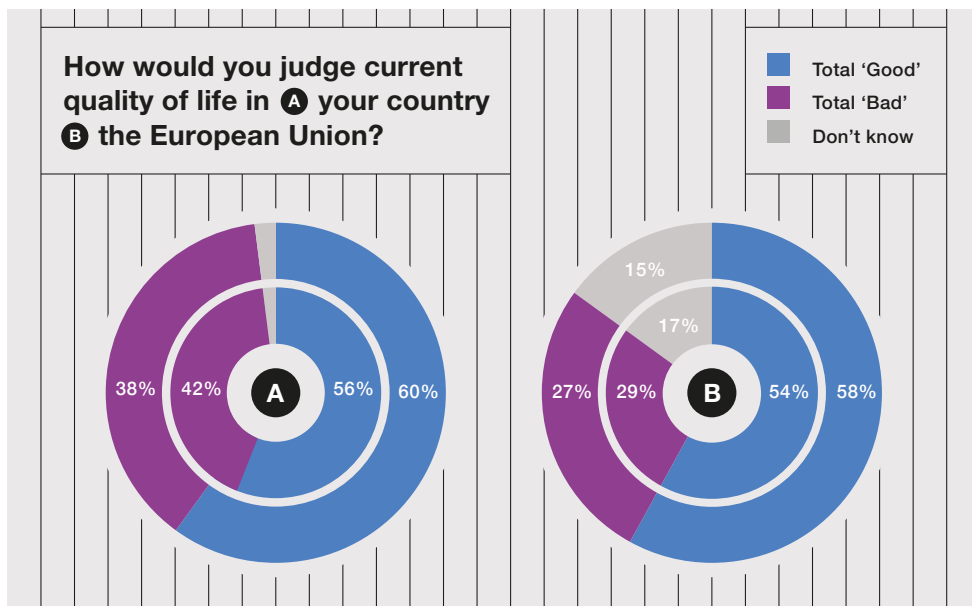
Christian Rocca is the editor of *IL*, the award-winning monthly lifestyle magazine of Italian business newspaper *Sole 24 Ore* renowned in Italy and abroad for its contents and design.

A foreign affairs correspondent and columnist, he has commented on several Italian and international political events for *Sole 24 Ore* since 2010. In the United States, he closely monitored four presidential campaigns, becoming a leading expert of US politics and culture.

As an Italian and foreign politics analyst and expert, he often attends television and radio shows, including international ones.

He is the author of five essays; three on geopolitics, one about the Canadian writer Mordechai Richler, while the most recent one, *Non si può tornare indietro*, is a portrait of Italy's ongoing transformations.

STANDARD EUROBAROMETER #3 ON SPRING 2015



Judgments of the quality of life nationally and in the European Union are improving

A majority of Europeans, increased since spring 2014, rate the standard of living in the European Union as 'good': 58%, +4 percentage points, versus 27%, -2. This remains slightly below the result for the quality of life in the respondents' own countries

STANDARD EUROBAROMETER #3 ON SPRING 2015

pillar of the UK economy. But the problem of unemployment remains and is intensified by two phenomena: the delay with which the job market absorbs the reforms, and the integration of refugees (which, in Great Britain, triggers some unprecedented forms of insular isolationism). Add to that the terrorism threat, and it is evident how all the identity, economic and security emergencies merge into a single, giant crisis.

The fashion industry is an unstoppable power. Tourism is also up. University reports show how the European model is on the rise

Europe also has a beautiful story to tell. The Americans are great masters of storytelling and learned it well before the Europeans; and so they started Politico.eu, a Brussels-based online magazine that soon became established as the best source of information on European affairs, turning them into a sexy business. Also, a deeper awareness of the state of things wouldn't hurt. According to Eurostat figures, unemployment is going down, albeit at a slower rate, along a positive trend which sets the Eurozone average (10.3%) at 2011 levels. Retail commerce is

also starting to grow again with a +2.8% from last year – a positive sign for the food and automotive sectors. The fashion industry is an unstoppable power at the global level. Tourism is also up, especially among non-residents, and university reports have shown how the attractiveness of the European model is on the rise. These data corroborate the beating heart of the European experience: the single market, with the free circulation of people, services, goods and capital within the largest world economy, worth nearly € 15,000 billion in gross domestic product. Opportunities for companies (more markets with different needs, managed in an integrated way) and for consumers (lower prices) allow European citizens to travel, live, work and study wherever they want within the Union. It is not a coincidence that the greatest investments in innovation and integration coming from Brussels were allocated to strengthen the single market. Of course, those organizations that will be able to better grasp the ongoing transformations will be the ones to succeed, and an adjustment plan is needed to seize every new opportunity. The vision, the direction and the governance of the continent are at the core of every respectable debate on the future of Europe, as we need political objectives, leadership skills and the ability to imagine a greater economic and, most of all, cultural integration.

There are multiple projects in progress, but their success is linked to our ability to understand that the main strength of Europe is its diversity, its great widespread culture and the promise of bringing together different contexts to offer a unique alternative to European and non-European citizens alike. And it's not just a matter of money: according to the latest Eurobarometer interviews, 80% of European citizens are satisfied with their lives. In 2008, before the economic and identity crisis, the level of satisfaction was at 76%, which means that, in spite of the constant worries and fears of rupture, living in Europe is great. As Eurostat reports, a correlation exists between happiness and well-being; however, depending the country and the areas of reference, happiness has to do with being young (and having a family: nobody likes to be alone in our continent) as much as with getting old: the Germans, for instance, are happier when they turn 75 and they would never go back to their thirties. This shows that what Europe has to offer – the European 'promise' – has the potential to adapt to the different contexts and to change alongside its citizens, according to the inputs of their governments, surviving any crisis and remodeling a new prospect for the future. Europe is a great continent, an economic driving force and a political leader. It just needs to be reminded about it.

STANDARD EUROBAROMETER #3 ON SPRING 2015



Francesco Morace

Sociologist and writer, Francesco Morace has been working for over 30 years in the sociological and market research field and is the President of Future Concept Lab, a research and strategic consultancy institute with extensive activities in Europe, USA, Asia and South America.

Strategic consultant for companies and institutions on an international level, he has since 1981 held conferences, courses and seminars in 20 countries worldwide.

A Professor of Social Innovation at Politecnico di Milano and of Culture & Lifestyle at the faculty of Sociology of the University of Trento, he is the author of over 20 books including the recent *Italian Factor. Come moltiplicare il valore di un Paese* (2014) and *Crescita Felice. Percorsi di futuro civile* (2015), both published by Egea, whose themes are discussed within 'Il Consum-autore' each Sunday on the Radio24 show 'Essere e Avere,' hosted by Marialuisa Pezzali.

He is also a regular columnist on the subject of trends for *Adv*, *Dove*, *Interni*, *Mark Up*, *Millionaire*, *You*, *Style* and other specialized international magazines and journals.

The Challenge of X-Change People

by Francesco Morace

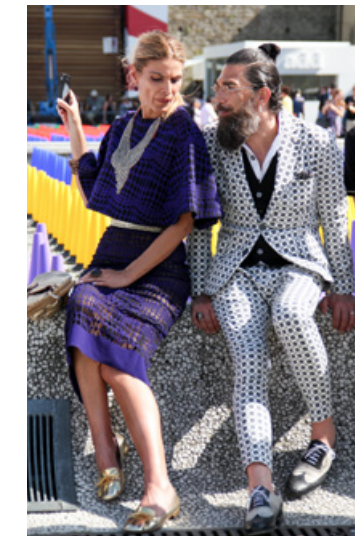
PREFACE Trends are those phenomena that provide new elements in a society and its variables regardless of how rapidly they evolve. They are social facts.

To understand and interpret people's behavior, one needs to observe and analyze the real life of individuals. They are no longer little parts of a homogeneous mass, nor are they a patchwork of segments organized by categories (such as age, class, etc.). Rather, the people we observe are multiple and dynamic subjects, who do not just consume but also create our society. They do not just absorb the message of a medium; they claim to be the medium themselves. They are x-Change People. Analyzing fashion and retail trends has demonstrated that consumers regard themselves as the protagonist of the market. As consumers 'evolve' into the role of producers of trends – becoming 'Consum-Authors'–, the new priority is to define techniques and instruments that support advanced research in terms of methods integration while responding effectively to clients' customer centricity strategies. The challenge of *coolhunting*, or the spotting of trends, needs to be placed within this dynamic evolution as regards both quality and credibility of research. Big data,

normally employed to provide hypotheses about the consumer brand experience (both *pain points* as well as *delights*) to be tested through qualitative research, will be increasingly used as a factual support to a social analysis of the world, enriched with previously made scientifically-weighted observations. Numeric data will be useful to weight the relevance of an experience that can be an act of consumption, a behavior, a feeling, and anything that comes from

People are multiple and dynamic subjects who do not just consume but create our society and are the medium themselves

'below,' constituted by the sum of many single individuals who share a preference, or who make a choice. Data will no longer be a measurement of market segments, but will give voice to groups of 'unclassifiable'



The Consum-Authors, people as producers of change, recording and broadcasting fragments of their lives

Fashion and accessories that feature new playful and regenerating forms of experience; Florence

Connectivity and access to information and knowledge, everywhere and for everyone; Berlin

people, whose actions are driven by the relationships with their inner selves, with their bodies and their personal energies. From this perspective, the 'Street Signals' methodology applied to fashion and retail trends acquires a strategic role.

Trends as Social Facts

Trends are those phenomena that provide new elements in a society and its variables, regardless of how rapidly they evolve. As the father of empirical sociology Emile Durkheim claimed, they are 'social facts.' For example, the centrality of the family in Italy is not a trend because it is a solid and highly structured phenomenon. Gay relationships and their legitimacy can be considered as trends because of the fairly recent, unstructured and still ongoing evolutionary process that they represent. Trends exist and find expression at different degrees of innovation and popularity. Only ten years ago, light food was a trend that developed in specific parts of the population and then spread throughout different levels of society.

Few foresaw, however, the emergence of the opposite phenomenon: that of indulgent food, capable of combining palate pleasure with a health promise. The very existence of trends implies the individualization of a path. An increasing number of business people have become aware of the relevance of studying trends in this integrated way. It offers a whole new perspective for product and service innovation and for rethinking their brand communication strategies. Indeed,

An increasing number of business people have become aware of the relevance of studying trends in an integrated way

their deep understanding offers proprietary insights for designing new and differentiated experiences and customized solutions.

It goes without saying that new trends are not explicit, as they still have to be identified.

Over time, new trends' breeding grounds appear across different cultures, targets, social networks and theatres of consumption, like the street as the expression of advanced distribution. People who work with trends deal with the task of 'sensing' the trend, capturing what really matters and inserting it within an interpretative structure that will then be applied to the world of strategic marketing. The instruments employed by the most advanced companies are part of a multi-methodological approach and therefore include: ethnography, which studies real-life phenomena directly from fieldwork; participant observation within the contexts of consumption where the trend setters operate; qualitative and quantitative methods to check the relationship between a product/brand and its targets; and desk analysis primarily used to conduct communication analysis through a semiotic approach.

Fashion, retail and street life

Fashion, retail and street life have been gradually converging towards a fusion.



Democratic and compact solutions for the city that allow people to reinvent their urban paths

A new awareness of urban mobility involving people in a playful way

Low-impact mobility alternatives facilitating family activities in Amsterdam



New eating behaviors inspiring consumers towards greater freedom; Berlin

Informality and socialization thanks to 'on-the-go' proposals; Berlin

Consumers participating in the game of creativity applied to fashion products

The urban territory becomes a scene for aesthetic stimulation; Milan



Fashion statements for experimentation and expression; Milan

Convivial moments and pleasant everyday rituals for seniors; Seoul

Catwalks and people's personalization of their look finally merge, as do the projects designed by famous stylists and the single ordinary person's creativity, that now mix different epochs and aesthetic codes. This convergence is so intense that tracing back the evolution of fashion styles becomes hard work. In the past few years, the media have dedicated much attention to those professionals who are capable of spotting new street fashion-related phenomena. Described as 'cool hunters', 'trend spotters' and 'trend setters' their job titles are often used synonymously but, in fact, mean different things. Legitimizing these disciplines are new courses and learning experiences in universities and ad-hoc master's courses related to the work of catching the trend. The goal of market research has therefore moved from controlling and monitoring different types of consumers, to exploring and revealing these synergies, suggesting and implementing people's own experience.

