

Vera wang business strategy flashcard



**ASSIGN
BUSTER**

The main aim of business is to make profits and maximize benefits to the owners as well as to other stakeholders. Before designing a product, one identifies the target market. As a company, the other objective is to increase the market base by agreeing both the management objectives and those of the product. The other objective is to solve customer need through satisfaction; this will be done by identifying those needs or creating the needs, by making customers to have that urge to use the designed product, then trying to solve the needs through investments in good research and development in order to add new product features to the existing product. The other objective is to come up with reliable products through product testing and ensure reliability through good warehousing and distribution.

Literature

Vera Wang business strategy (Core Strategy)

Vera Wang has been target high income target market for her products for a long period however at current she has diversified and differentiated her products. This is aimed at the target market, competing strategically and staying in business

Target market

The target market for the products of Vera Wang is people with weddings. This type of customers range from lower income to high income customers. Therefore target market to choose from for Vera Wang is segmented into the demographic variables like family life cycle, family size, sex, age, nationality,

income, race, religion, education and occupation. However her products have been segmented into target markets as;

Income; the bridal clothes involves people from different nations and of different income levels. There are groups of people who are financially able and who will afford to take Vera wang luxury products. Some people would will order from different parts of the world. People with less disposable income need also bridal clothes thus it is prudent to come up with differentiated product for this target market.

Sex: – The audience to the marriages involves both men and women ranging from the age of 21years old to as old people as of 80years old. Some of the audiences are brides and bridegrooms and while others act as best men. Both men and women are great consumers of Vera wang products.

Occasion:-weddings are very important occasions that occurs only once every in every persons life save for a few. The audience in Vera wang products has been only people with large disposable but now she has diversified.

Customers' understanding is also very important through face-to-face encounters and discussions with them. This is also possible through market research to understand how they feel about the product features added to the product and what influences their patterns of purchase and what motivate them to buy the product. Major competitors are identified and described in terms of size goals, market share, product quality, strategies and this enables us to understand their intentions and behaviors.

Market share

After the business has been established, growth becomes the aim of the business. The market share objective for the total available market includes:

- The business manager ensures that all essential services that customers will demand are offered. The manager also provides all services needed by customers.
- The business should be to increase and maintain its market share; some measures will be put in to place. This is what Vera Wang has adopted to increase the market share.
- The business shall charge lower prices compared to its competitors in order to attract more customers to the business. The business shall further identify areas not covered by the competitors. Then the business shall specialize in this area to attract the attention of more customers.

Competition.

Businesses face direct and indirect competition from its competitors. As they serve customers through the selling luxury wedding cloths competitors will offers the same and other products. This reduces the number of customers to patronize the business at same competitors are able to cover fixed expenses through the cheap priced products for the masses. Hence the Vera wang business ensures that they get more customers. The size of the business will grow as they target medium class and high class customers thus beating competitors.. Due to the quality product that the business offers it will have a wider market. Hence the business shall cover a wider market.

The business being able to cover a wider market will sell a wider range of products apart to diversified customers with differentiated products.

Positioning:- Vera wang is the most superior and best and most reliable designs with high quality and day-to-day product development features added to enable customer satisfaction especially the high income level customers.

Distribution: Vera wang has given the customers two options where a customer has the option of purchasing a luxury product or purchasing a cheap that is available at the through the distribution channels.

Price:- The pricing of products is divided into two. One is purchase of the luxury that is designed for in people with large disposable income that is, high price per design and on the other hand, we have the price middle and lower class customers. This varies according to the needs of the customer and service offered and this pricing is rather psychological because it encourages the customers to choose a good designed product because the services.