

# [Gap imc plan](https://assignbuster.com/gap-imc-plan/)

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Raffles Design Institute Fashion Marketing Marketing Principles Richard Kisembo ” IMC Plan Outline ” Febrina Halim Stella Wong Leo Shanghai, China Desember 2011 1. Executive Summary. The Gap, Inc. (Gap) is a specialty retailer engaged in selling clothing, accessories and personal care products. When Gap was founded in 1969, its targeted customers were younger generations (hence the name of the store, which refers to the generation gap of the time).

Gap’s originally sold signature blue jeans and white cotton t-shirts, but later expanded to include clothing for men, women and children.

The product line of the company includes casual apparel like denim, khakis and T-shirts; footwear, personal care products, accessories and fashion apparel. The company sells its products through its retail stores, internet and catalog store. The stores of the company operate under the banners Gap, Old Navy and Banana Republic. The company is also engaged in wholesale and franchisee businesses. Gap operates about 3, 100 stores in the US, Canada, France, Ireland, Japan and the UK.

Gap is headquartered in San Francisco, California, the US.

Our mission is to doing more advertising champagne, maximize the strengths of GAP, inc, be more creative making new products like combine the core products into the fashionable one, reduce it’s real estate portfolio, make the products looks attractive and unique so GAP can competeZaraand H; amp; M. Generally company’s customers are young and middle aged people eager to try something new every season, enthusiastic about color and inspirational design. The Gap inc does an outstanding job of itting the spot of the teen market, even while their advertising tries to draw in a more adult crowd, who definitely don’t want to wear the same brand as their parents.

Profit making resources covering advertising, competitive intelligence, best practices, public relations, pricing, and market research for small business. Providing excellent customer service requires a number of easy steps that create an ongoing process that’s memorable to your customers. Here are nine ways to start providing great customer service right now. 2. Problem Statement.

People’s tastes change as their incomes and lives change.

The Gap was tailor-made for people like this writer, who, lacking any interest in or knack for fashion, just wanted affordable clothes that would be acceptable in school, at work, or at leisure. But over time, many of the Gap’s core customers had to start dressing better for work. Others acquired better or more expensive tastes. Or, as in my case, they acquired spouses with more discerning taste. the Gap simply ran out of good shopping sites. And quality certainly has something to do with it.

The Gap is on the wrong side of the fine line separating cheap (as in low price) from cheap (as in low quality). Selling cheap, trendy clothes that can be worn a season or two and tossed has proved more successful with teens than carrying better-made “ classics” — although some customers complain that Gap’s clothes aren’t as well made as they once were. The Gap doesn’t seem hip any longer. They simply market one color or one style, so its goods don’t seem unique anymore. The biggest problem for Gap stores is that the chain now occupies the murky middle, even in the parent company’s own portfolio.

And in the age of mass luxury and two Americas shopping, the middle market is nowhere.

People who really need to scrimp on clothes spending will go to Old Navy, or H; amp; M, or Wal-Mart. And those who can afford to spend more will go to Banana Republic, or Barneys, orNordstrom. 3. Situation Analysis. a) SWOT.

SWOT analysis is a strategic planning method used to evaluate the Strengths, Weaknesses/Limitations, Opportunities, and Threats involved in a project or in a business venture. This analysis involves specifying the objective of a roject within a company and then trying to identify the internal and external factor that might influent the success of achieving that objective. There are 4 elements in the SWOT analysis: \* Strengths: characteristics of the business, or project team that give it an advantage over others. \* Weaknesses (or Limitations): are characteristics that place the team at a disadvantage relative to others. \* Opportunities: external chances to improve performance (e.

g. make greater profits) in the environment. Threats: external elements in the environment that could cause trouble for the business or project. b) Strengths of the Organization. GAP’s biggest strength is more humanity than other brand; that showed in GAP’s slogan which is” make our clothes to fit everyone. ” So, if the customer want to buy an outfit, they can fit the clothes very well, they can looking for any type of outfit.

Also, they make a good quality product with affordable price, so everyone could reach it. i. Weaknesses of the Organization. GAP is a fashion brand that change the product fast.

From 1990-2002 GAP had taken risk-attitudes by changing the core products ( casual jeans and tshirt ) into a fashionable clothes and cause considerable losses. The other factor of weakness that GAP had already been done : 1.

ZARA and H; amp; M have a good reputation before GAP comes to China. 2. The price also the quality still low rather than ZARA and H; amp; M. 3. The products is not unique anymore.

ii. Opportunities in the environment. 1. Demography : GAP store should located densely populated place, China is a good place to start. 2.

Political : Marketing have to adapted the Political, It’s the only way to developed the marketing.