When reflecting upon the world of market research and its methodological

challenges, it is important to propose innovative research paths, rather than striving to identify new models. This is also the view followed in the attempt to transform fashion trends into new paths that have given life to social and consumption trends. While qualitative and quantitative research techniques are now consolidated and remain an important ground for research and development, in the last few years we have witnessed

In the past few years, the media have dedicated much attention to those professionals capable of spotting new street fashion-related phenomena

the emergence of more experimental methodologies that are close to the world of anthropology and ethnography. The contribution of these disciplines applied

to data-mining techniques (big data) has allowed researchers to draw from a wide range of material, testing and combining empirical data with observatory research. Even though this multi-disciplinary platform has contributed to a more fertile ground for social-cultural investigations, its use needs to be balanced to avoid confusion and chaos that are not always creative.

Being able to motivate – besides choosing – a certain research technique is therefore compelling, if not necessary. The design of a methodology should prioritize the accuracy and the completeness of results, rather than being anchored to habits or following the latest fashion trend in the world of research. *Coolhunting*, for example, risks belonging to one of the many appealing and fashionable research tools unless it is placed within a wider methodological framework that implies the researcher's critical data re-interpretation. Future Concept Lab, for example, was one of the first institutes in the world to launch *coolhunting* in 1992, and believes in its potential as long as this method

Open-air and wellbeing occasions to share with the community. International Yoga Day; Brussels 2014



PHOTO: PACIFIC PRESS / GETTY IMAGES



Plein-air occasions and city discovery; Paris

Playfulness and easy-going attitudes for people of all ages; London

Colorfulness and fun accessories to enjoy and share with friends; London



In search of quality life occasions that go beyond the private environment and reach the urban reality; Turin

Taking a break and enjoying a leisurely moment in the urban territory; Barcelona

Time investment and expertise for consumption choices; San Francisco



The needs of the new families give birth to solutions that enhance the experience both in the private and public; New York

The new seniors in the center of cultural life and consumption; Paris

Embracing new proposals and the unexpected interpretation of the public environments; San Paulo

is integrated with other systematic and consistent sets of parallel research and interpretation activities. In this way it is possible to seriously practice *coolhunting* and achieve extraordinary results, providing the sociological basis to credibly support marketing strategies and the work of creative people.

Permanent observatories and ad-hoc research

We need to start by reading social change and people's consumption behavior by combining base research, characterized by a medium-long term perspective, with ad-hoc research that by its nature, either qualitative or quantitative, responds to tighter schedules and a more precise focus. Base research is a source of inspiration on which to brainstorm, deepen and develop new ideas and, as a result, on which to confirm or reject theoretical hypotheses built on the observation of a socio-cultural context.

The results of the observation satisfy the following needs: **(1)** To clarify

and prioritize the research objectives, guiding the Company in its first strategic hypothesis; **(2)** To support ad-hoc research in all its steps, in the definition of its goals and its questions, and in the interpretation of its results within a wider sociological scenario.

In this respect, cool hunters and fashion trends become crucial to the final result. This is why we believe that research is a practice that, given the reliability of its methods and interpretation, primarily invests in the observation and analysis of the contexts within which people act. In this way, we will be able to affix the consultancy provided by the researcher with the ever-changeable behavior of those who buy, consume or simply live in relation to the social productive market and its global culture. Doing integrated research is much more than simply applying qualitative and quantitative methods to a project. The term integration implies the evaluation of what contexts we want to observe, answering the questions: 'What stories do we want to collect (in order to design

the sample)? What life and consumption occasions do we want to observe?'

By doing so, we break the rigid barriers of the often competing qualitative versus quantitative worlds, thinking critically across the single research methods, which will have to deal with their numeric and qualitative aspects more flexibly. For example, doing a focus group makes sense only if we have clearly in mind what kind of 'story' we want to be told. Similarly, quantitative research acquires a role that goes beyond the validity of a numeric sample and the formulation of a questionnaire. Quantitative research also allows the definition of structured occasions that can easily be analyzed and reinterpreted by other research methods. For example, it is too generic to interview 300 consumers of beer or soft drinks independently of the contexts where these products are consumed (e.g. eating, reading the newspaper first thing in the morning, when the weather is hot, etc.). In conclusion, we must note that, starting 20 years ago, fashion and retail opened the way to a completely different method to observe, listen and analyze the consumer trends.



Visitors check out an interactive display screen showing the online product ranges, including the Gucci brand, for the luxury fashion retailer Aizel.ru at a news conference in Moscow, Russia, on Thursday, May 28, 2015. Aizel sells brands including Gucci, Stella McCartney, Christian Louboutin, and Agent Provocateur online and has an offline store in central Moscow

PREFACE

What do you get when you combine physical and digital channels? In the fashion world the result is a 'phigital' business model and success.

The 'Must Have' in the Booming Fashion Industry

by Stefania Saviolo

The fashion industry is global, complex and multifaceted, characterized by fast-changing products and an extremely varied offering, implemented through multiple production sites and distributed via a mix of channels. Fashion business models are remarkably different: from luxury brands (Louis Vuitton, Dior), with value propositions based on exclusiveness and longevity, through designer brands (Giorgio Armani, Prada), characterized by designers' creativity and a profoundly diverse offering in terms of product categories and price

Business models focusing on indirect channels have evolved to models that foresee a gradual integration of the retail channel

segments, to vertical retailers (Zara, H&M), that offer seasonal trends to a mixed client base at accessible prices. Furthermore, we have recently witnessed the rise of fashion e-tailers, such as the Yoox Net-a-Porter Group, Farfetch and ASOS, as well as of *phigital* business models integrating

physical and digital channels, such as the Italian Luisaviaroma or the US-based department store Nieman Marcus.

Fashion: a multi-channel phenomenon

Multi-channel distribution is now a distinctive feature of fashion and luxury houses, which have evolved from business models focusing on indirect channels (with sales taking place at department stores and multi-brand boutiques) to models that foresee a gradual integration of the retail channel (with sales at directly managed single-brand boutiques or franchisees). In particular, the retail-driven transformation has allowed fashion houses to collect relevant information on their end clients and sell-out dates, while monitoring their brand image through the direct management of in-store communication activities.

New channels have recently joined the traditional retail and wholesale ones to create a gradual multi-channel approach. Among these are the travel retail channel, which operates through duty free commercial spaces in airports or cities; fashion outlets with increasingly appealing value propositions targeting clients looking for value for money; and most of all, the

online channel, selling through a company's website or multi-brand platforms (like the previously mentioned Yoox Net-a-Porter or ASOS). In fact, investments in broadband technology, 4G connectivity and wi-fi hotspots have contributed to opening electronic commerce to mobile devices and to further segmenting the distribution process.

Fashion and digital transformation

Digital transformation is having a significant impact on the fashion business not only in terms of sales but, more generally, on the whole shopping experience for the end client, who uses digital channels to obtain information and/or purchase an expanding range of items. Digital technologies have also spurred the increase in the number of touch points between a company and its clients; and so the traditional word-of-mouth from friends and relatives is now joined by the prominence of the so-called influencers through social media: think bloggers, but also vertical communities, i.e. online platforms that create involvement among consumers interested in very specific themes and promote the exchange of opinions. Company's websites, too,

contain more information than traditional sources. The purchasing process may then be finalized through webrooming (evaluating products online and purchasing in store) and showrooming (evaluating products in store, purchasing online). The line separating these two processes is getting thinner and the different purchasing options are becoming increasingly intertwined, towards a gradual integration of physical and digital channels.

An increasing number of consumers prefer using their smartphones instore to obtain information, rather than asking the sales staff

For a long time, fashion companies have neglected the digital channel both as a sales and a communication tool, seeing it only as a platform for discounted or counterfeit products, but the situation is evolving fast. According to a recent study by McKinsey-Alttagamma,¹ global digital sales in the luxury sector should jump from 6% to 18% in 2025, reaching

€70 billion. One of the driving factors of digital growth is its greater margins, thanks to lower fixed costs for rent, furniture and personnel, but also the fact that technologies have now become a consolidated reality and companies can receive support from numerous specialized partners in managing the channel efficiently, hence cutting expenses and timescales. The recent widespread dissemination of smartphones and free wi-fi access in commercial premises has accelerated the fusion between real and virtual across all market segments. An increasing number of consumers prefer using their smartphones instore to obtain information, rather than asking the sales staff. Company apps allow users to take pictures of clothes' barcodes in store and gain access to detailed information on products and collections. Some shops hand out tablets with free wi-fi to browse freely instore, looking for models, sizes and prices – in this sense, Burberry was a pioneer. Together with the dissemination of websites, online sales platforms and apps, fashion companies are starting to embed QR (Quick Response) codes in their advertising campaigns to divert customers to their websites and

encourage impulse purchases, also online. It is also essential to consider the impact of digital channels on in-store sales: according to McKinsey, today about 68% of sales made instore is influenced by information obtained digitally. For a retailer like Zara, for example, the company website is not just a sales platform, but also a way to communicate and advertise a product – which is particularly interesting for a company that does not do traditional advertising. Indeed, the most visited pages are those showing well-known fashion bloggers wearing Zara clothes in their daily lives.

From multi-channel to omni-channel

In the future, the integration between physical and digital channels will gain increasing strategic importance for fashion and luxury brands. While the multi-channel approach entailed a simple juxtaposition of new channels with traditional ones, the omni-channel approach aims to integrate physical and digital channels to provide a seamless experience. At a time when the business model of several fashion and



PHOTO: BLOOMBERG / GETTY IMAGES

luxury brands has evolved towards retail, the productivity of physical stores has become a critical issue in a slow market, where the end client is already omni-channel. Since the increase of sales per square meter is linked to traffic and conversion rates, the latter can be easily boosted through the integration of channels. For instance, when an item is out of stock, the client has the chance to order it directly online from the shop and to have it delivered at home. Ordering items online and picking them up in stores paves the way to cross-selling opportunities, as does ordering online and returning or changing the item in store, as both strategies lead to a more productive use of space.

At present, the companies with the stronger chances of benefiting from the omni-channel approach are those fashion houses or retailers that have been operating both in the digital and direct retail channels for several years, such as US department stores (like Neiman Markus, which started its e-commerce activities in 1999 and currently has 41 points of sale in the US, and Bergdorf Goodman), or top brands like Burberry and Louis Vuitton, followed by e-tailers like Yoox Net-a-Porter.

Providing customers with a truly cross-channel shopping experience (click&collect, digital promotion out-store and in-store, gamification, etc.), completely integrated with the retailer's commercial and marketing policies, is not easy and requires a rethinking of the whole company organization. In particular, fashion businesses will need to guarantee that product ranges, prices and promotions are

The line separating physical and digital channels is getting thinner and becoming increasingly integrated

fully aligned, allow sales staff access to the online stock, use in-store technologies to support the customer journey, and adopt advanced CRM systems able to recognize loyal customers regardless of the shopping channel. Only by combining all these elements can companies ensure a seamless shopping experience between physical and online channels for their clients.

An employee, right, explains the function of a tablet computer to a customers in a changing booth at a Zara fashion store, operated by Inditex SA, in San Sebastian, Spain, 2015



Stefania Saviolo

Stefania Saviolo is Professor of Management at SDA Bocconi and Bocconi University where she graduated in 1989 and obtained her Ph.D. In 2001, at SDA, she founded and directed the Master's course in Fashion, Experience & Design Management. In 2013 she was appointed Director of the Luxury & Fashion Knowledge Center at SDA Bocconi. She provides consultancy services in the fields of brand management, retail and internationalization strategies to fashion and luxury firms. She sits on the boards of directors of TXT e-solutions and Natuzzi Group. Her published works include *Managing creativity and the creative process for symbol-intensive brands* (EGEA, 2016) and *Lifestyle brands. A guide to aspirational marketing*, co-authored with A. Marazza (Palgrave Macmillan, 2013).

