

Introduction to management

Business, Management



Louis Vuitton is one of the most valuable brands in its category which is luxury goods. Its products include leather goods, handbags, trunks, shoes, watches, jewelry and accessories. Most of people adorned with the LV monogram which designed by well known designer and easily noticeable with simple live style as the idea. Louis Vuitton with a brand Value of \$28.4 Billions in USED with a sales of \$9.4 Billions (Reuters, 2013). 3. Country Background Louis Vuitton headquarters is located in Paris, they had open many outlets all around the world and Singapore have 3 big outlets and the latest which located in

Marina Bay Sands that open unique "island" store that will "float" on the water. Singapore it's a developed country which also attract tourist from other countries to come to visit as a traveler as well as shopper. The three outlets can be found in Tasmania, ION and Marina Bay sands. 4. SOOT Analysts Soot analysis are the shorten words of Strength, Weaknesses, Opportunities and Threats. SOOT analysis are mainly used for a company to build their outlets/factory in overseas to extend their products and profits. 4. Strength Brand Value (the brand is one of the oldest fashion houses with more than 150 years) Easily recognizable (the logo and monogram) The brand has it own outlets in most of the large shopping center. Well known Designer Custom Tailored available for elite customers 4. 2 Weakness The Shops only available in exclusive stores making it difficult for developing countries The most expensive price compare to other competitors Rarely to give discounts to customers 4. 3 Opportunities The company needs to make new current fashion trends Large market for luxury goods Celebrity attractions Synergy between brands/merger 4. Threats Financial crisis Competitors Increased

market for counterfeit products Resources are decreasing . PEST analysts 5. 1 Political and legal The anti-counterfeiting trade agreement (ACTA) aims to establish an international legal framework for targeting counterfeit goods. Whereas in Singapore has become one of the biggest shopping countries in Asia, furthermore Singapore is a Bureaucratic country and extremely centralized, with 17% corporate tax, less tax regimes; investors are not subject to capital gains tax, dividend tax, and foreign exchange controls (Merger, 2013).

On August 9 1965 Singapore became an independent nation and consistently increased their economy, by maintaining their productivity with a stable overspent and has severe laws in place and due to strict governance and associated fines less corruption, efficient and transparent government. Singapore has ranked the 1st in the global enabling trade index and 18 FAT with trading partners in their trade policy. Singapore itself has a strong economy statistics. It was recorded and the data shown as interest rate: 0.2%, Growth rate; 6.90%, Jobless Rate 2.10% and GDP per Capita \$37,293 (Merger, 2013).

This massive record shows that Singapore has a strong basis economy in their government. Louis Button with a sales of 7.2 billions in 012 were involved in Singapore Trade to GDP ratio of 270.8%, and high dependency on global market trends and fluctuations in macro economy. Singapore citizens with excellent education and healthcare (Saurian C, 2013). Literacy rate of 92.5% and a multilingual language where they lived as a multinational country that supports every citizen to speak 2 languages, as

their mother tongue is Mandarin or English. A significant percentage of non-residents who lived in Singapore with a Gini coefficient index of 48. Shows that Singapore can easily adapt with foreign where the employee of the company can interact with customers behavior and promote their products relay on their cultures behavior and difference. In the last tens of years ago, technology in Singapore has a massive evolved of their needs. The growth of technology helps Louis Button to communicate with their headquarters, due the change of currency, products release, transactions and supports more efficient. Furthermore it give a huge impact for both companies and countries to save their times to manage their needs.

Whereas Singapore had become a developed country the change of technology to renew their materials use its not problem for them to follow the world trade business. 6. Porter's Analysis Porter's Five Forces Analysis 6. 1 Threat of New Entrants Low; Competitor : GUCCI, Yves Saint-Lauren, Channel, Bally. Jewelry; Montanan, Bulgaria, Carrier, Office Pannier. Even though LEVY have a strong many competitors Luxury goods, LEVY offer a strong and unique in their products such as; high quality products, well service for every customers and brand value.

Furthermore, LEVY has no worries with their competitors they have a loyal customers who always bought the products and advertise to their friends, longstanding commitment to quality and Investment required would be extremely large for those who do businesses. Besides that for a new goods brands wont give an impact to LEVY (Dang, 2013). 6. 2 Bargaining Power's of

Suppliers For a big company LEVY have a Suppliers and subcontractors are required to comply with strict environmental guidelines.

Where LEVY needs lots of materials they will have many offers which the company produce the materials with the lowest deals and highest quality needs (Dang, 2013). 6. 3 Bargaining Powers of Customers With branded name and value customers had become the most loyal of companies buyers, from the experience that they ever had, has build the trust and set their mind become a loyal buyer. Fashion is a trend with a strong name LEVY has put their products into the top levels and Louis Button products are never on sale. 6. 4 Threats of Substitute Products High profile luxury goods LEVY brands have high quality products differentiations and believe. . 5 Rivalry Among Competitors Moderate; In every company will always have their own competitors in this case LEVY are working in Luxury industries in a big scale to have an competitors will always be a positive things to brought new ideas and trends, in fact competitors do not sell exactly same products and different brand value (Dang, 2013). To make LB more appealing to the consumers, some products of the brand can be made available only in small quantities, by limiting its production of certain products from time to time, or producing special edition of the same handbag in different markets.

LB product could become even more premium, Create products for collection of limited editions, expend the trend by increasing the popularity by advertisement. Open their outlets store only in high end malls all around the world. To become more premium in their products LEVY may consider to concentrating its equines model to production of leather goods only

becoming specialist in their interest. Louis Button is one of the leading fashion trends industries in the world which has significant every year.

Louis Button will always have their loyal customers where they bought their new products, with a strong brand value LEVY has no worries with their competitors. On the other hand due the change of time they have to consider with their resources that year by years will decreased their materials. Louis Button shall put more concern on their weakness in both internal and external put them in the Geiger level of luxury goods market. They may consider to merge with other company in different products offer to increase and fasten their sales.