3. Legal : Marketing is based on legal and political, so if the country has good legal lead to better operation with GAP. 4. Social : GAP can expand socialization via technology. 5. Culture : The marketing has to adapted the cultural from the location, such as history and language cultural, so learn the location’s culture can make more succesfull for the environment.

6. Economic: The price of a products should be fit the standards of consumption. 7. Ecological: environmental protection.

The resource can be use again, recycle.

iii. Threats in the Environment. GAP have to compete with same level’s brand, like h; amp; m, zara. Maybe some new brand will produce , they are also can be the threat. The price is also important, the new strategies GAP didn’t find at the first time, other brand can be use, so collect the resource at first is very important(strategy) set up the store with a good area can be a good idea too. c) Market and Consumer Behavior Analysis The Gap Inc.

customers are successful people who are looking for high quality and reasonable prices.

Old Navy brand it is more of a younger audience with less income to spend, Gap itself aims at middle class buyers wanting a stylish look and excellent customer service treatment. Banana Republic brand is the most expensive and the most chic one out of all presented by Gap Inc. People shopping at Banana Republic are looking for latest styles, comfort and still reasonable prices for the quality they receive. Generally company’s customers are young and middle aged people eager to try something new every season, enthusiastic about color and inspirational design.

Geographic. Gap in has over 3, 200 stores worldwide. About 3, 100 stores across the United States, United Kingdom, Canada, France, Ireland, Japan, Asia, and Italy. Now, They’re in 31 countries with online sales available to customers in over 90 countries. Managed by local teams in London, Tokyo and Shanghai, they have the infrastructure to increase our share of the $1.

4 trillion global retail market. Customers increasingly demand access to their brands through a variety of channels.

In response, they’ve aggressively added Outlet stores to existing markets and opened in new markets with huge potential. For example, before launching in China, Gap inc invested thousands of hours to really understand their new customers. In China, consumers shop as a national pastime, using social media for style inspiration. These insights showed us the huge potential for Gap’s American style.

Their first marketing campaign, “ Let’s Gap Together” was captivating because they didn’t just export an American brand – they integrated Gap into the Chinese culture.

Gap. inc has a lot of company inside it. They have different market and consumer behavior between that company. The Banana Republic stores try to convey a more sophisticated image for an upscale customer seeking “ modern, accessible luxury,” whereas Gap stores appeal to a broader demographic of customers.

The Old Navy chain is designed to appeal to families and younger customers by emphasizing “ fun, fashion, and value” through a store experience that aims to deliver “ energy and excitement. Although Gap, Inc. , along with other retail-store chains, has been criticized for blandness and uniformity in its selling environments, the company maintains that it tailors its stores “ to appeal to unique markets” by developing multiple formats and designs. The Gap inc does an outstanding job of hitting the spot of the teen market, even wgile their advertising tries to draw in a more adult crowd, who definitely don’t want to wear the same brand as their parents. Demographic.

In teen apparel purchasing, women take the lead, with 29 percent of women, as compared with 18 percent of men, saying they made a purchase in the past year.

With sales of women’s and girls’ clothing topping $146. 6 billion. Women spend one and a half times more money on apparel than men and boys do. Key demographics for buyers of Gap apparel industry. -women are the most active buyers -incidence rises with incomeand education. -younger consumers, under age 45 buy more.

-two or more person households and those with children buy more. d) Competitive Analysis. Direct :

The Gap competes with local, national, and global department stores, specialty and discount store chains, independent retail stores, and online businesses that market similar lines of merchandise — probably too many to mention. They don’t say specifically in their 10-K who they view as their major direct competitors, so I guess the answer is somewhat subjective. Based on their Definitive Proxy Statement, they do disclose apparel companies that they feel are similar to theirs (without coming right out and calling them their competition).

Some of them include: \* TJX Companies (TJ Max, Marshalls) Abercrombie ; amp; Fitch \* Aeropostale \* American Eagle Outfitters \* J. Crew \* Levi Strauss \* DKNY \* Macy’s \* Nordstrom \* Polo Ralph Lauren Indirect : Shoppers wanted to wear what the ‘ stars’ wore, and some fast-fashion brands like ‘ Zara’ and ‘ Hennes & Mauritz’ (H; amp; M), churned out fashionable and trendy, cut-price copies of catwalk pieces at lightning speed – in less than two to four weeks after conception (hence called ‘ fast-fashion’ brands). Also, premium brands like those of Gap, became more vulnerable to low cost imports from developing countries.

In this context, some analysts opined that Gap should revise its production, distribution and strategies so as to come up with trendier and cost effective styles at a very fast pace. Future : Stores including Levis, Calvin Klein, Hot Topic, Hollister, Zara and Mango now offer far more distinctive styles at prices similar to Gap’s.

They could take the Gap inc place in industry , if Gap inc couldn’t produce more fashionable and trendy products that they all do. e) Product Analysis. The Gap, Inc is an American clothing and accessories retailer based in San Francisco, California.