We, Generali

Successful companies, says Harvard Business School professor Rosabeth Moss Kanter, develop ‘a culture that just keeps moving all the time.’ For Generali that means not only focusing on devising the best strategic and tactical plans, but also engaging and empowering our people to deliver those plans.

Heightened global competition has meant concentrating Generali’s collective mind to meet the challenge of change coming from many directions. We are all aware of the megatrends such as climate change, population patterns, and mass migration. They form one basis for our thinking. But there are also the technological disruptors.

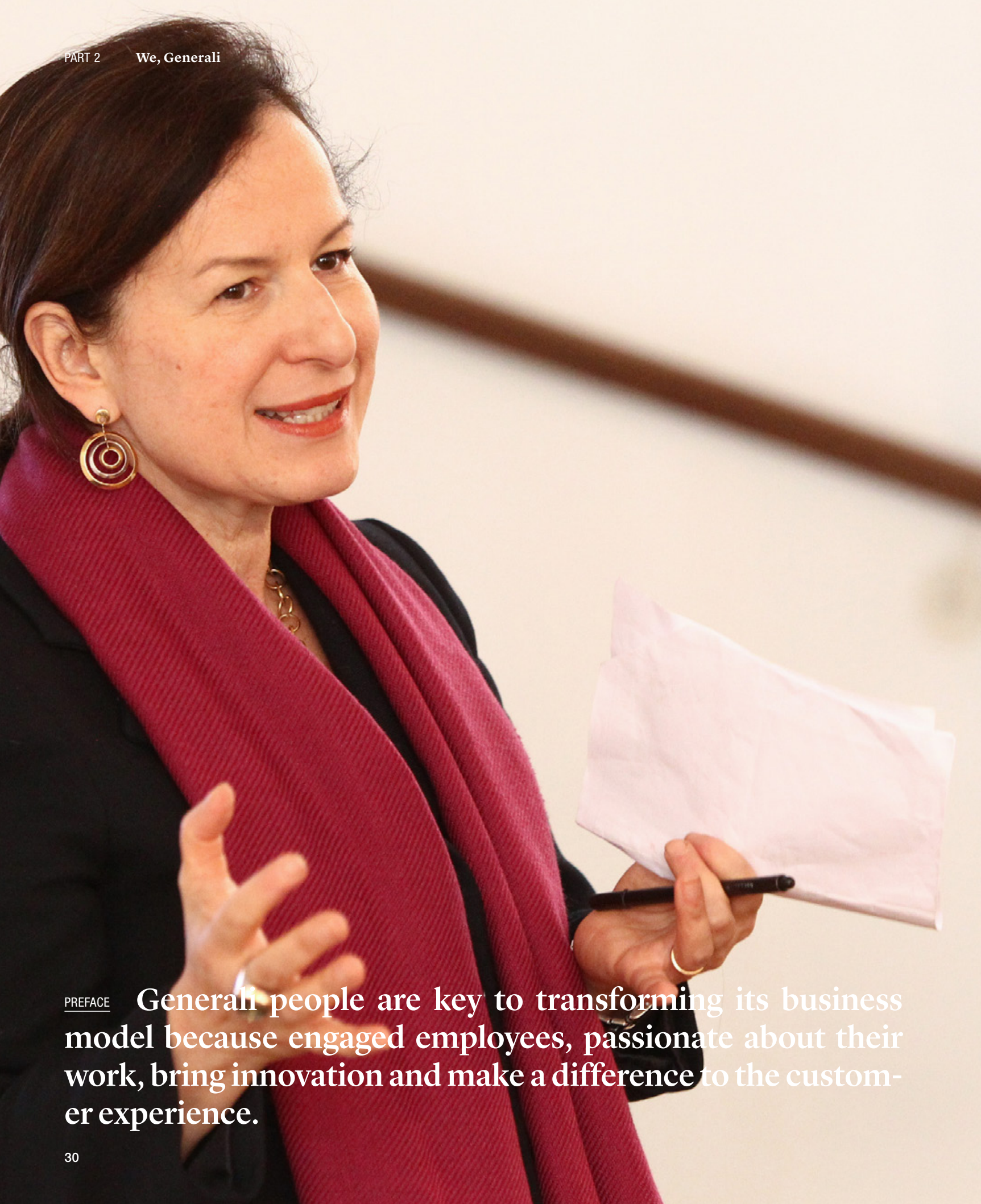
In their book *The Second Machine Age*, Erik Brynjolfsson and Andrew McAfee, talk about coming disruptions. It’s not just about ATMs replacing bank tellers or transcription software replacing stenographers. It’s drones replacing delivery people, self-driving vehicles replacing truckers, and robo-advisors replacing stockbrokers. Each change brings with it a challenge to the insurance industry since new technologies are not only powerful, they also create entirely new economic ecosystems and inspire further innovation.

In the face of such challenges Google CEO Larry Page says business leaders need to maintain a 20-year vision instead of a four-year vision.

However plans themselves do not capture value; rewards come only when change occurs at the level of the individual employees. They are the people who can best identify problems and craft solutions.

How we do that and how that harmonises with our aim of being Europe’s leading insurance group will be the subject of the *il bollettino* section that follows.

by the Editorial Office



PREFACE Generali people are key to transforming its business model because engaged employees, passionate about their work, bring innovation and make a difference to the customer experience.

Our People Engaged & Empowered — Key to our Transformation

— Interview with Monica Possa

by Sarah Brady

Generali has set its sights on becoming the retail insurance leader in Europe.

This, in an industry facing significant challenges, increasingly demanding customers, and potential competitive threats from internet and technology behemoths such as Google. Traditional enterprises watch with some trepidation how ‘disruptors’ revolutionize whole industries. Uber is the largest taxi company in the world, and yet owns no taxis. Airbnb is the largest hotelier, but owns not a single room. Car manufacturers hold their breath to see what the Google Car could do to their business.

It’s no surprise then that Generali talks about transforming its business model, to prepare for a new world order. Its people are key to this transformation and this is why the new Generali People Strategy was developed. In an interview published in this section, Monica Possa presents this new People Strategy explaining the four priorities that drive it.

She passionately believes that the ‘customer must be at the very centre of everything we do,’ and that a fundamental way to embed this thinking is by engaging and empowering our people. Others would agree.

Organisations like Nike and AT&T ardently pursue a culture of engagement and empowerment. Initiatives such as Nike’s Speak Up! is a simple and powerful platform that features employees’ inspiring stories, passions and ideas. ‘We believe that a talented, diverse and inclusive employee base helps drive creativity, and fuel innovation.’¹

AT&T has set up a digital infrastructure so that employee suggestions can be logged online. A dedicated team picks out the ones worth further investigation and hands on to a leader or expert who is obligated to respond. Progress is tracked electronically for all to see.

Front line employees know intimately which aspects of the

¹ www.nikeresponsibility.com

business annoy or delight customers. Companies that regularly earn high employee engagement scores tap that knowledge by asking employees how the company can earn more of their customers' business, according to a survey by Bain & Co. They listen hard to the answers, take action, and let their employees know about it.

In a continuation of the same theme, our second article reports the results and subsequent actions of Generali's first [Global Engagement Survey](#), conducted in June 2015. Participation was high across the Company, and the feedback received from employees provided valuable inputs to shape and fine tune the new People Strategy. Generali is committed to making improvements; recognizing that engaged employees, passionate about their work, bring innovation and make a difference to the customer experience. This is key to the Company's transformation.

Q1—Monica Possa, thank you for talking to us. With more than 70,000 employees Generali is a huge organization, which, despite its size, already seems to run smoothly. Explain to us why Generali needs a People Strategy?

In a market that is changing, we face many new challenges and we want to be prepared.

Customers should be the heart and soul of everything we do. Our people are the ones that serve the needs of our customers, their engagement and empowerment can make the difference in customer satisfaction that is at the base of our business success. This is why 'Our people engaged and empowered' has been identified as a key enabler of Generali Business Strategy.

Q2—What is the Generali People Strategy and which are its priorities?

As part of the overall business strategy, Generali People Strategy provides direction, and details how we will make the transformation to a simpler, smarter Generali; an organization which will grow and stay one step ahead. It is a strategy which will help us to attract, develop and retain our most valuable asset: our people. It documents the expectations placed on the organization and also serves to create an environment which is inclusive, open and pioneering; a place where we can unleash our potential and make an impact. The People Strategy is driven by four priorities:

- › Promote Engagement & Empowerment;
- › Strengthen our Leadership & Talents;
- › Build an Agile Organization & New Capabilities;

› Shift mindset towards Customer Centricity.

Q3—What are the key initiatives?

The four priorities of our People Strategy focus on critical areas for our business success. Each of them is brought to life by a range of global initiatives that will allow us to embrace a new way of working and thinking. Let me give you some examples of these initiatives:

- › By end of 2018, performance feedback will be provided to every Generali employee. A performance management culture is a fundamental enabler of empowerment; it accelerates individual development and ensures alignment with the Company's goals.
- › We want to support our business objectives by facilitating an internal exchange of key talents and expertise, defining common Group directions for International Mobility opportunities.
- › We are developing principles and guidelines for Smart-working, a new approach to working that liberates us from traditional constraints and mindsets.
- › We want our employees to experience the best of Generali's culture from the moment they join. We are developing a new onboarding

approach, incorporating a client / agency experience for all new hires across the Group.

In addition to global initiatives, local HR plans have been aligned to the four People Strategy priorities. As a result more than 480 local people initiatives have been defined to deliver upon our aspirations by the end of 2018. Many of them have already been launched and are currently being implemented.

Q4—In real terms, what does it mean for our people? How will it impact across the organization?

We are challenging the status quo and look for a simpler, smarter way of working. One that is lean, fast and agile. Through improved connectivity and flexibility, we can achieve more with less. From the Global Engagement Survey we received clear feedback that people need empowerment. This is great news, as we really want everyone to be active players in our transformation. We are creating an inclusive and open environment where every one of us can be brave, contribute and make a difference through our work. For the people of Generali this means a new working style and discipline, based on trust and autonomy, strong ownership,

personal accountability and a willingness to go the extra mile.

Q5—What is the role of the Company management and its leaders? How will they implement the strategy?

Transformation requires a change in mindset and strong leadership. We therefore ask our leaders and managers to accelerate this change as role models, inspiring our people and unlocking potential through empowerment. By engaging and empowering our people, we feel sure that we can achieve a more motivated, energized workplace, where everyone can contribute to a collective success.

All this requires a leadership that is founded on a culture of feedback, active listening and collaboration in decision-making. It means cultivating an environment where people can feel safe, speak their minds and share opinions and ideas.

