

Mothercare plc is a british retail company marketing essay



**ASSIGN
BUSTER**

Abstract

The report examines the study of e-marketing as an essential way of marketing in the modern day. Further, the current e-marketing strategy of Mothercare PLC is discussed. How e-marketing plays an important role in the success of Mothercare all over the world. In the latter part, what new promotional strategies Mothercare can adopt to excel further in their business gain more popularity.

Introduction

Mothercare is UK's favourite baby product retailer that sells everything a woman could need from the early stages of pregnancy, through to children's school uniform. Mothercare offers the best selection of push chairs, nursery furniture, accessories, maternity wear, bathing products, baby safety and feeding products, toys, car seats and baby and children's wear. The Mothercare group is comprised principally of two iconic retail brands with international appeal; Mothercare and Early Learning Centre. The Mothercare and Early Learning Centre brands are synonymous with children and parenting. Both these brands carry with them a reputation of specialism, safety, quality and innovation in providing products for mothers, mothers-to-be, babies and young children. Both the brands are committed to offer their customers a multi-channel shopping environment through retail stores and internets, so that parents meet the needs and expectations of their children, worldwide. Mothercare currently operates in about 50 different countries, primarily in Europe, Middle East, Africa and Southeast Asia. Mothercare boosted its presence in the retail toy market with its purchase of the Early

Learning Centre (ELC) in the year 2007. In 2009, the number of employees working for Mothercare PLC was 7, 715.

Company History

Mothercare PLC is a British retail company founded in the year 1961 by Mr Selim Zilkha, an Iraq born entrepreneur who also served the U. S Army during World War 2. Mr Zilkha bought the 50-store W. J. Harris nursery furniture chain and renamed it Mothercare, and expanded it until it had over 400 stores. He sold his interest in Mothercare in the year 1981 and moved back to USA. Established Mothercare was first listed on the London Stock Exchange in the year 1972. In the year 1982, it merged with Habitat to form Habitat Mothercare PLC and in 1986 Habitat Mothercare plc merged with British Home Stores to form Storehouse plc. In 1996, Mothercare bought Children's World from Boots. In the year 2007, Mothercare bought Early Learning Centre (ELC) in April 2007 for £85 million. In 2007 Mothercare launched Gurgle, a pregnancy and parenting social networking website and in November 2009 Mothercare acquired the 50% of Gurgle that it did not already own. In July 2010, Mothercare bought the trademark and brand of privately owned rival Blooming Marvellous. Mothercare made total sales of \$1, 154. 8million in the financial year 2007-2008 which was 12. 3% more than last year. Out of which, \$35. 6M was the net income which was an increase of 17. 1% compared to the previous year.

<http://www.mothercareplc.com/ir/mtc/output/mtc-MTC@LSE-1Y-T-T-0-T-F-F-F.png>

<https://assignbuster.com/mothercare-plc-is-a-british-retail-company-marketing-essay/>

Share price of Mothercare plc (in millions)

Corporate Strategy

The aim of Mothercare PLC is to become the world's leading specialist retailer of parenting and children's products. The acquisition of the Early Learning Centre in June 2007 was a key step in the development of this proposition. Their objective is to develop exciting and innovative own-brand products under both Mothercare and Early Learning Centre brands.

Growth Strategy

The growth strategy of the Mothercare group is focused on four key levers that will deliver the potential of the Mothercare and Early Learning Centre brands.

maximising the synergies from the integration of the Early Learning Centre;
restructuring the combined Mothercare and Early Learning Centre property portfolio;

Driving the global reach of the Mothercare and Early Learning Centre brands.

Current status of the company's e-marketing strategy

Marketing has been there since the day humans first started trading.

Marketing was the stories they used to convince other humans to trade.

Humans have come a long way since then, and marketing has too. The

methods of marketing have changed and improved. E-Marketing or

electronic marketing refers to the application of marketing techniques and

principles via electronic media and more specifically internet. The terms e-

marketing, online marketing and internet marketing are often interchanged

<https://assignbuster.com/mothercare-plc-is-a-british-retail-company-marketing-essay/>

and can be considered synonymous most of the times. When implemented correctly, the return on investment from e-marketing can far exceed than that of traditional marketing.

