

# Casequestions for elie saab assignment

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



You are a senior consultant from Antwerp Fashion Consulting Group (AFC) and you have been hired by Lie Saab, to conduct a Fashion Strategy Audit, upon my recommendation. Please make an analysis by answering the questions below. Please use the relevant models/tools learnt in the class. This Audit is very important to build your reputation in the global fashion business! Good Luck to you! This is an individual assignment. Due: Sunday, January 25 on or before 24: 00 Format: Cambria, 11, spaced.

Maximum 5 pages. Please stick to the case. You can write it as an essay or by answering each question in order. Your choice. 1 . What is EX.'S core business? Discuss the “ total product view” (I. E. Core, actual and augmented). Lie Saab, the brand, is a couture house that became renowned for its innovative, sophisticated and glamorous high fashion. Lie Saab, the person because of whom this brand came into existence is a high-end fashion designer who mastered the art of dressmaking.

The four main product lines that make up the core of this luxury brand is: Haute Couture, Ready-to-Wear, accessories and wedding dresses. Haute couture: Saab made several hundred dresses every year that were completely made to order from color, material, style to type of embroidery. This is the haute couture line that has made this brand so famous for its unparalleled designs and service towards the customers buying these dresses. ART: this is the more accessible product line that SEES offers. This is not as time consuming or as costly as the haute couture line.

Accessories: This line included shoes, handbags, scarves, jewelry, belts, fragrance and cosmetics. Wedding dresses: Wedding dresses were classified

as either Haute Couture or RATE. He basically believes in doing everything that stands for “unassailable luxury” and hence he even conceptualized the creative direction regarding the interior as well as the exterior design for the exclusive luxury yacht and signed an agreement in Dubai to develop a luxury hotel. Of course these are just other aspects of the brand and their determination to expand in all things distinctively luxurious.

The core product view is what benefits the producer would like their product to offer buyers. It is the basic reason why the customer is buying a certain product. In this case SEES stands for everything luxury, high-end and exclusive. This is a comment from the company itself on what it is really offering. “We offer competitive couture pricing without compromising on service. Our brand represents an affluent and glamorous lifestyle for the rich and famous. We stand out from other primary labels by offering exceptional service and top-of-the-line quality. The actual product view is about translating the list of core product benefits into a product that people will buy. So here, the reason why people are buying SEES is the exceptional service and top-of-the-line quality. High-end fashion, glamour and luxury resonate in all their products and that’s what the brand stands for, also giving them a distinct personality. The augmented product view involves deciding the additional non-tangible benefits that a product can offer. In this case the services that Lie Saab gives to its Haute couture clients personalized choice of dress materials, color, etc.

He also gives consultations to the clients to help them decide what hairstyle and jewelry would go with the dress. Also, after the client has the dress, they

have a lifetime service from SEES fifth hemline was to rip or alterations were needed, etc. They preferred to keep close contact with all their clients and even sent them fashion show invites. SEES also offered to be in close contact with an haute couture client himself as he could then add the personal touch to the dress creating vast customer satisfaction. 2. Complete a strengths, weaknesses, opportunities and threats (SOOT) analysis.

What is EX.'S Competitive advantage? " So it is said that bayou know your enemies and know yourself, you can win a hundred battles without a single loss. If you only know yourself, but not your opponent, you may win or may lose. If you know neither yourself nor your enemy, you will always endanger yourself. " ; The Art of War by Sun Thus Strengths: High-end, one-of-a-kind designs Made from the finest fabrics and materials, highest quality Haute couture market between labels such as Dior, Channel, Valentine and Guiltier.

Exceptional service and personalization Very exclusive and for upper high class Part of Chamber Syndicate De la Couture One of the only 1 1 haute couture houses in the world Major celebrities and royalty wearing the brand creating high brand image Weakness: Avoiding the new and emerging affordable luxury market, which consisted Of the affluent middle class. Very high prices Time consuming to make each personal dress Opportunities: Expansion in the other countries like Hong Kong, China, Russia and Australia, etc.