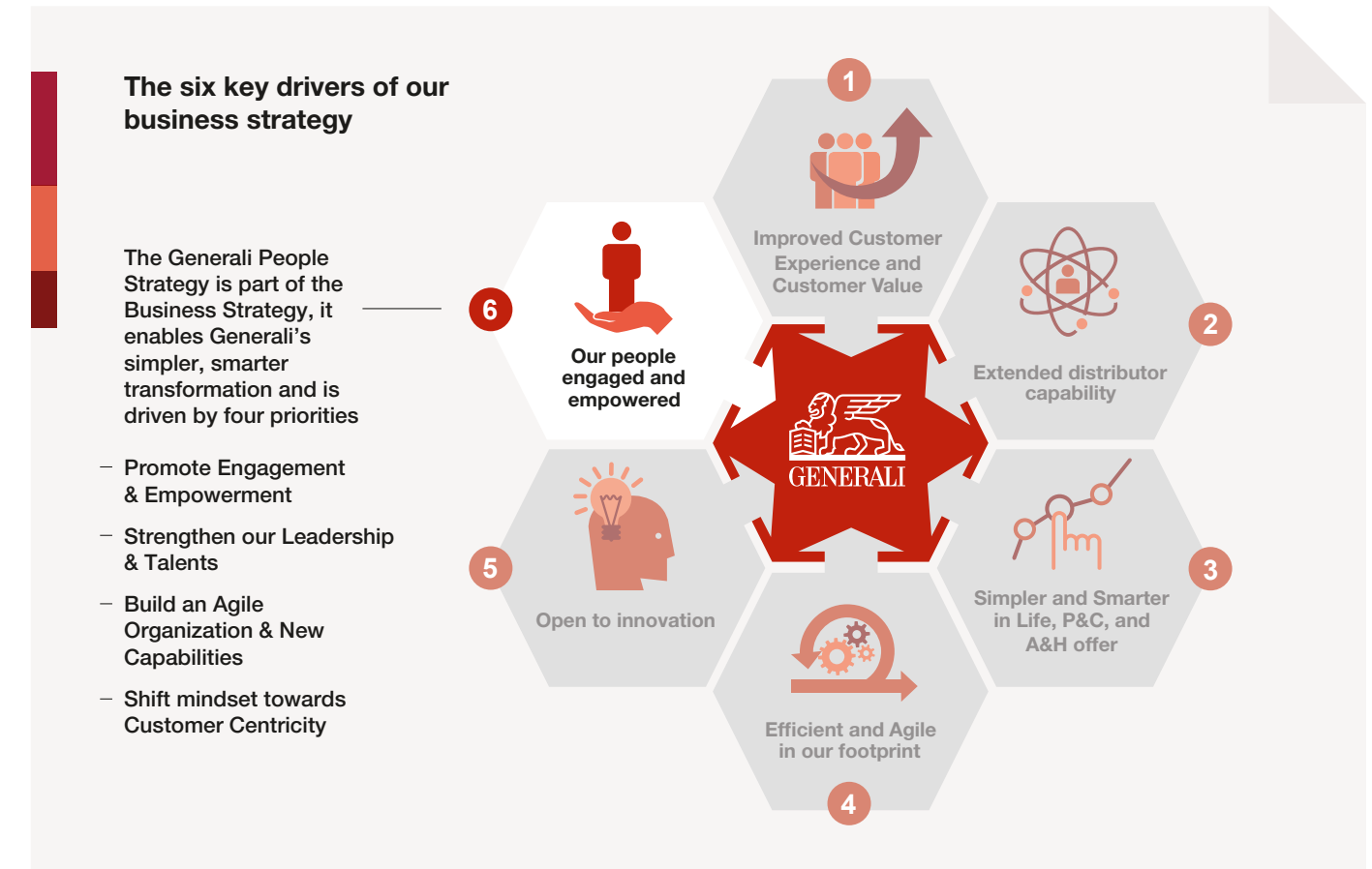
Q6—How does an insurance company compete with other sectors to become an employer of choice?

The insurance industry is undergoing profound changes. Our customers are no longer satisfied with a 'one-size-fits-all' approach; they now look for

tailored products and services. They expect clear information, flexibility and a human touch. That's why, in everything we do, we need to put the customer at the very center of what we do — listening to them, understanding what keeps them awake at night, and providing intelligent solutions. We are no longer competing exclusively within the insurance industry — innovation can come from any player, anywhere. Overall, our aim is to become an employer of choice. Our industry needs to show that we are leading edge, innovative and customer-focused.

Q7—To win in the market, organizations need to have the best people.

Having a competitive edge within the boundaries of a specific industry is no longer sufficient. We accept that reality and are preparing ourselves to be competitive inside, and across, sectors. For that reason, we look for people who can bring new perspectives and a diversity of thought; who bring innovation to life. We want people who are able to build unexpected, surprising solutions that delight our customers and challenge us to grow our internal skillsets.



Q8—What is the biggest challenge in establishing new working practices in the insurance sector?

We are a traditional industry, and have for centuries remained safe in the knowledge that our products and services were aligned with a traditional set of customer expectations. However, we are now experiencing changes which are part of a bigger trend, driving massive disruption across all industries, especially in the financial sector. The consumer revolution is being fueled by social

media and its core concept of empowerment.

Empowered consumers expect to deal with empowered service providers, who can anticipate and satisfy their increasingly demanding needs. For this reason, we seek empowerment and engagement. Without it, we risk missing opportunities. With it, we can fulfil our greatest potential. Our goal is not just to keep pace with change, but as a market leader, to set the change. Our heritage demands it. Our customers want it. We, Generali people want it.

Generali Global Engagement Survey: From Results to Actions

by Karin Arzt and Francesca Barbieri

PREFACE Through an 85% response rate the Global Engagement Survey gave a great opportunity to listen to the voice of Generali people and design simple and smart actions to effectively target the topics that matter to them.

The Global Engagement Survey, launched in June 2015, was the start of a journey to make Generali an even better place to work – a great opportunity to listen to the voice of our people and empower them to express their opinions in an honest and transparent way.

Participation was outstanding. Our people's contribution translated into an 85% response rate that is well above the market average.

Among all collected feedback, the many positive and constructive comments proved the willingness of our people to actively participate in the transformation journey towards a simpler, smarter Generali. When looking at Group results there is clear evidence that we, as a community of over 70,000 colleagues around the globe, are united and focused, optimistic about the future transformation path, and share a strong pride, sense of belonging and collaborative spirit.

Besides showing us where we are strong, the survey has been fundamental in identifying where we need to make improvements. That is actually what makes an engagement survey so important.

Three main opportunities for improvement emerged at the global level:

Build a customer oriented and meritocratic performance culture
→ We want to be recognized for a job well done, based on clear performance evaluations. We aspire to a culture based on merit where great performance and customer orientation is encouraged and celebrated.

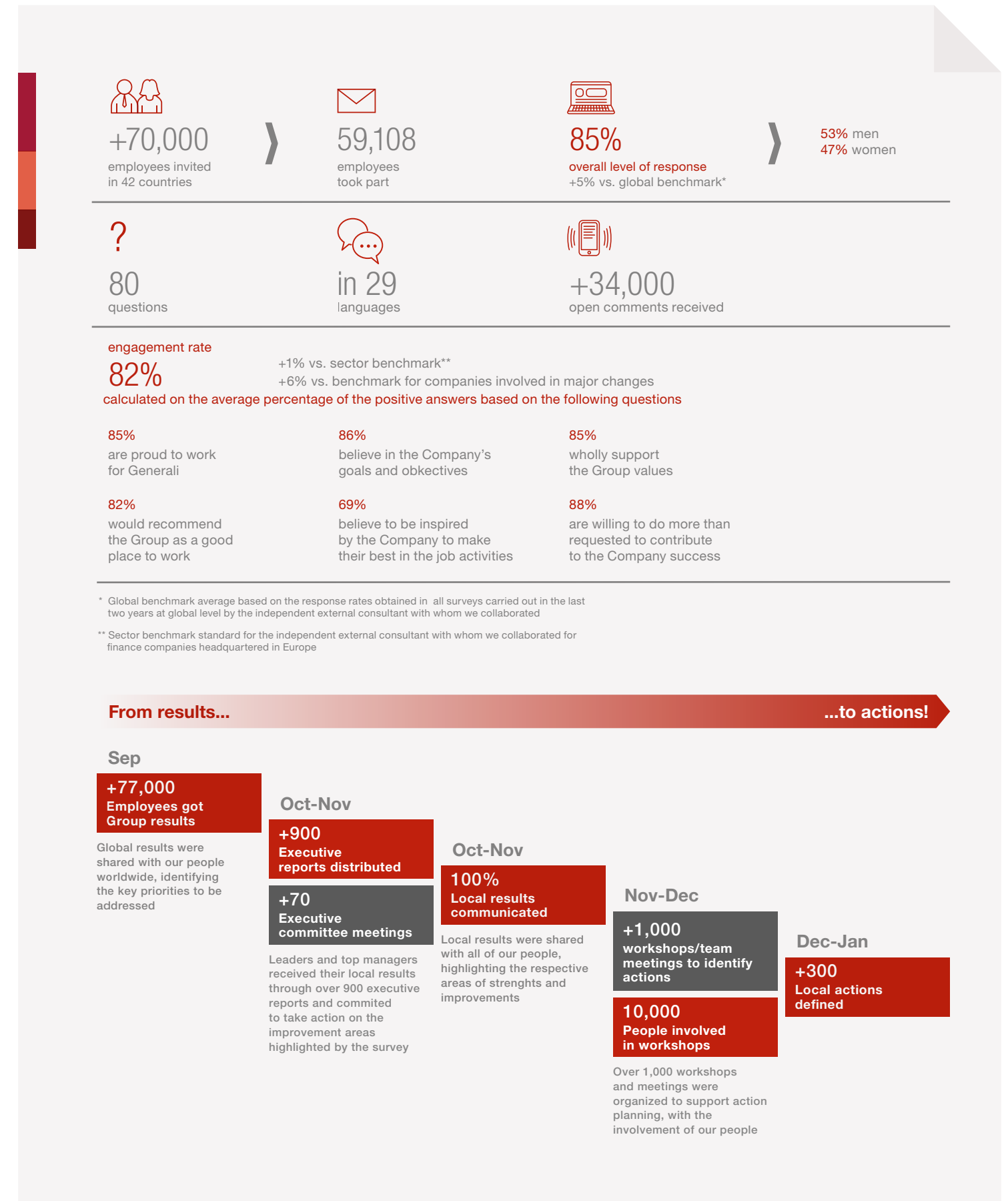
Be Simpler and Smarter: promote empowerment and enablement
→ We want to increasingly simplify our way of working to empower our people and enable faster, more effective decisions.

This can help us in becoming a smarter and simpler insurance company.

Promote Diversity and Inclusion
→ We want to foster diversity and inclusion in the workplace, respecting and promoting the value of human differences in tune with market dynamics.

These areas of improvement helped to shape the Generali People Strategy, which is our roadmap to make the Company ready for the future and fit to pursue our strategic path. Global survey themes provided common priorities and direction. In addition to that, local action plans have been defined in order to address specific opportunities of improvement emerging in different countries and legal entities.

Even in this phase the contribution and participation of our people has been key to designing simple, smart actions to effectively target the topics that really matter to them.



In what has been a truly global effort, by January 2016, more than 300 concrete actions were defined and planned. Many of them can be clustered in the following areas:

Besides showing us where we are strong, the survey has been fundamental in identifying where we need to make improvements

(1) Communication

On the one hand, most of the actions aim to strengthen internal communication and employee sharing by launching new initiatives, content and tools, such as newsletters, town halls, forums and videos. Germany, for instance, has developed 'Generali Kompakt,' a new information

format on the Intranet – three- to five-minute video messages with short explanations of interesting topics. On the other hand, some actions focus on enhancing management cascading and visibility by providing leaders with communication training and via ad hoc formal and informal occasions. For example, Thailand has launched a 'CEO Meet & Greet' initiative, with Q&A sessions for employees with the CEO and top executives.

(2) Customer focus and competitiveness

The ultimate objective of these actions is to put the customer at the heart of everything we do. The 'What do you do?' program in Argentina lets people from back office functions spend a day in front office areas (such as claims, commercial and customer service) to harvest a better understanding of how the company interacts and serves customers. Another example comes from Portugal where they will produce 'Client Hero' videos to promote and spread success

stories, proving how Generali people can make a difference in our clients' lives.

(3) Efficiency, empowerment and enablement

Actions addressing this priority aspire to improve the way we work by promoting empowerment, simplifying processes and boosting enablement. One example can be seen in France where a project has been launched to improve employee Engagement and Empowerment by granting them more flexibility in organizing their working environment, time and place to promote mobility, cross-functional and collaborative working. Another comes from Turkey where the Operational Efficiency Team has been launched to empower employees in evaluating processes and defining how to make them simpler and smarter.

(4) Performance management

Focus on results is key for our people's

The Map of Engagement is a new interactive and navigable tool, accessible to all employees on the We, Generali portal

development and for ensuring alignment with our Company's goals. In this case, actions aim at introducing performance dialogue for employees and managers, leveraging different tools and solutions. For instance, Italy has launched the 'Performance & Development Conversations' project, including a comprehensive program of training for line managers and employees, with the objective to provide, by 2018, all employees with conversations on objective setting, development planning, mid-year review, career planning and full-year review. Meanwhile in Slovenia, a new 360-degree feedback tool will provide evaluation for development purposes.

