

# Burberry marketing revamp assignment

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**ASSIGN  
BUSTER**

Burberry 1-2 – Research and Reposition The Burberry brand founded in 1856 was a well-established luxury brand by 1920. Its iconic-checkered pattern was worn by celebrities, politicians and royalty. Along with being associated to quality and luxury, Burberry was also known for its durability, allowing it to maintain a niche within the luxury-clothing market. After being acquired by the great universal stores the Burberry brand was heavily licensed with little control maintained over its licensing terms.

The lack of control over brand quality and distribution resulted in inconsistent quality and brand association, diluting both the brand name, value proposition, as well as its reputation. The brand rapidly lost exclusivity and appeal, making it a conservative brand that appealed to an older customer base. The reinvention of Burberry began in 1997 with the arrival of Bravo who joined as the CEO, after leaving her position as president of Saks fifth avenue. With over 2 decades of experience in the fashion trade, she was both recognized as well as respected for her accomplishments.

Her goal was to rediscover the roots of the Burberry brand and reposition it as a stylish luxury lifestyle brand that was attractive to younger customers as well as the current customer base. Brand Values: \* Luxury \*

Durable/functional \* Stylish 3- Hire experts The first thing Bravo did as the CEO was to go out and hire A-list industry talent that understood the retail business environment, customer needs, price sensitivity/willingness to pay, and the gaps in the industry as a whole.

This was her way to get an understanding of the market needs, the potential customer segments and the areas of focus required for success. Though this

talent acquisition she was able to help identify the positioning and target segments for the transformation and rediscovery of the Burberry brand. She wanted to find a position that addressed a gap while remaining true to the core brand values. Through this hiring and market research she was able to identify an ideal position for the market between high fashion and functional.

The position allowed the brand to steer clear of the congested space occupied by high fashion and functional brands and find a balanced medium that fit well with the authenticity and realness of the Burberry brands that stood for contemporary classic, something that was not achieved by any other luxury brand, and this aspirational but functional position appealed to both the young as well as the old. 4- Re branding In the fashion business appearances are critical.

To capture the new brand position, Brave made some cosmetic changes immediately by changing the name from Burberrys to Burberry and introducing a contemporary logo and packaging to represent the changes to come. 5- Update the product line With the new positioning goal Bravo's team turned its attention to the current product lineup, slashing the SKU's by 75% to 24000 to remove outdated antiquated designs and products. To align with the new company position, it was critical that the company quickly achieve consistency so that their products would be clearly associated to the new brand position and desired image.

To enable this product alignment Bravo recruited a new product design team tasking them with redesigning the current lineup as well as extending the new brand image to new products. The company was able to clearly define

products that had a longer lifecycle and those that addressed short-term trends in fashion. This allowed Burberry to cater to the legacy customers that demanded certain products and the younger audience that was looking for the new and hip. The company was able to establish three primary collections 1. women's 2. Men's 3. Accessories

Positioning and target segments drove every component of the marketing strategy, and this is a great illustration of just that. Once they established a position it was easy to find a clear direction that aligned with the strategic goals of the business and the brand. 6- Control Quality Bravo reeled in licensing contracts and took control of the manufacturing, price, and quality. While they produced items that were within their core competence, they also leveraged strategic partners for producing interesting categories where they did not have expertise in.

The Burberry brand name was licensed to these strategic partners for 10% royalty based on suggested retail price. 7. Control distribution The company had also taken tighter control over distribution??? buying some distributors, ending relationships with some, and renegotiating contracts with others. They also established a few flagship stores designed to display the full product range, showcase the vision, and act as a testing ground for new concepts and designs. 8 – Control price

Prices were raised to reflect the brand's new positioning; gross margins were now 56% compared with 47% in 2000. To reinforce the association to the luxury category, Burberry also launched a high end line called Prorsum. It was a way of communicating the idea that Burberry was a brand with the

stature to appear on runways alongside the fashion greats. It provided the brand an opportunity to showcase and reinforce their new image to the industry. 9- Advertise Burberry launched an edgy ad campaign that captured the target audience rather brilliantly.

The use of an older more conservative but stylish model and a younger edgier/sexy younger model within the same campaign addressed the customer base and positioning for the brand rather well. The sets and clothing captured the essence of the stylish, functional and high end brand image that Burberry was focused in achieving. 10- Control brand There was also a focus on controlling the customer associations made to the brand by its usage. It was of concern that younger celebrities in the hip-hop and reality tv world were starting to publically adopt the Burberry brand.

This was of concern as it could potentially drive away the high net worth, conservative target customers that the brand was designed to serve. The level of focus required to maintain a brand's appeal and image is well illustrated by this attention to detail. While Burberry did not act upon this concern, the fact that this concern was raised, is a great testament to the brand focus and attention to the core values/customers that Bravo brought to Burberry, making it a phenomenal success.