

Example of memorandum business plan

[Business](#), [Marketing](#)



Re: Executive Summary: Revitalization of the Great Western Garments (GWG) Brand

Since the purchase of the Great Western Garments (GWG) jeans brand in 1998 by Levi's, the brand has failed to exhibit the growth expected by both parties. In particular, the latest sales data indicates that the rate of growth during that time period has been 22.22%, but that growth required the substantial investment in a commissioned sales staff of 15 persons.

Additionally, this period has seen introduction into the jeans market of many new competitors, resulting in approximately 17 companies total, not including Levi's, now directly competing for a similar consumers. At the present time, GWG holds approximately 1% of this market. As consumers now have an increasingly large number of choices when purchasing a pair of jeans, this does not bode well for the continued vitality of the GWG jeans brand without some sort of intervention.

There are many positive aspects to the GWG brand's position in the market. The brand has a long and storied history with its connection to the settlement of the Canadian Western frontier (Cole, n. d.). Further, preliminary research has shown that consumers associate the brand with a high quality and a comfortable to wear product. Importantly, the most mentioned aspect was reasonable price, that is, a perception that GWG brand jeans are less expensive than comparable jean brands. These positive aspects need to be leveraged in any plan aimed at reinvigorating GWG's market position.

The proposed solution to these issues involves a revitalization project for the GWG jean brand. The revitalization plan will consist of four steps: 1) create a

new vision and mission for the brand, 2) obtain in-depth insight into the brand's strengths and weaknesses, 3) create a roadmap for reinvigoration based on this insight, and 4) bring the vision to life with storytelling (Rubel, 2010). In particular, the proposed new vision and mission is CWG is dedicated to providing high quality and affordable jeans to wear during all of life's adventures. Additional research will be done to ensure the focus direction into the male market within an emphasis on adventure and outdoor wear is justified. The roadmap for this process will include shifting the brand's focus from older blue collar workmen to younger, adventuresome men. The repositioning can include the slogan " Pull on some adventure with GWG." The storytelling process will include proposed print and media ads will feature men in outdoors settings pulling on GWG jeans in outdoor or other adventuresome settings such as before a campfire, before riding down a mountain on a mountain bike, before scrambling up some rocks, etc. If budget permits, consideration can be made to finding a spokesperson in the adventure field such as a mountain climber, BMX bike competitor, or other " adventuresome" field to tout the usefulness of the brand.

This plan will require investment, but it can be seen as investment in the long-term sustainability of the GWG brand so it will provide sufficient future sales volume to make Levi's 8% net profitable, as well as protection of the money already sunk in GWG during purchase and subsequent sales force changes. Specifically, this effort requires a significant increase from the current promotional budget of 3%. Research has shown that the clothing industry spends approximately 3-8% in ad-to-sales ratio (Seattle Times, 2011). The shift to a new consumer base justifies spending on the high end

of this, thus the proposed ratio is 8% or \$440, 000, based on 2001 sales numbers and \$25 average purchase price. This is a small upfront price to pay for continued vitality of a valuable, storied brand.

References

- Cole, C. (n. d.). Edmonton's Great Western Garment Company. History of GWG. Retrieved from <http://www.royalalbertamuseum.ca/virtualExhibit/gwg/en/history/edmonton.html>
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