

‘Transform or Die’: Can a Turnaround Expert Turn Kering Around?

Luca de Meo’s appointment as the French group’s chief executive is an admission of the seriousness of the crisis the company is facing, as well as a signal of its intent to do something about it, writes Imran Amed.

By Imran Amed



LONDON — This week, **Kering named Luca de Meo as its new chief executive officer**, replacing François-Henri Pinault in the top executive role. Pinault will retain his role as chairman, but made clear in a call with investors on Monday that he will be ceding day-to-day decision making to de Meo.

“Luca will have full liberty to take the decisions that he wants,” Pinault said. “I will remain fully involved in the strategic orientation of the group as chairman, but I won’t step in and short-circuit the new CEO regarding his prerogatives, priorities or key appointments of the group.”

Much has already been made of de Meo’s “outsider” status. Chanel CEO Leena Nair said to me at a dinner celebrating the brand’s 100 years in the UK on Tuesday that she was exchanging text messages with de Meo, joking with him that many of the articles about his appointment also mentioned her, linking them as fellow fashion outsiders.

But like Nair, Kering’s new CEO is not just any outsider. In the case of de Meo, he’s a specialist in corporate resuscitation, a turnaround expert with a track record of pulling legacy businesses back from the brink.

The clearest signal of what Kering hopes to achieve comes from the crisis he navigated at Renault, where he took the (proverbial) wheel in 2020 at a time of deep turmoil. The French automotive giant was losing €40 million (\$46 million) per day, grappling with boardroom chaos and haemorrhaging cultural relevance in a market being reshaped by electric vehicles and rising global competition.

And yet, within a few short years, de Meo not only steadied the ship but gave Renault real momentum: revitalising its portfolio of brands with emotional resonance, commercial discipline and clear strategic direction, he moved the business back into profitability and doubled its share price in five years.

Can he bring the same magic to Kering?

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Since 2021, Kering has lost more than 75 percent of its market value — a staggering erosion of investor confidence. Gucci, once a brand with more than €10 billion in annual revenue and the group's core profit engine, is sputtering. Group debt has ballooned past €10.5 billion. And virtually every brand in the portfolio is facing its own set of challenges.

Gucci scaled too quickly and lost its magic. What had been a case study in reinvention under Marco Bizzarri and Alessandro Michele became a textbook example of creative overreach and market saturation. Balenciaga, once the most memeable brand in luxury, stuck too long to a worn-out aesthetic and mishandled public controversy. McQueen became overly reliant on a single product category — sneakers — and has not yet cracked the code on how to harness the legacy of its pioneering founding designer. Even Saint Laurent — long a consistent performer with a clear brand identity, retail excellence and steady double-digit growth — has seen sales sag in recent quarters. Only Bottega Veneta, fresh off a successful reboot under Matthieu Blazy, has consistently grown. But after Blazy's departure for Chanel earlier this year, the brand is starting anew under Louise Trotter.

There's a deeper structural issue at work here too. As a smaller challenger to rival LVMH, for years Kering drove substantial growth by making bolder bets on the cult of the creative director, leaning into radical aesthetic reboots and empowering its designers to change everything. Even the design of stores were put into their hands, as if they were more like seasonal collections, rendering them dated when designers left. How will new Balenciaga designer Pierpaolo Piccioli's romantic collections fit into Demna's dystopic stores?

Kering's brands are not sufficiently built around the kind of robust, repeatable business processes that deliver long-term performance in today's more complex, fast-moving luxury fashion market, where merchandising, supply chain, digital and retail excellence matter more than ever. When Sabato de Sarno's new Gucci collections were unveiled, it took far too long for them to appear in stores, linked to confusing marketing campaigns which hobbled his attempted reboot from the get-go.

A new leadership structure has been a long time coming, as Pinault seemed ready to step back from day-to-day leadership and the financial markets called for a clear shift in strategy. Deputy CEOs Francesca Bellettini and Jean-Marc Duplaix were appointed as an interim step in this direction, but de Meo's arrival is a much more decisive shift towards the transformation Kering needs.