Increase the number of multi-brand shops across the globe in which SEES products were available Could create more product lines like areaway, casual wear, men's clothing, swimsuits, lingerie, leather goods, home line,

airplanes, cars and car accessories, hotels, hotel amenities, luxury sports (golf), information technology and high-tech products. Could create an entire new line or sub-brand that fits into the affordable luxury market. High pricing but not too high and also for a slightly younger target. Could also do a children's line for flower girls etc.

Threats: So many new competitors have arisen in the last few years like Alexander Macaque, Oscar De la Rental, Chair Mural and of course the old ones Given, Channel, Dior, etc. Not tapping the affordable luxury market, missed Opportunity SEES' competitive advantage lies in their high quality of material and product and impeccable service. They have a very unique placement in the market offering very high quality product that is highly fashionable and glamorous. Saab also really paid full attention to the personal touch to the dresses by being in close contact with the client and also consulting them on how to pull off the end look. . In what stage of the product life cycle is the company located? How has the company's positioning and differentiation strategy changed over time I think it's in the maturity stage of the life cycle but still inclining toward the growth phase. During the maturity stage, the product is established and the aim for the manufacturer is now to maintain the market share they have built up. They already have a very established brand name, which signifies very specifically what it stands for. So they need to now build further on that base and keep tapping into newer opportunities.

They also need to consider any product modifications or improvements to the production process that might give them a competitive advantage. The

brand still has a lot of opportunities to grow in certain markets but most of the growth phase is over and on the other hand they have been in the market since a very long time and hence they have the experience of knowing and understanding its target customer ND expanding accordingly. According to me the positioning of the company hasn't change much over time. SEES always wanted to be envisioned as a high-end fashion designer and always striver for the brand to resonate the same.

He offered his customers the finest quality of product and seen/ice. For example, the haute couture line was an a life experience. The client could personalize the dress from color to embroidery and is also offered the best service with it including consultations of the desired end look by Saab and after sales service if anything was to happen to the piece. Even the introduction of the ART line targeted the similar range of clients, super wealthy and glamorous, but just more accessible in terms of availability and time consumption.

So his strategy was always to position the company in at the top tier, which catered to the super- wealthy, above the aspiration or affordable luxury market and the more accessible luxury market. SEES' differentiation strategy has been to ensure the highest quality of the product and give exceptional service to the clients. The personal touch when SEES himself sits with a client and discusses the choice of the client from ginning to end really adds a huge differentiation point to this category of customers who range from celebrities to royalty to the very wealthy.

Even in their stores the service of just buying an outfit and also the way the store is made signifies luxury at all levels and that's what they want to stand for since the beginning. They also offer a very high level exclusivity, which also makes a point of differentiation and appeals to their target clients. Also their haute couture pieces are all one of a kind made especially for the client. 4. What is the company's current entry strategy? Is this strategy consistent with the company's vision? Discuss the pros and cons for each entry mode.

My understanding of 'entry strategy' is "the planned method of delivering goods or services into a target market and distributing them there." As I mentioned earlier their vision has always been to be involved in whatever they thought defined luxury. SEES has always wanted to be a high-end fashion designer catering to the super wealthy, the upper tier of the high class. This is the market they chose to target as a company as well as an individual. To establish SEES as a brand he had to expand from Lebanon to Milan and Paris to gain the recognition the brand required on a global level.

He envisioned his brand to be worn by celebrities, really rich 'fashionists' and royalty. He even gained membership at 'The Chamber Syndicate De la Couture'. This was a huge honor for anyone in this field, there were only 11 fashion houses to be part of this commission and SEES was one of them gaining them further establishment. The most effective marketing for SEES was when actress Halle Berry wore his dress to the Academy Awards. This was definitely a mark in the history of the brand signifying its importance and stand in the specified market.

According to the breakdown of product consumption of 2009, 37% of luxury goods were being purchased in Asia, 35% in Europe and 24 per cent in the United States and four per cent in the rest Of the world. So it was good idea for SEES to expand into the market that would create the most amount of wealth for them. They expanded into the middle east which proved as a huge success as 62% of their sales started coming from there. Furthermore, they had agreed to sign a contract to develop a luxury hotel in Tuba's Tiger Woods and also designed the exterior and interior of a luxury yacht with Ocean, a egg yachting company.