When Gap was founded in 1969, Gap’s originally sold signature blue jeans and white cotton t-shirts, but later Gap Inc has grown into the largest specialty retailer in the US, selling clothing, accessories, underwear, loungewear and personal care items through three major brands – Gap (including GapKids, BabyGap, and GapBody), Banana Republic and Old Navy. (brandchannel. com) Gap Logo : Old Gap New Gap Gap Slogan : ” Make our clothes to fit everyone.

” Gap Tagline : “ Fall into The Gap. ” The current problem facing the product is economic downturn.

Gap had recently reported its first back to back fourth-quarterly loss and moreover, the store has had a trend of declining sales in the past two years. (brandchannel. com) 4. Target Markets and Audiences.

A target market is a group of customers that the business has decided to aim its marketing efforts and ultimately its merchandise. A well-defined target market is the first element to a marketing strategy. The target market and the marketing mix variables of product, place(distribution), promotion and price are the four elements of a marketing mix strategy that determine the success of a product in the marketplace.

Gap target markets are from baby until adult under 55 years old. That’s why, they have Gap Baby, Gap Kids, Gap for Men and women, and Gap for Maternity. In purchasing, women take the lead, with 29 percent of women as compared with 18 percent of men.

Women buy more, middle to upper income households buy more, and more household members and those with children take lead because Gap has the products for whole family. Younger consumer is the most important of Gap target markets too, they always want to look fashionable, and they will spend more to look good and following the trend. . Objectives. a. Marketing Objectives.

We use SMART approach to market the new product of Gap, which is setting specific, measurable, achievable, realistic and time specific objectives. We need to understand customer wants and needs, and indetified each of our products, so we know what customer wants. Inform target audience about features and benefits of our product and its competitive advantage with marketing campaigne by recruit a public stars to become a brand ambassador of the Gap.

It’s the most time tested and inexpensive ways to creatively market products in the fashion industry, through word-of-mouth. The brand ambassadors could communicate effectively with the customers about the products, and will share their positive experiences with our brands. Fashion showcase.

Hosting a small gathering to debut our line and new products to key people in fashion industry. Invite bloggers, editors, and potential buyers. This is a creative way to introduce the new product. During the event, create a small fashion show, and also display items throughout the room. . IMC Objectives.

Integrated marketing communications (IMC) is a process for managing customer relationships that manage relationship customer especially through communication. IMC includes the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program in order to maximize the impact on end users at a minimal cost. This integration affects all firm’s business-to-business, marketing channel, customer-focused, and internally directed communications. Integrated Marketing Communications is a simple concept.

It ensures that all forms of communications and messages are carefully linked together. c.

Media Objectives. Sponsorship of a movie or TV ads. Attract people attention by sponsoring our products to a movie or TV show, so people who watch the movie will interest to buy the products that the actor wear, and it helps the Gap to attract more consumer. Donate from website. We redesign the web, inform that the profits of the Gap products will be donate to social community. For example, one product will donate 20 percent of the original price.

Make a video about Gap behind the scence production of the new products and share it to some of the social media. The process of the production and our marketing will attract people attention of how we work. Furthermore, it will show the material, the process, and the quality of our products. When they see our video, perhaps they will notice that the Gap is a cool bramd that they never pay attention of it before. 6.

Strategies and Programs. a. Marketing Strategies. This outline will show the strategies for the Gap company this Fall. Due to Gap company previous strategies.

So, we have some new strategies such as: – Combine the main core products of Gap ( Blue jeans and white cotton T-shirt ) with more fashionable products, so they could compete with other similar company.

Furthermore, the customer wouldn’t get boring with Gap’s plain products. – Go Green products. We think we couldn’t just always look the trends, but also the nature. It will be a good strategy to attract people nowadays. Beside that, the eco products are more expensive, so we can earn more money from it. – The company needs to clearly defined its target customer for each brands as well as reduce it’s real estate portfolio.

Ranging in price per item rather than a detailed product price list. – Follow the seasonal demands, for example ; Design the products with the Christmas themes when Christmas day is coming. – Increase the services in each of the Gap stores, give a special gifts and vouchers for every customers. – Customize products, so the customers could have their own design of their products. – Partnership with another company, make a design corporation with another branded company, to attract customer with renewing the main products. One of our example, join with Nudie jeans to design the jeans.

b.

IMC Strategies and Programs. i. Elements of the IMC Mix. The six key elements in the IMC Mix are: ·        Advertising : the exact meaning of advertising in GAP is to form a communication to persuade consumer to buy something or GAP paid a sponsors including media such as newspaper, magazines, television, radio, outdoor, direct mail, websites and text messages.

·        Sales Promotion : GAP increase consumer demand by doing an advertising, personal selling, publicity or public relations and sales promotion. Sales promotion can be directed at the customer, sales staff or distribution such as retailers.