(5) Career, training and development

Opportunities for growth and development help our people expand their knowledge, skills and abilities. Actions such as the 'Evolve' project, launched by India, leverage

on job rotation to provide new learning and career opportunities to employees with more than three years' experience in the same role. Other countries have focused on their talents. For example, Ireland launched 'Talent Mentoring,' a 12-week structured program to support the career development of high potentials and retain key skills within the Group.

For such a large Group, communication is fundamental to raise awareness on what is going at global and local level. In addition to local communication initiatives, to improve transparency and facilitate best practices sharing across the Group, all local actions have been published on the Map of Engagement: a new interactive and navigable tool, accessible to all employees on the We, Generali portal.

It is inspiring to see what has already been achieved by our people across the globe since the survey was launched.

All of the feedback received has been translated into concrete action plans that are under way.

All of the feedback received has been translated into concrete action plans that are under way

But our engagement journey doesn't stop here; we will continue to share progress on local action plan implementation, and to leverage on feedback, reinforcing the mindset that every employee is a protagonist in our transformation towards a simpler, smarter Generali. This will not only foster an even better place to work, but will also empower us to reach our business objective to become the industry leader in retail insurance.



Business & Strategy

A brand is one of the most valuable assets that a company has. It influences changing market share, profit margins, consumer recognition and a customer's perception of quality. Coca-Cola, IBM and Microsoft each value their brand at around \$60 billion. But while brand equity is strategically crucial, it's also famously difficult to quantify and requires a great deal of subtlety in the way it is built.

For Isabelle Conner brand is how our customers 'experience' us and our employees are our front line ambassadors. How we interact with our customers is a key differentiator in the insurance industry, she says. In her interview below she describes the role of the Net Promoter System (NPS), its high success rate among our clients and how it is leading to a simpler, smarter Generali.

NPS is also enabling our Claims people to actively listen to our clients and make adjustments to the claims process to give customers a better experience. Full details of how this is improving our brand value are covered in the article 'There When Clients Need Us.' Every claim, says the article, is an opportunity for Generali to shine.

Building the equity behind a brand can come through strategic communication and market education both of which are well represented by the GPG service offered by Generali France. The service, covered by the last of the articles in this section, guides clients towards a clear risk management strategy that reduces claims rates while developing their business more sustainably.

By listening, reacting, and adapting Generali will build its brand leadership.

by the Editorial Office

Delighting Clients Is More Important Than Ever — Interview with Isabelle Conner

by Alessandra Gambino

Q1—You are Generali’s first CMO. Why is brand important in insurance?

People often think of brand as a logo or an advertising campaign. However, a brand is the way our customers experience our Company when they call us, buy or renew a policy, or file a claim. Our employees deliver the brand day-in and day-out in branches, call centers and through a range of communications.

Today delighting clients is more important than ever. Customers rely more and more on recommendations from friends and family and online reviews to help them choose an insurer. A great experience creates positive buzz about the company, helping retain existing customers and attract new ones. A bad experience drives customers away. There’s a real opportunity to differentiate in the insurance sector.

Q2—Insurance is often perceived as complicated and distant. Why is there such a gap between what customers want and what insurers deliver?

For a long time the insurance industry focused on building very technically sophisticated products. These products were the cornerstone of our business. But the more complex our products became, the harder it was for our customers to understand them.

Today customers’ expectations are driven not just by the product, but by the experience, by all the interactions they have with a company.

It’s important to remember that our core business is protecting and assisting clients. We are a service business. Human relationships are key to our future success. By simplifying our processes, continuing our tradition of product excellence,

Convenient. Friendly. Consistent. Customer-centric companies deliver a distinctive experience to their clients every day. A great experience creates positive buzz about the Company, and here Generali has a real opportunity to differentiate.

and emphasizing the human touch, we will bridge that gap.

Q3—Generali is primarily a retail company. What can we learn from brands outside of insurance?

We can take inspiration from customer-centric companies like Nespresso, Virgin, Starbucks, Lego, Apple, Ikea and Amazon. Our clients do business with these brands, and the experiences they have with them drive their expectations in insurance. Customer-centric companies are convenient and friendly. Each day they deliver clients a consistent and distinctive experience. It's their signature. By including services in their offer they provide additional value that makes them even more relevant to their customers. They optimize distribution according to customer preferences allowing customers to navigate seamlessly across all channels. They work quickly and efficiently. They simplify consumers' lives. Understanding what works for retail brands outside of insurance will help us design Simpler, Smarter insurance experiences.

Q4—When you joined Generali you immediately made listening to customers a priority. Why?

Generali is in an enviable position with over 72 million clients globally. But we needed a systematic approach for listening to our clients. We needed to understand who was delighted and who was disappointed in their experience with us, and why. We needed to know what was working and what needed to be improved.

That is why we introduced the Net Promoter System (NPS). We contact clients after they have had an interaction with us — for example when they've bought a policy, filed a claim or renewed their insurance — and ask a few questions about the experience. The survey takes less than two minutes to complete. It brings the voice of our clients into the heart of the Company. We now know what drives promoters, passives and detractor clients.

Q5—How was NPS received?

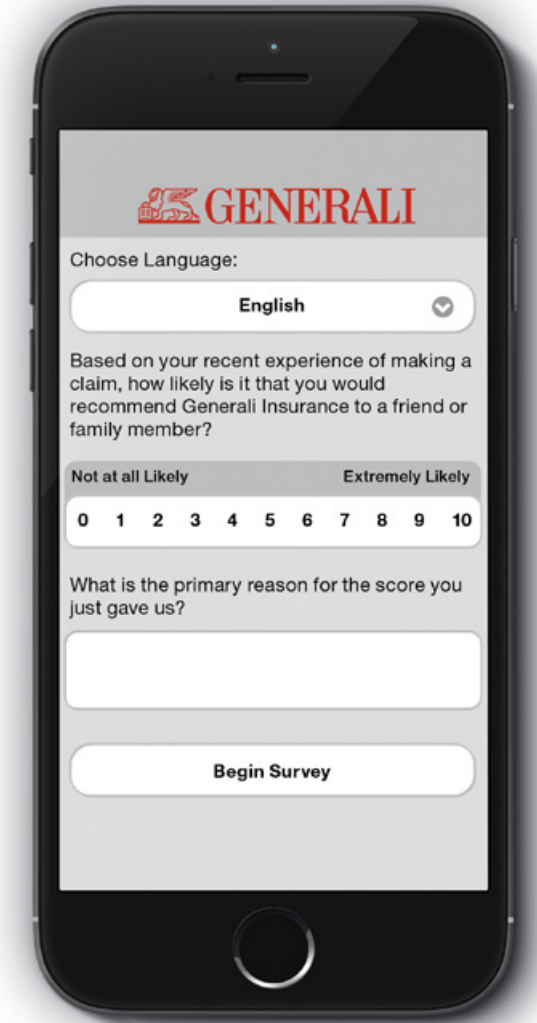
The response far exceeded my expectations. Internally, we have rolled out the program to 23 Business Units around the world, and we have another eight planned this year. That's an amazing achievement in less than twelve months. From a customer point of view, 20% of our clients are responding to our surveys.

That's an extremely high response rate. Clients are pleased to find an insurer who's trying to understand their needs and wants to improve.

Q6—Did anything surprise you in the clients' feedback?

We were surprised by the similarities across numerous markets. We found five areas where customers all over the world feel insurers could do better. First, they want us to use easy-to-understand language in all our communications. Second, they want to be kept informed and up-to-date about the status of their claims or requests with us. Third, they want issues resolved quickly. This applies not only to claims, but to every interaction we have with them. Fourth, they want a human touch. They want to be addressed by name, not by policy number! Fifth, they want quality third-party services from Generali-approved garages, electricians, plumbers and other professionals. These five areas have become our roadmap for transformation.

Q7—Listening to clients is an important first step, but you always emphasize acting on what they tell us.



NPS Survey on a mobile phone

“ NPS has brought the voice of the customer straight into the heart of our company. Detractors show us precisely where we can do better in our service and product offer.”

—**Stephane Dedeyan,**
Deputy CEO of Generali France

Lots of companies collect customer feedback, but most fail to translate that feedback into concrete actions. For us listening is just the starting point. At Generali, when clients give us feedback, we call them back within 24 hours. We encourage employees at all levels of the Company to do this. That’s how we truly bring the voice of our clients into the heart of our Company.

But listening is not enough. We have to go one step further and act on that feedback, improving and simplifying the experience customers have with us. We call this ‘structural change.’ It means working across different departments. Our ultimate objective is to deliver a Simpler, Smarter experience.

Q8—Can you give us a few examples of these actions?

“ Being able to listen to customers on a daily basis has changed the way we make decisions.”

—**Santiago Villa Ramos,**
CEO of Generali Spain

So far, the businesses have implemented 63 structural changes and 80 quick wins. For example, in India our colleagues rewrote and redesigned over a hundred insurance documents in plain, clear language, using icons. Each rewritten document had to pass a simple test: ‘Would my mother understand this?’ In Spain, they built a new claims-tracking website that lets customers track exactly when they’ll be reimbursed for their claim. In Serbia, they’ve reduced the number of pages in their policies from 40 to 5. There are so many great examples of Generali businesses simplifying the complexity of insurance.

Q9—Generali works with large distribution networks. Can you tell us how distributors fit into this overall picture?

“ For us NPS is more than just a survey. It’s an experience. For me it’s a personal commitment as well: every week I ‘close the loop’ (I call some clients) to see how we work from their point of view; what can we do for them, how we can develop.”

—**Mihaly Erdos,**
CEO of Generali Hungary

Indeed, our agents, brokers and bancassurance partners are critical to Generali’s success. They are the ‘face’ of Generali in the markets. Just as with our customers, we need to listen to how our partners perceive their relationship with Generali, then act on the feedback they provide. We need our distributors to be promoters of Generali when they represent us to their customers.

Q10—It’s an impressive journey so far. What’s next?

We’re off to a good start, but we need to continue accelerating the pace of change. Retail is detail. We need to remove complexity in a hundred small ways, relentlessly driving Simpler, Smarter throughout the organization. We also need to be open to new ways of doing business, mirroring

the way our customers are living their lives. Our clients spend hours each day on smartphones, computers and social media. We need to leverage all these digital assets so that we are visible and active wherever and whenever our clients are.

And our distribution franchise is one of the Group’s major strengths. We intend to leverage and further develop this asset. In particular, we aim to reinforce and enhance our partnership with our distributors, expanding their capabilities to help them better engage with today’s web, mobile, and social customers.

It’s a truly exciting time for Generali!

There When Clients Need Us

by Mario Riccò and Aaron Maines

PREFACE When customers file a claim they are upset. They are facing a difficult situation or stressful moment in their lives. Being more empathetic, showing the human touch can make a real difference with the customer during claims.





Generali manages over eight million new claims per year, and every one is a crucial moment with the customer. Each interaction is a chance for us to learn more about what our clients like, what they want to see more of, what makes them happy and what they would like to see us change.

When our customers file a claim they are upset. They are facing a difficult situation, a stressful moment in their lives. They are anxious, concerned and reaching out to us for help. This means that every claim provides an opportunity for the insurer to shine. Each claim is a chance for us to make a lasting impression with the client. Claims are key moments in the customer-insurer relationship.

Each claim is a chance for us to make a lasting impression with the client. Each claim is an opportunity to shine

That is why our Claims people are taking full advantage of the T-NPS program to actively listen to our clients. NPS is designed to bring the voice of the customer into the heart of the Company. It helps us understand what our customers like, highlighting what we can do more of in order to delight them. And it shows us what our customers don't like, highlighting where we can improve.

The feedback we have gathered so far tells us several things. First, that we are doing a good job in claims: customers are generally happy with the experience we provide. Second, that there are still a few areas where we can improve. And we have been fascinated to discover that these areas for improvement – what we call 'pain points' – are similar in different markets all over the world.

