

# Canada goose essay sample

[Business](#), [Branding](#)



Canada Goose Inc, is famous for allying style, fashion and functionality during the winter season. It is featured in over 150 independently owned retailers and more recently, in the Athletic Legends Sportswear. In addition to being sold online by two authorized dealers, Canada Goose products have also been placed in a number of countries and have had great results in the European market. Now it has a significant opportunity to further strengthen itself as a leader by offering its product through national chains. Indeed, Canada goose considered offers from two national chain retailers. One offer came from a Canadian chain called Asmuns Place. Another offer came from Levine's Menswear.

### 1. Situation analysis

#### a. The market

Canada Goose's is a leader in the luxury sport jacket industry, and of the "well-made, fashionable jackets that featured a brand name". C. G's products were initially designed to brace the harsh elements of winter, since they are filled with down, but quickly it also became a status symbol. The company is offering mainly jackets but recently, it has also begun to extend to additional items such as gloves, hats.... For each gender there are 3 kinds of jackets: the Chilliwack, the Expedition and the Constable parkas are the most popular among men, and the Chilliwack, the Trillium and the Kensington are the ones that are famous among women. The prices are ranged from \$420 to \$610.

#### b. Micro-environment

Who are the customers?

Typical Canada Goose customers change by the time. Customers tended to be affluent adults aged between 34 and 50. But, through the growth of the brand over time, this fact of age changed and consumers could be as young

as age 16 and as old as age 64. Canada Goose shown a dramatic increase in knowledge of the brand across Canada, and this explains the sharp increases in sales over the past few years. As the brand minimizes its costs of advertising, the word-of-mouth between consumers makes them unconsciously more attracted by the brand. This is the success key of Canada Goose; It involved its consumers in spreading the brand indirectly.

Who are the partners?

The main partners of Canada Goose are its distributors. Concerning Europe, the firm had established a strong relationship with them and gave them full authority to make decisions regarding product placement within Europe. This strong link between them facilitates the complexity of distribution as the popularity of Canada's Goose products grew fast. Who are the Competitors?

c. Macro-environment

Based on PESTEL analysis:

- Political factor: Canada is a democracy with a parliamentary government. It consists of three parts: federal, provincial and municipal. Canada has a stable political system so it cannot affect the Canadian clothes industry (sport jacket industry).
- Economical factor: Canada has the 10th largest economy in the world. But the economy was facing by 2008 a recession. This could hold back or lower investments. There is a regulation in the retail clothing industry concerning the discounted merchandise, that C. G must take into consideration.
- Social analysis: The recession may cause a modification on the Canadian consumption behavior. They will probably spend less on luxurious products.

- Technological factor: Selling online became necessary for companies to distribute directly their products, as the demand increases.
- Environmental analysis: Canada’s climate is dominated by extreme and long cold winters. In the other hand, we can take into consideration the crude winter season, with its frigid weather as a reason to push to the purchase of jackets and other winter clothes. Beside, strict regulations exist to control the use of animal products in the production of jackets, C. G is a member of the Fur Council of Canada and has to obey rules set out by that organization.

## 2. SWOT analysis

a. Strengths

b. Weaknesses

c. Opportunities

d. Threats

## 3. Key marketing issue and consequences

4. The opportunity here is about the expansion of Canada Goose in order to ensure itself as a market leader.

5. Do these opportunities fit with the company’s current marketing strategy?

6. We have to figure out if accepting either of these two offers “ would not only price these independent retailers out of the market but could also lead to the devaluation of the brand”?

Independently owned and regional retailer can be threatened by the opportunities offered by Asmunds Place and Levine’s Menswear, first, regarding to eventual promotions proposed to their customers, in which case

independent stores won't be able to keep up with the amount of discount on Canada Goose's products. If this situation occurs, these small shops will be priced out of the market, which is not what Reiss wants at all, in fact, he is "reluctant to ignore the complaints of his original distribution partners", because they are the ones who took a chance on Canada Goose at the beginning; they are the ones who helped to increase the awareness and the value of the brand; the fact that Canada Goose's products couldn't be found anywhere else other than in these independent retailers made this brand more special, and that's what wanted Reiss to preserve, even though he must satisfy the increasing demand by expanding his distribution structure.

11. Besides, the other issue brought here while making this choice, is about the devaluation of the brand.

We must keep in mind that the first main objective of Reiss when he took over the control of C. G was: building the brand. Through the particular distribution system chosen by C. G, that sold its products only via independent stores, and the choice made by the company's executives who prefer to not overexpose the brand through marketing, C. G succeeded in raising brand awareness and add value to it. Now that the demand is really strong, two new national retailing opportunities are considered, the fact that C. G's products will be available in so many stores (especially at Levine's Menswear expects 40 stores in the future) may decrease the value of the brand since it might not be considered as a "most premium product", because customers will not feel they are "part of a select few fortunate", since C. G's products are available in national retailers. This issue is more relevant to the second opportunity than to Asmunds Place's one, which has

only 10 stores. 12. Reiss was also concerned about Asmunds Place which requested to feature C. G products in the store print advertisement, which will be mailed to loyal members of the store, this request does not fit with the current marketing strategy of C. G which rely on product placements and sponsorships mainly, and is certainly not based on an over exposition of the brand.

#### Main decisions and proposed solutions

In order to satisfy the increasing demand of Canada Goose's jackets and after the success of a recent partnership with Athletic Legend, a national retailer, Reiss had to consider two new retailing opportunities. We consider that to pursue the first opportunity, which is the women's closing product line for Asmunds Place will be the best option to cope with the marketing main issues. In addition, it will align with Canada Goose's strategy without destroying or harming the basic distribution channel. This will allow the company to increase their market share by 5% without having a conflict of interest with their small independent retailers. Unlike Levine's Menswear that has 20 stores and most probably will open 20 other ones, Asmunds Palace operated in 10 retail stores only, across Canada, so managing distribution for only 10 stores will be easier and less expensive for Goose Canada. In addition, its production capacity isn't ready for the probable expansion of Levine's Menswear.

This expansion may harm the brand image of uniqueness and non-overexposed products. Levine's Menswear represented an appealing opportunity for Canada Goose Inc. in term of profitability and market share

growth, but will represent a huge threat for actual small retailers with whom the company has built its brand value. On the other hand, Asmuns Place's opportunity will increase the company share and allow them to maintain their established and successful distribution channel. Because Canada Goose will only provide them at first with only women's wear, so it would not be a big threat to the small stores. However, the company should be firm with their retailers to maintain of their brand prestige and pricing through all their stores across Canada. So, Canada Goose should be specific in terms of in store advertising conditions to maintain their brand value and image. It should also manage to offer a different variety of products for Asmuns Place (in case they expand to the men collection) and for independent stores to avoid a conflict of interest. In addition, they can meet with their actual retailers and assure them that discounts on products in national retailers will be controled.