

# Swedish multinational retail clothing company marketing essay

[Business](#), [Marketing](#)



[Type the company name]kryshna

## Table of contents

### Contents page no:

Introduction.....	1
Marketing communication strategies .....	1-2
Pre-launch marketing communication.....	3
Advertisement Campaign.....	3
Sales promotion.....	4
Marketing Public relations .....	
Sponsorship.....	5
Importance of Relationship Marketing.....	6
MARKETING MIX: 4P's MODEL: Marketing Mix .....	7-
Use of internet and information technology for marketing .....	10
Conclusion.....	11-13
References.....	15

## Introduction

This report has been prepared with to demonstrate the marketing strategies for H&M (Hennes and Mauritz) specifically dealing with identification of target market and market communication. This report will also emphasize in the possible promotional campaign in the identified market.

## Task 1

H&M is the Swedish multinational retail clothing company and a global brand employing 94, 000 people over 2, 6 29 stores across 43 countries by august

2012. It is the second largest global clothing retailer after Spanish Brand Zara and leads over the United States based GAP Inc. It is mainly known for its fast and high street fashion clothing line for men, women, teenagers and kids. The Swedish base designing team is responsible and controls all the production from merchandising to establishing specifications and production is outsourced to 800 factories across Europe and Asia. As Asia has been one of the most rapidly growing markets H&M hasn't yet launched its official brand in South Asian countries specifically India and Nepal. Although Nepal being underdeveloped countries the fashion trend of high street is booming in capital Kathmandu. Therefore this particular report would exclusively focus on the promotional campaign of H&M in India and Nepal.

## **Marketing communication strategies**

Communication is a constant activity and universal feature of human expression and organization where marketing communication helps in developing brand awareness by simply creating the idea of consumer's translating the product and services information into perception of the product and service attributes and its position within the larger business markets. Businesses also use marketing communications to retain the current customer base and to cement the relationships with customer and suppliers. Marketing is basically the process of making the product or the service of the organization visible to the customers in the most simple and innovative and marketing communication is the process of making it possible. The conventional communication tasks of marketers are generally confined to the communications mix. This is the combining of

communications tools to achieve a specified amount of weight and cover in a target market within a defined budget. The communications mix consists of the following communication tools: Sales force (personal selling) Advertising Sales promotions Direct marketing (database marketing) Public relations Sponsorship Exhibitions Corporate identity Packaging Point-of-sales promotions and merchandising Word of mouth Internet and new media networks When combining these into a communication mix, the marketer needs to take the account of their particular appropriateness for the target market, the rate at which the each tool will generate sales and awareness and the rate of the sales response when the tools are combined into the mix. The importance of each communication tool varies according to the type of customer and the general pattern of communication in the market. Launching the brand itself is a major and ambitious project and specially in a developing countries where few people would only have an idea of the brand , it is crucial to do the market researches, following various online and person to person surveys in the major cities and also looking for the other international brands position in the targeted market. This can be called pre-launch marketing communication.

### **Pre-launch marketing communication**

A group of people can be formed in order to carry out the survey on the fashion sense and current trend before launching the product in the targeted market following questionnaire can be prepared and the outcomes can be evaluated for the launch. What do you look for in a fashion brand? What is

your favourite fashion brand? Have you ever had an H&M experience before? These following simple can be asked generally focused on the young and heap community as they would be possibly updated with the brands and fashion itself. And the collected information can be used as a marketing tool for the launch of the brand.

## **Advertisement Campaign**

Advertisement is one the most common and effective method of making the product , Brand and service visible to as large as possible group of customers and India being one of the most facilitated and hugely involved country in communication market , it can be very much easier. The cost of the publication and telecast is comparatively cheap in India, which ultimately reduces the cost, India being the home one of the most celebrated movie industry in the world " Bollywood" , it's very much important and can be profitable to use the local Bollywood celebrity as it has recently associated and made football star David Beckham the face of Brand, for more customer attraction association with young generation Bollywood actors such as Sonam Kapoor and Ranbir Kapoor who is currently viewed as the one of the most celebrated icon in sense of style and fashion as well as success. Sonam's fashion statement becomes the trend in India and Ranbir Kapoor is undoubtedly the youngest successful actor in Bollywood representing the youth of India to be as determined and loyal towards the work and also his fashion and style always leaves it remarks. Using the face of these local celebrities can definitely attract the large number of population and in

country with the population of 1 billion it wouldn't very much unlikely to say it can be unsuccessful.