Each pain point is an area where our customers are expressing frustration with the way we are doing business. In claims, customers are expressing a desire for updated status information. They want more of a human touch in our interactions. They want us to reduce or eliminate delays. They like transparency and ease-of-use in claims, similar to the experiences they are having, for example, with online retail companies.

Making a real difference in people's lives

Today, our Claims people all over the world are acting on customer feedback, making adjustments to the claims process that will give our customers the experience they desire. Thanks to this feedback, our teams now have better insight on the way our

customers experience the services we deliver.

In Hungary and Switzerland, for example, Claims departments have introduced improved tracking systems that are transparent for the customer. They are currently working to render the car repair process and the way we recommend third-party professionals clearer and more straightforward. We want to be able to tell the client when her or his car will be ready, and give them a way check in online to see how work is progressing in the meantime. It is about providing peace of mind.

In France and Switzerland our Claims departments have taken steps to address another pain point: customers perceive us as 'cold' and 'distant.' They feel we lack a human touch. Claims departments in France have created handbooks and videos that explain the impact a right or wrong client approach can have in real-life situations. These training tools help teach our colleagues how to be more empathetic, underlining the way a human touch can make a real difference with the customer during claims.

In 2015 in Switzerland we introduced a new approach to accident and health claims



that is built around close contact with the customer. To date, Claims teams there have made over 500 personal visits to customers, helping them get back on their feet and return their lives to normal.

In Germany our Claims departments are addressing customer frustrations over delays by focusing on providing the right answers, right away. They are improving claims knowledge through training so that Generali's frontline people gather all the information they need to process a claim from the customer on first contact. They are transparent systems at the customer's disposal, close contact and a human touch can make the difference adjusting processes to allow customers to upload documents over the Internet. These small steps speed up the overall claims process and eliminate delays.

In Spain, Claims departments have set up a system to send third-party repairer details directly to the customer via SMS messages. If there is an unforeseen delay, or the intervention needs to be rescheduled, customers can contact repair staff directly without calling the insurer, making people's lives easier.

Across Generali, Claims functions work with the customer feedback they collect

through the NPS program on a daily basis. Positive feedback becomes an energizing force, inspiring them to improve so that we delight more clients than ever before. Constructive criticism from customers becomes an opportunity to correct and adjust behaviors and processes so that their feedback turns positive. Based on NPS feedback, we are implementing quick, 'one and done' reimbursement experiences; introducing a customer-centric approach to claims cases involving bodily injury or harm; and setting up dedicated claims services in the event of natural disasters or extreme weather events so that we are where clients need us, when they need us most.

The Generali Claims Experience Program: leveraging local solutions worldwide

Key to this effort is a move to leverage local innovation on a global scale. The Claims function is actively screening innovative solutions being applied in local markets around the world, looking for 'gems' that can benefit the claims experience customers have with us in markets across the Group. Current focuses include technologies that

allow customers to self-inspect damaged property, delivering loss assessments instantly and agreeing with the Claims officer on next steps over the Internet. The entire process is being redesigned to be more fluid, faster and provide customers clear control.

Strongly endorsed and sponsored by senior Claims managers across around the world, the Generali Claims Experience Program works cross-functionally with experts from Marketing and HR to deliver local solutions and initiatives on a global level. It focuses on establishing minimum, measurable, global standards for claims services that will be adopted by every BU in the Group. It shares and leverages improvements applied in one market to compatible markets in other countries. It introduces a global 'pact with our customers' that shares key aspects of the claims services in the form of a Claims Service Manifesto, providing simple, clear guidelines that Claims managers in every corner of the globe can use to guarantee we become the first insurance company to delight our customers every time they file a claim.

Generali Performance Globale: an Innovative Approach to Client Support

by Stephanie Pieur

PREFACE Risk management is a key source of leverage for business performance. And yet, one third of French SMEs are struggling for lack of a clear risk management strategy, which is the very reason Generali France created Generali Performance Globale (GPG).

According to a 2015 Generali-AFNOR¹ survey, 32% of French SMEs in difficulty were not fully aware of how certain risks could jeopardize their business. Over the past ten years, Generali France has honed a solution, called Generali Performance Globale (GPG), designed to help companies understand their risk exposure and do what it takes to keep their business running. 2016 will mark the anniversary of this innovative and responsible initiative to support business customers. Initially rolled out to smaller companies, this year GPG was extended to larger organizations and franchise networks.

A four-step process

GPG is a four-step process: **(1)** collecting key data from the company, **(2)** determining the company's strengths and weaknesses, **(3)** implementing an improvement plan

(if necessary), and **(4)** signing a Charter coupled with an accompanying award for companies with the most effective risk prevention system.

32% of French SMEs in difficulty are not fully aware of how certain risks can jeopardize their business

The preliminary assessment phase is the foundation of the process. It is a beneficial starting point for the intermediary: information on the company's strategy is collected over the course of an extensive dialogue with the CEO. This solution not only gives direct access to the decision-maker, but also switches from an insurance cost to a value-creation perspective for

the company through a cross-business risk management approach. This method incorporates various criteria ranging from strategy to processes, as well as specific points related to CSR (Corporate Social Responsibility) such as eco-design of products, quality of labor relations and green procurement. There is a lot at stake: claim rates for companies that build CSR criteria into their strategy are almost 30% lower than those of their rivals in the same sector.

From that standpoint, two types of preliminary assessments have been developed: one for SMEs with 20 to 100 employees, and another more specifically designed for retail and point-of-sale entities with a network of stores or franchises.

SME assessment

This assessment is conducted by the intermediary (agent or broker) with the

Sustainable performance: 5 drivers	Risks	Standards and regulations, security / environmental performance...
	Differentiation	Brand positioning, innovation, stakeholder relations...
	Innovation	Efforts to achieve sustainability, utility, reparability, new materials...
	Costs	Reduced waste and use of natural resources...
	Reputation	A relationship of trust with stakeholders, motivation and loyalty of customers and employees...

¹ AFNOR is an international services delivery network that revolves around four core competency areas: standardization, certification, industry press, and training

Frame of reference	Strategy	Capital structure and shareholder stability sustainability
		Brand sustainability
		Financial profitability
		Regulatory compliance of products and services
		Control of supply chain
		HR management
		Preservation of natural resources
		Contribution to local development
	Brand & clients	Source of raw materials, traceability, manufacturing conditions
		Sensitivity to responsible product use
		Loyalty program
		Management of claims & dispute
		Control of supply chain
	Distribution network	Moral and ethical hiring
		Economic viability of POS
	Initial and lifelong training	
	Control of supply chain	
	Balance of economic relationship	

L'avenir appartient aux entrepreneurs responsables



Olivier Guillbaud, Co-dirigeant du Laboratoire Body Nature
Entrepreneur d'avenir
(Nueil-Les-Aubiers - Deux-Sèvres)

Voici près de 10 ans, Generali a innové en lançant une nouvelle méthode pour évaluer les risques d'entreprise avec la conviction que les dirigeants qui s'appuient sur une politique active de développement durable savent aussi mieux maîtriser leurs risques. C'est aujourd'hui une méthode déployée sous le nom de *Generali Performance Globale PME*. Elle procure un accompagnement et des avantages spécifiques aux entrepreneurs qui placent la responsabilité au cœur de leur stratégie.



generation-responsable.com generali.fr entrepreneursdavenir.com

CEOs are so impressed by the benefits of certification for their company that they become Generali ambassadors in advertising campaigns

CEO. 80 different checkpoints are reviewed in order to measure the efficacy of the company's processes, the maturity of its CSR engagement, and the adequacy of its risk management system. A score is given on a scale of 20, based on which the intermediary issues recommendations to help the CEO improve the company's risk management.

In order to address the challenges of the retail industry, Generali teams up with SGS – the world leader in audits, controls, analysis and certification

Retail/POS (Point of Sale) assessment

In order to address the specific stakes and challenges of the retail industry, Generali teamed up with SGS – the world leader in audits, controls, analysis and certification – to create an appropriate set of standards based on retail network performance indicators. The rating system is similar, though, with a score determined on scale of 20.

Award synonymous with excellence: a win-win situation

The companies with the highest scores on the assessment (>15/20) are awarded the 'Generali Performance Globale' certification. This certification entitles them to preferential rates on their Property and Casualty insurance and specific support in defining a business continuity plan. GPG certification is given at a special awards ceremony, which is a key event for the

company in its local environment, and for the intermediary and Generali as well. The ceremony, attended by clients, suppliers and VIPs (mayor, senator, etc.), is covered by the press and thus positively impacts on the reputation and professionalism of certified companies. Their CEOs are so impressed by the benefits of certification for their company that they become Generali ambassadors themselves.

Corporate Social Responsibility: the cornerstone of GPG

The Generali Performance Globale assessment places major emphasis on CSR criteria. Not only are claim rates for top-performers almost 30% lower than those of other companies in their sector, but also clients are increasingly basing the selection of their suppliers on responsible behavior. From that standpoint, companies

have everything to gain from incorporating CSR in their strategies if they want to stay competitive and continue to access certain markets.

A tried and tested solution

Many companies have adopted GPG in the past 10 years and are fully satisfied with the resulting value creation. Furthermore, GPG makes it even easier for companies to meet the criteria for the new version of ISO 9001 international standard.

Through this initiative, Generali is fulfilling both an advisory and prevention role for its clients. By guiding them towards better risk management, Generali is helping them reduce their claim rates while developing their business more sustainably and responsibly. In the end, everyone – from the client to intermediary to the insurer – is a winner.

CASE STUDY

Christophe Vitard CEO of La Boissellerie

Furniture maker
42 employees

'We have used Generali Performance Globale since 2012. Before, the company did not have a safety program. The in-depth nature of the evaluation and the conclusions drawn were very informative and set us on a real path to improvement. Thanks to GPG, the company was able to improve its risk management and its approach to a number of CSR requirements. This latter point is important, because the way I see it, CSR is a must for companies that want to keep doing business in this day and age.'

CASE STUDY

Antoine Sauvage Head of Sustainable Development for Courtepaille¹

Network of over 280 restaurants
Revenue of € 313 million

'All businesses have a responsibility when it comes to social and environmental issues. At Courtepaille, we fully accept this responsibility. The 280 Courtepaille restaurants have significant impacts, but more importantly they serve a large number of customers (over 16.5 million meals served in 2014), and provide work for thousands of employees and partners... all of whom need to be made aware of environmental best practices. Sustainable development is now an important part of the daily work environment of Courtepaille's staff.'

¹ Courtepaille was the first POS group to sign up for GPG



Twist

Megatrends and fashion trends are featured in this section of *il bollettino*.

In a photographic essay included in the reports that go out each year to all investors, shareholders and stakeholders, Generali people once more played a major role. Generali teams were in Trieste, Venice, Madrid, Munich and Jakarta highlighting the megatrends that are changing our world. The four subjects that were focused are Population (within the next minute the global population will rise by 145 people), Climate Change (a heavy reliance on fossil fuels is leading to growing problems), Connectivity (technological advances are transforming both the workplace and the market) and Prevention & Healthy Lifestyles (a growing population is seeking a better lifestyle). Full details are in the article below.

Spotting trends of a different type is one of the roles of the ITS creative platform that offers support to young designers from around the world. Barbara Franchin's account of the ITS 15-year journey from foundation to present day makes fascinating reading. The 135 winners of the yearly design contest have shared € 1 million in prize money and the

renowned ITS Creative archive now has over 15 tons of portfolios from 80 countries.

Today, Generali realizes we live in a world that is well-informed with citizens no longer willing to settle for anything that does not live up to their expectations. Keeping abreast of developments and trends is more vital than ever.

by the Editorial Office



Photography was used as a medium because of its universal language and its power to communicate a multitude of ideas in a single image and in a way that makes people think.

Capturing the Megatrends in Pictures

by Pierluigi Rossi and Belkis Ramani

As we have read in the previous section of this magazine, anticipating future trends is crucial for companies that want to lead tomorrow's market. But it is not enough just to look ahead – this vision must be strengthened by powerful dialogue with stakeholders, to share the company's prescience and its connection within the communities it serves. So, how can corporate communication best achieve this?

