

# Stritical analysis report on primark



**ASSIGN  
BUSTER**

The following report provides results and key learning from the Marketing Management. The purpose of the study was to demonstrate a Marketing research for conducting competitive analysis. It is aimed at marketers who are seeking to better understand their competitive landscape, predict future competitive activities and properly position and promote their products. The companies analyzed in this report were Primark and Armani, two leaders in the Fashion Retailer category.

Our new research tool, The Armani, profiled the organizational structures and marketing leadership at the two companies as a way of understanding the organizations decision making processes and values. It uncovered valuable insights about how the two Brands go to market and what marketing initiatives they might pursue in the future.

### Mission Statement

#### Primark

We aim to make our employees, suppliers and local and wider community's part of our success by working with them in every way we can. This means that:

- Employees have equal opportunities based on merit
- Suppliers are treated fairly
- Local communities are respected and supported by Primark
- The company takes its environmental responsibilities seriously

Armani

Armani's mission is to continually create clothes and accessories that aspire to a kind of perfection that transcends fashion.

Armani is poised for the future with a vision that crystallizes his approach to fashion as timeless, and yet always timely.

Giorgio Armani is committed to the long-term view, reflected by his creation of new lines and divisions, and in his investment in new technology and infrastructures.

armani

Company's Current Position

These are results of which we are justly proud, even though we are well aware that the global economy has entered into a deep crisis which has affected all sectors, in all countries, and whose symptoms will clearly persist despite the most obvious issues being addressed. Consumer tastes and social behavior seem to be altering amidst long- term changes that could affect the social context. The fact that our Group is structured to offer a complete portfolio of brands strategically positioned to reach different levels of consumers in different geographical regions allows us to anticipate and meet changes in society and gives us the best opportunity to exploit our full potential.

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different geographical regions allows us to anticipate and meet changes in society and gives us the best opportunity to exploit our full potential.

We will also open Giorgio Armani boutiques in Tokyo, Dubai, Doha and Singapore, while Armani will be opening new stores in Berlin, Singapore, Perth and in various other locations in the Middle East and China.

## **PESTEL Analysis**

### **POLITICAL:**

Political aspect of Armani is strong with regulation and structure under a well manages team and members in different regions and countries.

### **ECONOMIC:**

Economic growth shows the Armani brands is in reach of all consumers of all regions and income range of brands are efficient of company goals objectives.

### **SOCIAL:**

Cultural diversity under different regions like Asia, Europe and Middle East countries changes very rapidly.

## **TECHNOLOGICAL:**

Armani new inventions, new discoveries, research, energy under new technologies make it very great company in the world.

Source:- Annual Report of Armani 2008

Research and development activities

## **ARMANI'S MAKETING CHALLENGES:-**

### **CULTURAL DIVERSITY:-**

Due to rapid changes in the world, cultural and custom diversity are big challenges face by the Armani Brands. Asia and Europe culture is different than Middle East. So a strong support relation will be required for the future.

### **BRAND SHARE IN THE MARKET:-**

A lot of brands introduce in the world fashion market, So Armani faces brand dilution and regional share of brand is lower year by year.

### **brand architecture:-**

New brands must be introduced in the market after a season. Armani brand innovation challenges very competitive in the world. Therefore architectures of new brands should be in timely issued in markets.

### **financial challenges:-**

Armani financial position is very high. Due to Loyalty of big brands, no shareholder pressure on the financial resources. To maintain the financial position and annual target is big challenge of the company.

## **brand personality:-**

The personality of the brand is also a challenge for the media part of the company. Young generation, models and actress also attracted by our brands and services. So comparative among new personality is difficult for brand representation.

## **Corporate strategy**

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Armani's corporate responsibility is to get core values of the following

Taking care of our people,

Managing our environmental impacts,

Being good neighbors and

Fostering ethical business relationships.

Because the organizational structure of the Armani has responsibility for

Managing environmental,

Social and

Ethical issues

Armani has an accountable board of director and a senior manager who are responsible for safety and environmental matters.

Armani's board of Directors assesses the sophistication of Brand' risk management and safety cultures, resources and plan to actions for the coming year.

## **Market Segmentation Research**

### **Step # 1**

Plan to lunch a brand in a target market.

### **Step # 2**

Select the target market by geographical area or region.

### **Step # 3**

Next, we test the product to see which are related to profitability. For this purpose, we use different analytical tools including cluster analysis, latent class, and networks.

### **Step # 4**

At this stage we evaluate possible solutions in terms of managerial, statistical, and financial criteria about problems occur in stage three.