The market responded very positively to the news. Kering shares jumped on the day of de Meo's appointment. Analysts called the move "bold," "strategic" and "decisive." And industry insiders who know de Meo gave the appointment a big thumbs up.

I was curious to get to know de Meo better so I watched **a little-known four-part documentary** called "Anatomy of a Comeback," directed by Stéphane Gillot, Marlies Demeulandre and Julie Robert, charting Renault's turnaround under de Meo. In episode one, titled "Transform or Die," he comes across as not just a capable executive, but a leader unafraid of ambiguity and direct communication. He walks into a company in the throes of complete crisis — €8 billion in projected losses, a broken relationship with Nissan, a plummeting product pipeline — and quips: "I'm a bit like that, always looking for trouble."

Now he's looking for trouble again. So what does de Meo's stint at Renault say about what we can expect of him at Kering? Here are three areas to watch:

1. Product and Brand Reinvention

De Meo may be "a car guy," but this is a CEO who balances strategy with storytelling, and emotion with execution. His fundamental understanding of how products can stir desire — and command pricing power — aligns closely with luxury.





At Renault, he reimagined icons like the Renault 5, transforming it into a lifestyle vehicle with cultural significance across social classes. He didn't just revive Alpine, Renault's niche performance line; he turned it into a marketing platform linked to Formula 1, tapping into "Drive to Survive" fandom to drive crossover success. Dacia's Duster — positioned as low-cost but high-function — was repositioned through stories of robustness and ruggedness, even reaching the Dakar Rally with co-designed vehicles involving drivers themselves.

Expect de Meo to focus on each Kering brand's iconography and ask: What would a modern version of this look like, feel like and sell for? How do we create products that reach multiple customer segments?

2. Innovation and Tech

De Meo loves technology. At Renault, he developed Ampere, an EV-focussed business unit meant to compete directly with Tesla and China's tech-savvy automakers. He hired former Apple executive Luc Julia, the so-called "Pope of AI," and created Reno, an AI assistant embedded in R5 cars — an idea which was prototyped in just three months with a five-person task force.

At Kering, this kind of chutzpah could be game-changing. Imagine a group-wide focus on AI-driven demand forecasting, sustainable product innovation or tech-enhanced retail experiences.

3. Decisive Restructuring

Power at Kering has traditionally been shared between Pinault and the deputy CEOs and brand CEOs. Some tough decisions were not confronted head on, leaving key business questions unresolved. Now there is one man decisively in charge. Under de Meo, we should expect faster decision-making and less tolerance for strategic drift.

Look to the tag words in de Meo's "Renaulution" plan as a sign of what's to come: "*Resurrection. Renovation. Revolution.*" His first act at Kering will likely be resurrection — setting a vision and clear goals, stabilising the P&L, and aligning management. Will we see a simplification of the org chart? A rethink of deputy CEO roles? A push to align the brand leaders more tightly with group-level strategy?

In one memorable scene in the documentary, de Meo gets up in front of a group of Alpine F1 team members. In a frank and forthright speech he warned team members they would remember for all their life, he says: "I came here to tell you what I think of you and tell you where I stand with the project of Formula 1. The season is pretty disappointing so far. We are back on the side of the losers, and I hate to be on the side of the losers."

"Don't misunderstand," he continues. "You don't know how much I like you, but not this version of this organisation."

A shake-up is coming at Kering and an entire industry is waiting with bated breath.

The Kering group has all the key ingredients for de Meo to work with: a portfolio of storied brands and a supportive shareholder with long-term vision for a global luxury group. De Meo's job now is to rewire the Kering machine — from design and supply chain to tech and leadership — without losing the emotional magic that luxury demands.

Have a great weekend,

Imran Amed, *Founder and Editor in Chief*