They also own 4 flagship stores and ateliers. Direct ownership also some pros and cons. Pros being that they have full control over everything where as cons being the costs associated with the rent and maintenance of the properties could turn out to be very expensive. Their ART lines are also available in many multi branded luxury stores like Newman Marcus, Beresford Goodman, Harrows, etc. This is a good way of making their collection more accessible to larger clientele without bearing the costs of direct ownership.

But this also means that they may not be able to rate the exact store atmosphere or ensure the same level of service to clients. The company grew through various modes of entry such as licensing, partnerships, third-party distribution and company-owned stores. Each market presented different opportunities and challenges, and thus required a customized business strategy including the selection of the most suitable partners and



entry mode. For example, SEES licensed its name so that it could be applied to accessories to complement the company's product offerings.

The pros of entry modes like licensing are that they don't need to have an expertise and know-how in any of these fields but they can widen their product range and still concentrate on their core business. They just needed to design or conceptualize these accessories like perfumes or beauty products, etc and then could sell them under the SEES brand name. There are very little costs involved in licensing. On the other hand the cons are that they could lose out on certain profit margin when you're the one manufacturing the product. The firm may lose control over the manufacture and marketing of its goods in other countries.

As a mode of international market entry, accessing also may be less profitable than other choices because returns must be shared between two parties. There even is a risk that the foreign licensee may sell a similar competitive product after the license agreement expires. But for SEES all these entry strategies have worked really well. Licensing, third-party distribution, partnerships and company owned stores and ateliers makes sense for them as they properly balanced each of them to ensure the exploitation of these sources to maximize their profits and reach the largest amount of clientele. 5.

Should SEES target a new market? For example, should the company target the emerging 'formidableness market?' Explain, and be ready to support your answer. According to me I think it would definitely benefit them. As Saab said: "You see a woman wearing a \$6,000 Chanel jacket on top of a"

590 pair of jeans from Ezra. Therefore, we have to continue to follow the trends and needs of today's woman and be able to satisfy her needs and desires, whether it's Haute Couture for that extra special event or the R TWO for that special occasion where our customer does not have the time to wait for the custom-made couture dress.

As he correctly analyses the market trend and mentality of his target consumer he realizes that the trends are shifting from ; beer formal dress codes to a much more casual atmosphere. I think there is a space in the 'verifiability's market' for SEES to start a line that caters to those consumers. It is a highly evolving and widely growing market especially in Russia, Middle East and Far East. There is a huge customer base that can be tapped through this market but it has to be done consistently and thoughtfully, as this shouldn't in any way harm the brand image. Hint that hey stand for glamour and luxury and they could bring this out in another way. They could start a new line or a sub brand for this market base and make the collection a little bit younger and more affordable, keeping intact the haute couture and R TWO lines. In this way the brand image will not get tarnished and SEES can gain many more customers on the basis of what he said above. He could display this line in only certain countries like Dubbed, India, China, Russia, etc. So this way the royal clients that come mostly from Europe do not feel that they are wearing something people in the " non-royalty' étagère are wearing.

They would compete with BC Maxima, Stella McCarty and Given in this market. So eventually tapping into this consumer base but without tarnishing

its already established brand image. This could work even better by having a completely different marketing strategy for this line, as this would be targeting the client that comes from a wealthy and stylish family or celebrity, but is in her ass. This part of expansion though should be done with consistency and caution. 6. What are your overall recommendations for SEES? What marketing mix strategy do you recommend?

CLC Overall my recommendations are that they should definitely expand. They should concentrate on their core business but also tap into above mentioned 'affordable luxury market' and widen product line. But as of now they are doing a very good job by ensuring client satisfaction and clearly envisioning the brand image and going ahead on that basis. To recommend a marketing mix strategy we need to first define the target consumer. Our target consumer is a woman that belongs to the upper high class. This means that she could be royalty, a celebrity or super wealthy.