

# Macy's inc

Business, Marketing



There is not an iota of doubt that Macy's Inc. is still the leading retail store in the United States. Nevertheless, this business and marketing achievement of the firm is on for a tough competition given the evolving realities in the retail industry. Basing alone from the financial report of the company as of February 2008, the big store's net income was down by 10. 2% or \$893 million compared with the previous fiscal year (Mammarella, 2008). The company has to shape up to parry the business strategies thrown before its doors by rivals in the business.

One of the business strategies that the firm has an option to embrace is the lucrative and attractive opportunity given by expanding internationally. Since this business maneuver has been applied by the company several years ago, it can exploit this well-proven strategic move by furthering its presence in the international retail arena. Given that Macy's Inc. has already set up stores in different countries, adding additional stores in several well-placed territory around the globe can boost its sales and opportunity to increase its financial portfolio.

The countries where Macy's Inc. can apply this strategy are the countries of China and Russia. These two countries basically hold a huge number of population which promises bigger consumer market for the big store. In China alone, there are already several cities that are economically growing at an exponential rate. The company can grab this opportunity by setting up stores in these cities considering that in the dynamics of a healthy economic state the purchasing power and surplus cash of the population is certainly high.

As a second alternative for the company, it can pursue a joint venture with rival competitor in the market to consolidate its strength in the industry, both at its home base in United States and internationally. The advantage of negotiating for a partnership with another player in the retail market is the promise of higher percentage of cornering the large portion of the sales in the market.

In regards to the company's dominance at its home base, United States, one business strategies that is being employed right now, through the leadership of the firm's Chief Marketing Officer Peter Sachse, is to give more focus and attention on the local market (Zmuda, 2008). Since the company is already a Goliath in the industry, it has somehow alienated most of its consumer based. As a reaction to this observation, Macy's Inc. makes the strategic business move of re-connecting with the local consumers.

This deft business maneuver from the perspective of marketing strategy, will guide the company in making a program that ensures advertising campaigns closely reflect the local tastes and needs. A good example of this initiative to focus on local consumers is the marketing and selling of coats. Macy's can create a sale more of this kind of product in Minneapolis than, say, in Miami.

If the high school prom is approaching, the company in turn can run an ad tailored according to this situation. If the local cheerleading squad for example wins the championship, the firm can place ads on TV, newspapers, magazines, and Internet congratulating them (Znuda, 2008). In the end, the big store can reinforced its brand name in the local community.

Another alternative for the company is to slow down on its program of building new stores (Ryan, 2008). This business move will enable the company to speed-up " same-store sales growth." At the same time, this will reduce the operational expenses of the company since the strategy will free up 2, 550 positions. Moreover, this strategy will give a savings of several million dollars from unnecessary expenses.

The alternatives business strategies therefore that are open for Macy's Inc. are to exploit the opportunity of expanding globally, merging with a rival competitor, a more focus on the local market to reinforce its brand name at its home base and the strategy to slow down on setting up stores in order to free it from unnecessary expenses and at the same time give existing stores the opportunity to boost their sales.

#### Bibliography

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