For the second year in a row, Generali is focusing on its People as protagonists in a photo story to illustrate our Annual Report, Integrated Report and Sustainability Report. These documents go out each year to all investors, shareholders and other stakeholders.

Photographs of staff in Trieste, Venice, Madrid, Munich and Jakarta highlight megatrends

Last year, Generali employees in Milan, Prague, Paris and Hong Kong were photographed in their offices, looking upwards as though identifying future aspirations. This year staff in Trieste, Venice,

Madrid, Munich and Jakarta were captured in outside settings. Each photograph highlights a megatrend which will impact not only the global insurance market, but the whole of humanity.

Photography was used as a medium because of its universal language, and its power to communicate a multitude of ideas in a single image. The project's photographer was Mattia Zoppellaro, whose work poignantly highlights the unique characteristics of each individual even when set within the anonymity of their environment or the grandeur of the natural world. Mattia was tasked with showing our People at the center of each megatrend, connected to the world at large whilst also

The focus was on Population, Climate Change, Connectivity, and Prevention & Healthy Lifestyles

being rooted in the heart of communities, playing a significant role in global change. It wasn't simple. As he told us, 'It was quite difficult, because each concept was open to interpretation, it wasn't fixed. So we worked

in quite an organic way to reinterpret the idea as a photograph. It was great fun, although it did present some challenges.'

Four areas were chosen: (1) Population, (2) Climate Change, (3) Connectivity, and (4) Prevention & Healthy Lifestyles – and within these areas, related megatrends were identified.

For example, one of the megatrends under Connectivity is mobile traffic and devices, and the fact that 'by 2019, the number of mobile-connected devices will exceed the world's population of 2014.' The idea was to use this fact as a quote overlaying a photograph of Generali People using their smartphones, iPads and other devices in various settings – on the street, at the park, on a bridge, or in a restaurant.

Similarly, one of the megatrends under Climate Change is water scarcity, and the fact that 'by 2030, global demand for fresh water is expected to exceed supply by 40%.' This quote overlays a photograph of Generali People in the great outdoors – by a mountain stream, drinking from a water fountain, or sitting on the edge of an ornamental fountain. We asked Mattia for his take on our identified megatrends and he told us, 'I thought they would make people think. Especially some of the facts and figures that most people aren't aware

Left: a backstage image of Mattia Zoppellaro during the photoshoot in Munich. As Mattia recalls, the changing weather represented the biggest challenge as all the photo shoots were set outdoors



MATTIA ZOPPELLARO



MATTIA ZOPPELLARO



MATTIA ZOPPELLARO

Healthy lifestyle, Trieste. Adopting healthy habits is now a priority for many people, who are increasingly aware of the benefits of a more balanced lifestyle to improve resilience and run towards success

Aging Population, Venice. As people are living longer and healthier lives, new challenges emerge on the horizon. The aging of society may affect the ability of communities to provide resources for older citizens

Population growth, Madrid. As the world population continues to grow at an unprecedented speed, countries and global institutions will need to implement measures to ensure that everyone

benefits from economic development and curb income inequality

of. Like, there may be more than 20 million electric cars on the road by 2020, or that in four years people over 60 will outnumber children under five.' Through the camera's lens, these themes have come to vividly to life: a group of girls carrying shopping bags has been transformed into a powerful symbol of the growing middle class; two friends laughing against the backdrop of the cityscape comments on rising urbanization; a woman huddling in her coat along a snowy, tree-lined avenue depicts climate change concerns; while a couple driving along a coastal road in an electric car, points to the power we have to make a difference.

Due to the fact that climate change was a crucial topic for measuring megatrends, the decision was taken to shoot all photographs outdoors. But this presented an enormous logistical challenge. Not only did the right location have to be found, and everyone and all equipment transported

there, wind, rain and snow were necessary parts of the megatrend storyboard. This meant that people got soaked in rainstorms, or had to trek into remote rural areas to reach the set for their shoot. As Mattia said, 'The biggest challenge was the

Through the camera's lens, difficult and complex themes have come to vividly to life

weather because all the photo shoots were outdoors. So, for example, in Munich we were doing something on sustainability and the environment, and we'd planned a sunny photograph. But it started snowing! So we changed the whole concept, only for the sun to then come out again.'

Despite the hardships, everyone involved was incredibly proactive in complying with the storyboards, even in the face of constant rescheduling and relocating due to adverse weather conditions and other unforeseeable factors. 'All the Generali people were incredibly helpful,' Mattia said. 'Everyone was up for it and happy to be part of the project. They were all fully committed. I was really surprised by everyone's collaboration and availability.'

The campaign asking for participation in the project was carried out totally digitally over the intranet. It received a fantastic response, and a huge amount of commitment from People, Countries and Communications departments in all the places where the photo shoots took place. From Mattia's point of view, 'It was great to switch cultures, to spend a week in Spain and then the following week in Indonesia. And to meet so many amazing people.'



MATTIA ZOPPELLARO



MATTIA ZOPPELLARO

Energy and fuel, Munich. At the COP21 conference on the environment, countries agreed to aim for carbon neutrality by the second half of the century and to gradually stop using the most polluting fossil fuels

Rising wealth, Jakarta. Wealth has extended to global proportions with Asia, the Middle East and Africa registering the fastest growth in the ultra-high-net-worth (UHNW) segment. This

is good news especially for the luxury, wealth management and financial industries providing tailored services to an increasingly demanding customer base



Mattia Zoppellaro

Mattia Zoppellaro was born in Rovigo in 1977.

In 2001, he obtained a diploma in photography at the European Institute of Design (IED) in Milan. After working for two years at the photography division of Fabrica, he moved to the UK where he started shooting for several music magazines and record labels. Between assignments, Mattia has developed different projects, from social reportage (Irish Travellers, Hackney's Homeless, Maximum Security Prisons in North-Eastern Italy) to entertainment (Religious Ceremonies in Southern Italy, Milan Porn Fair) and youth culture features (European Rave Parties, Mexican Punks, Dakar's Hip Hop Scene).

He currently lives between Milan and London.

His photographs have been published in *Rolling Stone*, *Sunday Times Magazine*, *El Pais Semanal*, *Financial Times Weekend*, *D and Velvet by Repubblica*, *Max*, *Mojo*, *NME*, *L'Espresso*, *Io Donna*, *Vanity Fair*, *GQ*, *Les Inrockuptibles*, *Colors*.

www.mattia-z.com

Urbanization, Jakarta
According to the United Nations Population Fund, over 50% of the world's population now lives in cities and towns, buzzing with energy and community-driven dynamism more than ever before

PHOTO: MATTIA ZOPPELLARO



Finding Outstanding Talent

by ITS Press Office



PREFACE In its 15 years, ITS has managed to identify a host of talented young designers who have gone on to prove their worth in the wider fashion business. Many are now employed in key roles at prestigious fashion houses.

“When recognizing talent, I am led by my instinct: if a talent makes my heart flutter, I have found the right candidate. Life and destiny have gifted me with a divining rod.”

— Barbara Franchin
ITS Founder & Director

ITS (International Talent Support) is a creative platform offering support, visibility and opportunities to young designers from all over the world. Finalists are selected through a long and rigorous process involving four fields of design – Fashion, Accessories, Jewelry and Artwork. At the end of the selection, talents are invited in Trieste for a grand final event with the participation of 400 international guests including journalists, trend setters, opinion leaders and fashion brands representatives.

In its 15 years, ITS, the brain-child of founder Barbara Franchin, has managed to identify a host of new talents, making their first steps and having a wealth of ideas – some needing refinement, some already ripe. These talented young designers, judged on the creativity, innovation and execution of their prototypes, have gone on to prove their worth and are emerging in the wider fashion business. Many of the over 500 finalists are now employed in key roles at the most prestigious fashion houses (Balenciaga, Margiela, Louis Vuitton) or run their own brand.

Trieste enjoys a privileged point of view thanks to its position: away from the established capitals of design, it has a pure and unfiltered perspective free from the more conservative visions of the world. At the same time, it sits at the heart of ‘old’ Europe, still a reference point for the rest of the younger world. Despite a turbulent history of war and occupation, Trieste is a peaceful place giving shelter, security and protection, rich in cultural references, diverse influences, well-being and wealth.

Given these attractions it is not surprising that 630 projects by young

Chinese designers have been submitted to ITS as of 2015, marking an exponential growth (from 12 in 2002, to 120 in 2015). Of those 630 contestants, more than 350 have studied in Europe. The same applies to Korean designers, since studying fashion design in Europe is still seen by many as a note of merit and a compulsory step in a designer’s education.

In Trieste, ITS has developed its own ‘Seismograph’ measuring the movement of creative waves at the global level, design developments having a disruptive but intangible striking force.

For the past 15 years, the ITS seismometer has collected data about thousands of young creatives from over a thousand schools in 80 different countries. It gathers information and provides insights on converging phenomena. ‘We do not try to find explanations,’ says Ms Franchin, ‘We simply identify and narrate, showing how the surrounding global environment may have a deep influence on young designers’ creativity both consciously and unconsciously, and even exert a forward-looking power, a sort of prescience.’

The observation, analysis and cataloguing of a large mass of apparently distinct events allows a synthesis to be reached, which then becomes a repeatable and re-applicable model. These are the foundations of the ITS method, which is enriched and made even more pragmatic by the innate instinct and intuitiveness of its team.

Every year, the ITS headquarters receive over 1,000 portfolios from 80 different countries. ‘I look at each and every one of them personally, from cover to cover, as a

form of respect, so as not to let any kind of bias prevail,’ says Ms Franchin. The portfolios are extremely rich in content, from technical and artistic sketches to fabric samples, color palettes, and the research iconography pursued by the artists in creating their collections. Observing the

ITS values research. Since its foundation, ITS has visited fashion institutes across the world to meet young designers

heterogeneous and unexpected connections that trigger the creativity of these young designers is extremely fascinating, she says.

The outcomes of such analysis do not just consist of trends, which may change from season to season and follow fleeting tendencies. On the contrary, they are very similar to archetypes: dense, profound, meaningful, providing sources of inspiration and new mental short cuts.

Before ITS can analyze and classify talents, it needs to find them.

Research is one of the founding values of ITS. While the quality of the research has improved over the years, it remains one of the project’s roots. Since its very first editions, ITS has visited fashion institutes across the world to meet young designers, see where they operate, and learn about the training systems adopted by the schools. Most of the visits take place in Europe, given the high number of renowned fashion design academies located here. Every

A joyful moment during the ITS 2015 award ceremony when the young talents take the runway and receive the applause from jurors and public. Salone degli Incanti, Trieste — The location of ITS 2015

fashion institute has its own personality, dictated by study curricula that emphasize and stimulate the purest and highest form of creativity without becoming slaves of market trends, or by the presence of local industrial and handicraft manufacturers, interacting with the educational sector and hence providing a wealth of opportunities and personal development chances.

The ITS Creative Archive — A protected reserve for talent, a unique museum for young creativity

When ITS was conceived, the Creative Archive was already part of its DNA. From the very beginning, the aim was not just to search and support creativity but to gather it as well, treating it as a collective heritage. Regardless of its infinite manifestations, creativity is culture. For this reason, the ITS Creative Archive is today based on relationships built over decades with

established institutions like the Costume Institute in New York, the Victoria & Albert Museum in London, the Musée Galliera in Paris and the Triennale in Milan, to name but a few. Furthermore, design schools from all over the planet – from Japan to Switzerland and the United Kingdom – visit the archive as part of the educational path of their students.

Since its first edition, ITS has visited fashion institutes across the world to meet young designers

In 15 years, ITS has collected over 15 tons of portfolios coming from more than 80 countries, some of which are actual pieces of art with very elaborate, handcrafted covers. Each one of them describes the struggle to translate thoughts and emotions into something tangible. The over 210

outfits, 110 accessories and 70 jewelry pieces together with the 700 photography projects, represent the next step of the process, documenting the physical outcome of the creative endeavor. 16,000 treasures, basically. Altogether, the Creative Archive is a unique and amazing resource which can be used as a source of inspiration for new creative processes, one of its key purposes: to help set creativity in motion, connecting what has been created to what will be created. Endlessly.

