

Marketingassignment assignment

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Therefore; any political decisions that are detrimental between the two countries may affect the business. Secondly, the social trend in Singapore is that the locals do not want to work in the retail industry because of the long work hours and low wages; hence the retail industry employs a lot of foreign labor. The Singapore government has regulations on hiring foreigners; imposing levies, any changes to this regulation for example, increasing the levies may increase the manpower expenditure.

Since the economy is not doing so well at present time, consumers would try to minimize their spending. Inflation would also cause shoppers to spend lesser on fashion goods because increasing costs on necessities like transport and meals would leave them with less disposable income. The fashion industry is very competitive due to the many competitors in the market, especially local online blob shops that offers a even lower pricing compared to Forever 21 ; these blob shops do not a physical store, hence they are able to offer lower pricing from rental savings.

Increasing awareness about child labor issues will cause customers to boycott the brand. Some similar companies offering low price points for their apparels has been heavily scrutinized for using cheap child labor to be able to provide low prices. One example is the Primary controversy; Primary is a big retail company for apparels at low prices. In 2008, BBC news reported Primary for using child labor in India to manufacture its apparels. This has caused protests and boycott in Primary.

In 2001 , Forever faced lawsuits for violating labor laws, its employees claimed to have received less than the minimum wage and working in

sweatshop conditions. These controversies may cause consumers to move away from the brand. With the increasing familiarity in technology in consumers, many retail businesses are bringing their products online. Forever 21 has done so in this aspect, with a shopping site for customers to order and purchase online. Forever also uses its social media platforms, like their Facebook page to engage the customers.

Forever 21 faces many issues in infringement and copyright issues due to their practice. The brand is known for bringing apparels seen on the runway in the fashion shows into their stores at a fraction of the price, by producing similar designs to those huge designer brands, they are vulnerable to lawsuits on copyright issues. The company has faced many lawsuits for allegedly stealing the works of designers. Forever 21 adopted the CEO-friendly initiative by urging customers to reduce on usage of the plastic shopping bags.

It has begun selling their own recyclable shopping bag in various trendy designs at low prices near the payment counters to encourage customers to buy them. By doing so, this can help them to increase revenues from profits from those recyclable bags and owing a part in reducing plastic bags consumption. Soot Analysis Strengths Uses social media platforms and viral marketing (word of mouth) Brand recognition is well established An international brand with 480 stores worldwide. Wide variety of product offerings Testis mono through word-of-mouth Runs an online shopping website www.Revolver.com Offers apparels at competitive pricing. Apparels that are in trend are sold online and in stores quicker before other

competitors Has strong financial performance. Strong brand image associated with fashionable uptrend yet affordable apparels. Customer loyalty Various style line High turnover rate for products WEAKNESS Marketing efforts in Singapore is almost non-existence. It doesn't create as much buzz as other more aggressive marketing. Increasing number of competitors. Egg: H Online shopping site does not deliver directly to Singapore.

Need to make use of a third party; POST. Since Forever almost never advertises, customers are not aware of sales promotion unless they visit the store. Customer service satisfaction level on the decline. Store layout is messy due to unrecognized display. Not all products' quality is good. High staff turnover rate OPPORTUNITIES New online outlets, allowing for expanded internet presence Online marketing can promote lower prices Opt-in-email marketing for sale announcements Seasonal promotions Advertise more aggressively through television, social media and banners.

Focus on fashion trends THREATS Many competitors like H&M with similar price points who advertise more aggressively Bad publicity can be even more damaging via word-of-mouth Volatile costs Slowing economy Segmentation strategy Foreshore's age group demographics are young ladies ranging from ages 13 o 24 that are looking to keep up with the latest styles from the runway at an incredibly reasonable price. However, many different people from many different backgrounds and age groups choose to shop at Forever 21 simply because it offers almost anything someone needs at the lowest price for its quality.

The brand is very popular among the generation Y group who are strongly influenced by social media; fashion trends are conveyed through fashion blogs and runway videos. Foreshore's apparels are priced competitively lower and are more fashion fast-forward, consumers can afford to buy these in-trend apparels at a low price, wear it for a couple of times and when the trend fades, they can just repurchase newer styles since the price is so affordable. The brand appeals to students, teenagers, young adults who have just started working and the lower to middle-income group.

Race demographics include all races and ethnicities. Other than the generic Forever line, the company has introduced these 6 other product lines over the years to capture a bigger market. Forever 21 Girls Love Contemporary Forever+ 21 Men For Love Heritage 1 981 Designed for younger pre-teen audience. A contemporary line for woman who are over 21 of age, offering affordable price points. A contemporary line for plus-sized women. Designed and tailored for men in their mid-20s. Accessories such as women's jewelry, shoes, handbags and cosmetics.

To penetrate the midmarket of consumers. Forever uses undifferentiated marketing strategy since the brand has a couple of product depth targeting at different age groups. Mass marketing is often used to increase the brand recognition and awareness. Banner ads are seen near the store locations to create awareness to the public, these banners usually appeal to everyone. Signposting strategy Forever has made a name for itself over the past few years in the fashion industry as a clothing company that sells the latest styles of clothing and accessories at affordable price.

Forever uses the fast fashion model, getting new fashion trends to the store as quickly as possible, and then selling it at a low and competitive price. The brand is always changing to keep up with the ever-changing styles in the fashion industry. Although Forever has reached its target audience, it is still continuing to broaden its demographics by creating more product lines to expand the brand. Forever uses social media in every way to reach its potential customer, through its Faceable page, Mainstream and Twitter.

These platforms are updated daily with information about new merchandises, new trends and promotions. Short Term Recommendations (months to 1 year) Due to the strong social media influences, people look up to fashion floggers and fashion style reports that are readily available online for inspirations to dress up, Forever can make use of this by drawing similarities from their clothing and advertise this on their social media platforms. It can continue to expand its brand awareness by actively getting customers at payment checkout to sign up for mailers and to follow their Faceable page.

Promotions can be done by uploading an e-coupon on the social media platforms and have customers to flash this e-coupon on their smartness at payment to enjoy the discount. A loyalty program can be used to retain customer loyalty and to increase purchase frequency. This can be done through student discounts and points system whereby customer gain points through every purchase and these points can be used later on to offset future purchase. Long Term Recommendations (1 to 5 years)

Forever can expand its online shopping site to deliver to Singapore directly, since at present, they do not do so and customers has to make use of POST to get their shipments delivered to them at extra costs. Forever can do upwards stretch and try to enter the mid-market with another brand that targets at mature working adults with excess disposable income. In the white paper on population, the government proposed the plan to expand the Singapore population to 6.9 million, since birth rates has been at a all time low, it means that there might be more influx of foreigners in heir adulthood in the coming years.

Hence, there is an opportunity in the mid-market segment. Creating another brand is more feasible than creating another product line under Forever so that mature working adults will not have the perception that its apparels are not professional enough for corporate occasions since Forever has been known for the longest time to cater to teens and young adults. The fashion industry is a very competitive and high-turnover industry.