### **Step # 5**

Sort out market segments in terms of their return on investment and concentrate your marketing efforts on to grow your business.

Source:- Fashion Magazine

PRIMARK®

Primark is a Discount market offering a huge stock of goods quality for all at affordable prices. Primark with over 50 outlets in different parts of UK is <https://assignbuster.com/stritical-analysis-report-on-primark/>

present in both the metro cities as well as in the small towns. Primark has a big name in the retail industry in UK,

Therefore, shopping here is further made a memorable experience with the varied rates of discounts on products as well as discount vouchers available in a variety of amounts.

### **The significant features of Primark:**

Shopping in the Primark is a great experience as one can find almost everything under the same roof.

It has different features which caters all the needs of the shoppers.

The Food Section or the grocery store with the department selling fruits and vegetables

There is a zone specially meant for the amusement of the kids.

A large section dealing with furniture.

Electronics section concerned with electronic goods and cellular phones.

One can shop many products of Primark at the same price from home Well regulated customer care telemarketing services.

### **Primark's focus on ethical trading standards:-**

Ethical trade means different things to different people or the labour practices in a company's supply chain.



Primark is also a member of the Ethical Trading Initiative (ETI) as part of its structured and transparent approach to ensuring its suppliers comply with a Code of Conduct.

From its foundation in Ireland in 1969, Primark established rule based on highly competitive pricing and fast-changing fashion-conscious product lines.

Although competition and change in consumption patterns of consumer are potential competitive threats, Primark has consistently shown superior growth to the clothing discount category overall.

Primark is an ever-growing army of satisfied, fashion-conscious customers; Primark has indeed become a part of everyday life.

### **advantages of SUPERMARKET:-**

Company Brand can be bought only in the particular supermarket, such private brands will ensure that customers will shop in that store. That supermarket is a so-called customer franchise.

b. The supermarket chain can buy products at relatively low prices and secure improved gross margins even though its retail price is below that of a corresponding national brand.

Primark is selling clothes at low super market. The company success is based on sourcing of supply chain, making their products with simple designs and fabrics, only making them in the most popular sizes, buying stock in huge bulks and varieties and not advertising.

The prices of Primark is low as compare to all supermarkets in the regions according to the report year 2005.

## **Corporate Social Responsibility**

A group of Primark operates its own corporate social responsibility policies under the country or regional law authority.

## **Core values**

Our core business is buying and selling and providing customers with up-to-date fashion at affordable prices but our culture and ethos are the keys to our success. Primark is dynamic, fast paced, commercial and customer-focused. The business is driven by people who have an absolute passion for retail, are enthusiastic, dedicated and committed to delivering results and excellence in all their activities.

### **These are our core values:**

To offer the best value for money

To improve continuously our range of products

To treat customers as we want to be treated ourselves

To strive continuously for effectiveness

To respect each other

Ethical approaches to employment and trading

Environment, health and safety

Distribution channels are the pathways that companies use to sell their products to end-users. Business to Business companies can sell through a single channel or through multiple channels that may include

## **MARKETING MIX:-**

Primark have to use traditional media such as print, radio, TV, yellow pages and even outdoor ads to reach consumer markets.

Traditional media can also play a role in the marketing mix for many B2B companies. These media often reach a broad audience and thus can be relatively expensive. Yet in your industry or region, they may be very effective in helping you reach your market.

## **Set your annual goals**

Build your entire marketing plan to achieve the goals that you define:

Quantitative goals:- Such as total revenue, profit, number of customers, units sold, and breakdowns by product or channel as needed.

Strategic goals:- You may want to expand into a new market with a new distribution channel, or you may need to reposition your brand to reflect a change in your business.

## **OBJECTIVES**

To provide good quality products for public, to sell goods at reasonable prices, to be friendly and helpful towards customers and staff.

## **Strategy**

Primark is pursuing a classic focus on cost leadership strategy. A low cost strategy is not a cheap strategy for a company to pursue.

## **SEGMENTATION**

Market segment is fashion conscious under thirty-fives by look good pay less. Customer segment based on age group within the industry.

## **TARGETING**

Young, fashion conscious and under 35 year old customer are target market of Primark and is buying clothes because Young are not being affected as much unemployment.

## **POSITIONING**

Customers think about the visibility and recognition of what a product presents for buyer of product or organization.

## **MARKETING MIX**

### **PRODUCT**

### **PLACE**

### **PRICE**

Clothes, footwear, Accessories,

UK,

Ireland,

Discount, Cheap Rates & Price

Philip Kotler, Principles of Marketing, 10th Edition.

Annual report 2008 from Armani Press