‘This archive has become a valuable record and barometer of young fashion talent in the 21st century’

The opinions of three internationally renowned fashion curators stand as proof of the value and importance of the collection:

This page and next one: some images of the ITS Creative Archive that preserves a collection of more than 210 outfits, 110 accessories and 70 jewelry pieces from over 80 countries



‘This archive has become a valuable record and barometer of young fashion talent in the 21st century. Happily, through the aptitude of the ITS team and their juries in identifying skilled participants, the archive is indeed full of early work by designers who have gone on to make great careers. These are the pieces that in retrospect are so hard to find. Graduate and early collections rarely survive intact, as young designers often lack the resources to house and store the items at this transitional and tumultuous point in their lives. For these reasons the ITS archive is a unique and intriguing collection which holds much value for current and future researchers interested in the disciplines of design education and the world of fashion.’

—Oriole Cullen, *Acting Senior Curator of Contemporary Fashion*, Victoria & Albert Museum, London.

‘The ITS Creative Archive holds a history of the recent past with fashion treasures

for the future. The Archive is not only an encapsulation of the most prestigious jury competition of emerging designers; it is a documentation of the evolution of the most cutting-edge thinking and creation of the best new talents globally. Only the ITS Archive crosses all institutional and international boundaries through the most rigorous editing process by a jury of the

ITS archives are absolutely unique in the world and my only regret is they don’t have an exhibition hall

most established and recognized talents in business, arts and design.’

—Harold Koda, *Curator in Charge of the Costume Institute* at the Metropolitan Museum of Art, New York.

‘I have been deeply impressed by the museum quality of this collection and by its numeral importance. It gives a unique panorama of fashion creation in freedom – or pure Fashion creation – from contestants from every place and every cultural background throughout the world. Besides the clothes, I am also very attracted by the portfolios illustrating, each time a different way and with an almost infinite range of media, the genesis of each contestant’s collection. Many times I wanted to have them in my Graphic Arts Department at Galliera. Once again, the ITS archives are absolutely unique in the world and my only regret is they don’t have an exhibition hall to show them to a larger audience as they deserve!’

— Laurent Cotta, *Head of Graphic Arts Department*, Musée Galliera, Paris.





Barbara Franchin

Barbara Franchin is the founder and the soul of ITS – International Talent Support. She was born and raised in Trieste, a border city with an openness and a curiosity for what is different, stimulating alternative points of view.

In 2001 she launched EVE, a one-of-a-kind agency with a key strength: an eclectic, dedicated and passionate team. In 2002, she launched the first edition of ITS, a creative platform based on a deep and widespread research of talent offering support, visibility and opportunities to young designers from all over the world.

‘Creativity is one of the characteristics that elevate the human species,’ says Ms Franchin. ‘In young talents creativity, though lacking well-roundedness, completeness and other characteristics that rely on experience, has a purity and an integrity that provide a powerful shock on both an emotional and cerebral level. It’s something I like looking for and identifying. To me supporting new talents is an energy multiplier. I am given the possibility of discovering something precious and inspirational.’

ITS in numbers			
Jury members in 14 years 250	Kilometers covered for scouting activities in 14 years more than 200,000	Length of portfolios received in 14 years 6,000m	Meals in 14 years 25,000
Articles in 14 years over 2,900	Fashion schools added to the ITS network as of 2015 1,400	Overnight stays in 14 years 12,000	Value of prize money (in €) in 14 years 1 million
TV reports in 14 years over 70	Fashion schools of running candidates in 2015 259	Gadgets distributed by partners to ITS spectators in 14 years 40,000	Contestants enrolled in 14 years more than 11,500
Mentions of Trieste and ITS in 14 years over 3,500	Weight of portfolios received in 14 years over 14 tons	Flying hours spent by finalists to reach Trieste in 14 years 4,000	Winners in 13 years over 135
Total guests in 14 years over 7,000			



Renown artists attending ITS

Singer and Songwriter Mika attended ITS 2014 together with his sister, illustrator Yasmine Penniman, as jury members for the Artwork contest.

Performance Artist Marina Abramovic took part in the 2012 edition as a member of the Fashion jury, assigning on stage the award to most creative fashion collection.

Photography Director and twice Oscar Candidate Dante Spinotti was part of the Photography jury in 2011.

Celebrities and Finalists

Popstar Lady Gaga wore a headpiece developed by finalist Shilpa Chavan on the cover of *Flare*, in December 2009. Angelina Jolie’s horn headwear in the movie *Maleficent* was created by finalist Justin Smith. Actress Jennifer Lawrence wore bespoke pieces by finalist Una Burke in the *Hunger Games* series. Singer and songwriter Bjork wore head and body pieces by finalist Maiko Takeda for her Biophilia World Tour as well as on the cover of her latest album *Vulnicura*. She also wore pieces by finalists Paula Knorr, Jennifer Burdet and Michael Van der Ham.

Right: Marina Abramovic and Barbara Franchin



ITS Finalists Success Stories (From 01 to 04)



01



02

01 – Xiao Li won the Diesel Award at ITS 2013. She went on to work for Diesel, which even produced a capsule collection under her name, presenting it worldwide in the renowned Corso Como stores founded by Carla Sozzani. Her eponymous brand won the admiration of designer Azzedine Alaïa and she has been included in the Business of Fashion 500, the exclusive list of people shaping the global fashion industry.

02 – Demna Gvasalia won ITS in 2004, not yet graduated from school. His career began to skyrocket when he was appointed Senior Designer for Maison Martin Margiela first and Louis Vuitton afterwards. In 2014 he launched his collective brand Vetements, which created an amazing buzz instantly becoming a fashion case, with sold-out collections. In October 2015 an announcement that made history: he was appointed Artistic Director at Balenciaga.

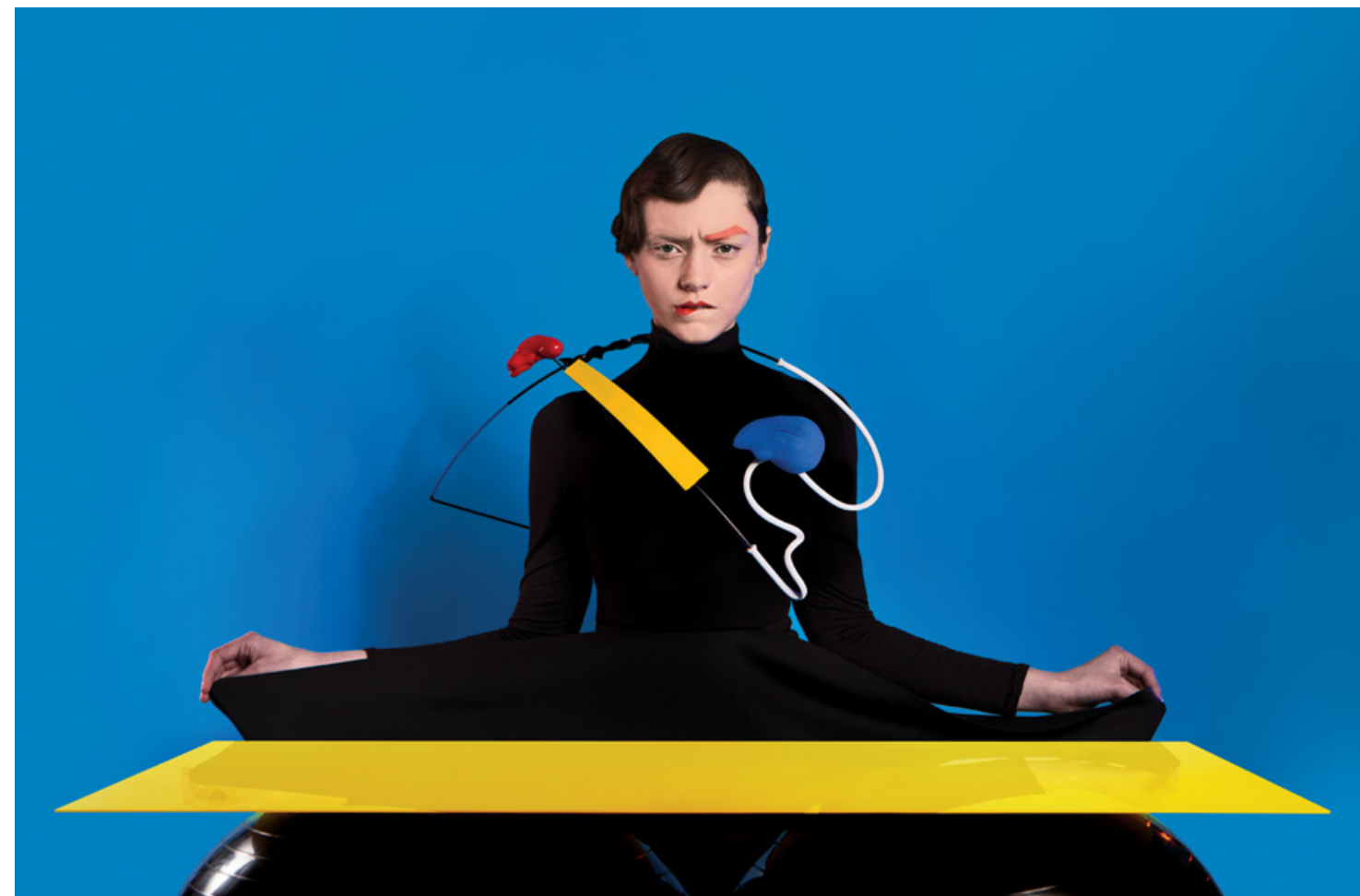


03

04

03 – Originally trained as an architect, Anabela Chan was twice a finalist for Jewelry in 2012 and 2013, a rare case exception. After very important work experiences for Sir Richard Rogers and Alexander McQueen, she decided to launch her label in November 2013. With her brand she won a number of awards among which the British Goldsmith's Craftsmanship and Design Award in 2013 and the Vogue VFDE Talent Award in 2014, and opened her own flagship jewelry boutique in the center of London.

04 – Tomasz Donocik was selected as finalist for the accessories contest in 2008. At the time he already had launched his eponymous brand after important work experiences in the jewelry sector among which designing for Stephen Webster and Garrard. In 2011 he won the much coveted British Jewellery Designer of the Year Award establishing his brand internationally, selling in stores like Fortnum and Mason, Luisaviaroma, Opening Ceremony and Isetan.



Creative Waves coming up in the ITS portfolios

For 15 years, ITS has been detecting creativity with a fundamental objective in mind: spotting the new generation of talents, but most importantly ITS is a Seismographer, picking up and analyzing any wave of creativity that occurs to obtain a snapshot of the current situation, free from the strictures of conventional thinking.

Each year this analysis allows the identification of certain trends which the contestants appear to be following, documented through images taken from their portfolios. Those below are an example of some of the recurring and latest ones:

Instagram-o-rama: (this page, 74 and 75) High-impact visual strategies are now on everybody's minds: this is fashion design at its most Instagram ready. The approach, in general, is graphic: bold blocks of contrasting colors define shapes or highlight them; cuts follow seemingly abstract paths. The riddle is mind boggling: making what's flat ready and apt for a living body.

Covered Faces: (page 64) There is a vaguely political agenda to the abundance of covered faces. This is a trend that's been recurring insistently in ITS portfolios, over the years. Sometimes it's about the rather sinister gesture of erasing any recognizable features, or just not wanting to see. Other times it represents the possibility to explore an incognito dimension to infiltrate the world and overturn the tables.

Gender-Blender: Constantly progressing throughout the years, the gender topic has been and continues to be an argument that finalists want to explore. Male and female aspects in fashion are being endlessly subverted, mixed, and observed from different points of view. Taboos are annihilated or just ignored in a never-ending exploration of what it means to be a woman, to be a man, or to be a blend of the two in the search for a third sex, which already exists.



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