GAP targeted at retailers and wholesale that called trade sales promotions. ·        Personal Selling : occues where an individual salesperson sells a product, GAP thinks that personal selling involves the development of longstanding client relationships. service or solution to client.

·        Publicity : GAP try to manage the public perception, publicity is one component of promotion which is one component of marketing include people ( politicians and performing artist ), goods, services, organizations and works of art or entertainment.

The advantages of publicity  are low cost but the disadvantages of publicity are lack of control over and low percentage of releases. ·       Internet / Interactive Marketing : GAP made digital marketing as an abbreviated form via email and wireless media. The advantages using digital marketing to consumer is inexpensive when examining the ratio of cost to the reach of the target audience. But from the buyer’s perspective, the inability of consumer to touch, to smell, to taste, to try on before making an online purchase can be limiting.

Direct Marketing : GAP allows business and nonprofits to communicate straight to the consumer with advertising techniques such as text messaging, email, websites, online display ads, fliers, catalog distribution, promotional letters and outdoors advertising. ii. Copy Platform. It’s a simple fact. When your customers are presented with inconsistent or muddled marketing messages, they instinctively say ‘ no,’ and move on. The solution is creating a comprehensive key message copy platform that serves as the “ master message document” for your product : Unique selling proposition, Write a strong statement about your product’s USP, and use it as the golden thread that is woven throughout your marketing campaign.

-Product positioning statement. -Testimonials -Product features and benefits iii. Creative strategies and executions. GAP will provide updates on company and brand strategies, online and international growth initiatives, as well as the financial priorities. Gap brand has focused on stabilizing the business, strengthening its brand positioning globally, refining its target customer and delivering great product rooted in clean, classic American design.

As a result of this work, Gap is in a solid position with a strong product line up for holiday and is now turning its attention to bringing customers back into stores. Gap brand’s marketing initiatives are shifting to a mix of traditional and non-traditional tactics, including influencer programs and multi-faceted campaigns. For instance, Gap brand is not planning TV during the remainder of the fiscal year, but is rolling out a broad “ Vote for \_\_\_\_” campaign that aims to engage with 85 million voters this year.

Gap brand’s top priorities for 2009 are driving traffic, executing on its real estate strategy and improving productivity. c.

Media Strategies. Several years now advertisers have been turning to the web as a source for advertising, but social media is changing that dynamic. So we use social media provides a ripe location to attract potential buyers. Paid media: Broadcast TV, Cable TV, VOD, Satellite TV and Radio, Movies/Cinema Adv, Postal Mail. Non-traditional media: sponsorships, ad specialties, shows/events like Fashion runway for the newest product of the Gap.

Electronic media and the Internet such as social networking (Facebook, Twitter, weibo, Youtube, myspace, blogs ). Redesign the websites, and make a quiz in the websites, which is the winner will get the Gap’s products for free.

Donation from website. – Public affairs events may include rallies, conferences, trade shows, and speeches. 7. Evaluation (pre-and / or post-testing of efforts) Comparing our new strategies than before. There are some new effective strategies that we make.

Due to the decreasing of Gap’s income, we use some new strategies to attract more consumer.

I think our marketing strategies are feasibility, because we do the marketing research and analyze the trend situation now. We also concern about the strengths and the weakness of the organization, we maximize our strengths and we reduce our weakness. Research the consumer behavior, we consider every aspect in more detail than before, we also make sure the target markets, which we made, the GAP is not very fashionable, but now, we make it more fashionable than before, we think we can attract more people.

Nowadays, the number of people that want to buy the green products are increasing, and we make that products so people who cares about the nature will interest to buy it, and also the eco products are more expensive, so we can earn more money from it. Furthermore, we use the media objectives very well, for example, we make the website more interesting than before, such as make a quiz, and the winner can get GAP product for free.

In addition, we do a social strategy, we could connect with the public society, many parents can’t afford tuition for their children, a lor of people dying and sick, they are very poor, and we can donate them, and we tell the public society, we donate a number of percent to the poor people, It’s a good idea to stimulate consumers to buy our products, we also make a high quality video, about the product’s process, display the product in the video, the story of GAP, it can make a good impress to the consumers. . Budget. – Fashion Show $ 100. 000 – Photography $ 50. 000 – Production cost$ 30.

000 – Raw Materials$ 50. 000 – Salaries$ 120. 000 – Repairs and Maintenance$ 35. 000 – Water and Electricity fee$ 10. 000 – Rent Cost$ 50.

000 – Taxes ; amp; Licenses$ 10. 000 – Advertising Campaigne$ 12. 500 – Research Cost $ 2. 500 – Public Figures (Ambassador)$ 20. 000 – Transportation $ 5. 000 Total Budgets$ 495.

000 9.

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