

Marketing luxury brands: the of true religion apparel, inc

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Marketing Luxury Brands: The Case of True Religion Apparel, Inc. Luxury brands have usually been linked to the central competences of premium pricing, high quality, craftsmanship, creativity, innovation, and exclusivity, all of which are embodied by the True Religion brand. These product features provide consumers the gratification of not merely owning posh accessories or clothing but the additional psychological satisfactions like a feeling of prestige and high self-confidence that prove to themselves and to others that they are a member of an elite group who can afford these expensive products. True Religion Apparel, Inc., just like other luxury groups, targets its products at consumers on the apex of the rich scale. These self-chosen privileged consumers are essentially insensitive to price and prefer to use up their resources and time on items that are entirely lavishness instead of necessities. Due to these, prestige and luxury brands have dominated a firm and usually irrational customer loyalty. True Religion Apparel, Inc. depends greatly on its capacity to market products/services to wealthy, trendy consumers. The luxury brand, since 2003, has highlighted wash, fit, styling, and perfection in their brand (Hoover 2008). However, just like any organization, the brand has its own strengths, weaknesses, opportunities, and threats. Strength True Religion produces most of its denim produces in the United States which gives job security to its factory workers and a kind of satisfaction to its consumers. The marketing program of the company has enabled the brand to position itself as the leading retailer of luxury denim. Due to this, True Religion has acquired an excellent financial position with substantial profit and without debt (Hoover 2008). Weaknesses True Religion confronts aggressive competition in the industry, with a number of the

competitors being supported by bigger corporations with larger assets and resources. Moreover, the company is positioned in a small-scale market and its financial performance depends greatly on the capacity of management and design teams to forecast fashion trends.

Opportunities There are actually numerous opportunities for True Religion, but the major one is global expansion which will generate greater prospects for revenue increase, as majority of overseas markets are fairly unsaturated.

Threats If True Religion keeps on expanding at a remarkable pace, which is what it is doing now, it will increase the possibility of market saturation. Aside from this risk, one major threat is the competitors. Based on the SWOT analysis, three recommendations can be made. First, a brand extension that involves the motivations for consumer demand for acceptance, quality, and status. Second is a brand extension that puts emphasis on brand equity. And third, True Religion should take into consideration the risk of brand dilution, consumer demand, organizational experience, and competitor analysis. The managers of True Religion display a level of conflict in forecasting and instead depend on the tradition of the company and the experience of the founded. Nevertheless, the company should be interested in competitor analysis, brand dilution, and consumer demand as well, all of which have the capacity to ruin the status of the brand. The case study and other literature on the subject shows that when taking into account decision criteria, related possibilities of brand dilution, and assessing symbolic view of suitability is fundamental to the enhancement of brand equity with the brand's tradition (Kapferer & Bastien 2009). These can be verified through qualitative research and are supervised and organized by the sales and marketing

departments (Hines & Bruce 2007). Although True Religion has a great opportunity with brand extension it should have backing from the senior management for forecasts and budget targets. True Religion is operating in a high risk and highly competitive clothing industry, with the biggest percentage of its earnings originating from high-end denim products (Hoover 2008). Per se, the company competes closely with other first-class and well-known denim brands, such as Lucky Brand, Rock & Republic, Guess, Levis, etc., all of which are either unit of a bigger corporation or privately owned. Nevertheless, the best thing about True Religion is that it acknowledges the requirement for a more mutual process of sales and marketing and is building ventures to boost earnings. References Hines, T. & Bruce, M. Fashion Marketing: Contemporary Issues. Burlington, MA: Butterworth-Heinemann, 2007. Hoover. Hoover's Handbook of Emerging Companies, 2008. Kapferer, J. & Bastien, V. The Luxury Strategy: Break the Rules of Marketing to Build Luxury Brands. UK: Kogan Page, 2009.