Sales at Mothercare's online and mail order division grew by 16.3% in the financial year 2009-10. Mothercare's online channel famously offers customers a much broader range of stock than its shops, with more than 300 buggies. Also Chief executive Ben Gordon said: " Online sales accounts for more than 20% of its UK business.

Mothercare's e-marketing strategy is quite simple. They aim to make more products available online compared to the stores in order to encourage online shopping. Mothercare understands that it's a busy world and many people these days prefer to shop online rather than in the stores. Also the target market of Mothercare is women who are mothers or to be mothers. Mothers have a lot of work to do at home and they can save time by shopping online. Also it's not very convenient to shop in the stores with kids.

<http://www.creativematch.com/newsfiles/Gurgle250.jpg>

Mothercare, in a joint venture with social networking and digital marketing experts Media Burn launch Gurgle.com to bring together a wealth of experience from both worlds to allow parents to create their own online community, share their experiences and gather the latest expert information. Having launched in late 2007, gurgle.com is now set to make a renewed impact as Mothercare flexes its retail muscle on the site's behalf.

Supported thus far by links through to the site from mothercare.com and

elc.co.uk, this in-store promotion marks a new era for Mothercare as it
<https://assignbuster.com/mothercare-plc-is-a-british-retail-company-marketing-essay/>

announces his arrival as a serious player in the ever-evolving world of social networking, bringing the brand closer to its customers and offering them a truly personal product. A total of 219 Mothercare stores across England, Wales, Scotland and Northern Ireland will support gurgle.com by carrying striking posters promoting awareness of the site with the aim of attracting more members and traffic. Featuring a baby held in the palm of his mother's hand with a 'This Way Up' stamp on his back, the posters were designed by St Lukes Communication to convey the message that gurgle.com is at hand for new parents. Posters will have prominence in-store for a minimum of six months, with a refreshed burst of activity planned at that point. Partnering the poster activity will be an incentivised registration drive to encourage new members for the site. Communicated by way of a leaflet drop in each customer's bag, parents will be encouraged to sign up to gurgle.com to create their own network of other mums and mums-to-be, joining groups with others in their local area or similar stage of pregnancy to share photos, messages, articles and information. New members who join via the Mothercare promotion in the first two weeks will also be in the running to win £200 in Mothercare vouchers, with winners to be selected at random. Gurgle.com will also be promoted in both Mothercare and Early Learning Centre catalogues, as well as the Mothercare magazine. Mothercare Chief Executive Ben Gordon said: "gurgle.com is a natural extension for Mothercare, as it leverages the expertise and authority of our brand to reach a broader spectrum of customers when they need advice most - in their own homes. To now have an in-store presence for gurgle provides a synergy that few of our competitors can offer. It provides us, as a retailer, with a chance to truly engage with our existing loyal customers on a deeper level, via a new forum

<https://assignbuster.com/mothercare-plc-is-a-british-retail-company-marketing-essay/>

– it’s the future for the retailing sector and we’re proud to be blazing the trail.” Media Burn Managing Director Tom Wright said: “ We’re delighted to have the support of Mothercare stores around the country for gurgle. com. It’s a huge compliment to the site and the service we’re providing to new mums and mums-to-be alike. At such a crucial time in their lives, parents turn to trusted sources for support and advice, and we are pleased to increasingly be the first port of call for many mums. Thanks to Mothercare’s support, we look forward to building on this reputation. “ Developed in part in response to Mothercare’s own research indicating a huge appetite among parents for their own online community, gurgle. com brings together all of Mothercare’s authority and expertise in the parenting arena. Having registered with the site, gurgle. com offers each member a personalised experience – providing them with the relevant articles, videos, groups, people, chat and answers based on each member’s location and the stage of their child’s development. They can also call upon the site’s resident experts for informed advice, or engage with the online community to seek and swap knowledge.

Search Engine optimization with Search Works

Mothercare PLC has appointed The Search works to manage Mothercare and Early Learning Centre’s search engine marketing campaign. The digital marketing company will be responsible for creating marketing content that will boost both brands’ profile. The campaign aims at implementing strategies that will improve the search rankings, heighten their visibility, and build on their reputation as market leaders.

Recommendations