## **Sales promotion**

Sales promotion offers a straight prompting to act by giving additional worth far beyond what is incorporated with the feature at its typical price. These impermanent instigations are offered more often than not around then and place where the getting choice is made. Not just are sales promotions extremely regular in the intense market conditions, they are expanding at a snappy pace. Decently confused and a rich apparatus of marketing with incalculable imaginative plausible outcomes restricted just by the vision of promotion organizers. Sales promotion is frequently pointed to by the names of the 'extra buy value' and 'below-the-line selling'. India being one of the most populated countries with majority of population following Hinduism it is very much important to understand the fashion trend and culture differences. Unlikely As in western world Christmas is the main festival as well as the biggest selling period of the year, In India the festival of lights "Diwali" is considered to be the biggest festival and people are tend to be in festive mood that period , Launching the brand itself targeting that period may show a huge heap of revenue and sales. It is also very much vital to have sales promotion such as festive discounts and gift hampers to boost the generation further more

## **Marketing Public relations**

" Public relations involve a variety of programs designed to promote or protect a company's image or its individual products." (Kotler, 2000:

605) Marketing public relations is advantageous, thus in any business, integrated marketing communication skills should be used to help facilitate the Organizational communication. In the communication domain, public relations has a much shorter history than advertising, for example stemming largely from foundations in the early twentieth century (l'Etang), 2002). The primary function of public relations has developed over time from vaguely defined and largely effective measures. Kotler (1980) illustrates the then narrowly defined perception of public relations by limiting public relations to activities designed to sell the organization rather than its products and services. As we ahead from time, Public relations have been a major factor in any success story of any brand or organization. In its true meaning public relations helps in marinating the public relationship with the brand and the firm as inevitably the services and the product has to be sold to public after all. Recently it has been very much vital for the organization to create an ethical public image in order to have good market value as well as increasing sales or atleast to maintain the customer flow. Few times ASDA's clothing brand " George" was in huge in controversy of paying unethically less wages to the labour in India and Bangladesh which came out as exploitation, it not only degraded the sales of George itself but also Asda's revenue and brand image. Likely for international brand Like H&M it is not acceptable to risk the brand image. It should definitely look for the strategies that can certainly add ethical and humanitarian value to the brand in India, such as alignment with very charitable and support organization, discouraging use of animal use for fashion especially furs and leathers and also creating and job

opportunities in the local. It definitely adds upto the public relations and wise and smart customer flow will eventually increase.

## **Sponsorship**

Sponsorship is the marketing communications activity whereby a sponsor contractually provides financial and /or other support to an organisation or individual in return for the rights to use sponsor's name (company, product, and brand) and logo in connection with the sponsored event or activity.

Sponsorship is an important part of integrated marketing communication, but very often amounts of money are expended without sponsor receiving much benefit from the sponsorship. Corporate sponsorship of events has become a major promotional activity. As per the current context, India has provided many freelance designers among them few have been successful to quite an extent. H&M here can have look out for the talented local designer and can make a financial alignment with their design and brand. Last alignment of H&M with Italian luxury brand Versace helped in increment in the sales and revenue enormously, as per India sponsoring a local Indian Brand or freelance talented designers can be proved profitable launch of the brand for the Indian market.

## **Importance of Relationship Marketing:**

Relationship market is the technique of attracting customers and their retention. The process is not a single approach as there are many stages to maintain the relationship with the customers. From awareness and providing valued service and updating the customers with the new products according their lifestyle, needs and taste and maintain the relationship. This can be



very important to all the business as the customer ones become loyal they buy and use the product and recommend to their friends etc. The relationship marketing could be done by events, telephone with the customers with the new products, customer satisfaction questionnaires, high customer satisfaction etc.

## **Task 2**

### **MARKETING MIX: 4P's MODEL: Marketing Mix**

Marketing decisions generally fall into the following four controllable categories,

#### **Product**

#### **Price**

#### **Place**

#### **Promotion**

The term " marketing mix" became popularized after Neil H Borden published his first article, " The concept of marketing mix". These four p's are the parameters that the marketing managers can control, subject to the internal and external constraints of the marketing environment. The goal is to make decisions that centre the four p's on the customers in the target market in order to create perceived value and generate a positive response.

### **The product decisions**

The term " product" can be defined as the tangible, physical product as well as services. Following can be taken as examples of the product decisions to be made: Brand name Functionality Styling Quality packaging Repairs and

supportWarrantyAccessories and servicesAs the head quarter in Sweden is fully responsible and authorized for the product design and development, various researches should be carried out in the target market in this particular report metropolitan city of India mainly New Delhi and Mumbai. India is very much different and unique on its own way. population has mixed opinion on everything here , from high class riches to middle class lifestyle to conservative group of people with extreme conservative opinion so it is very much necessary to design the products that can be appealing to the main focused group of customers but also not very western and with exposure specially for women. Revealing designs of clothes and accessories may not be very appealing to everyone and hence can decrease the expected customer flow. It is also very much important for the product to be of the latest design because youth in india are very much educated and updated with fashion and other current trend in the world. Thus , H&M should carry out researches with alignment of experienced designers and local brand and also making direct contact with the youth.

## **Price decisions**

The price decision is the section where the organization has to decide the price strategy of each product suitable for the target market as it determines the company's profit and loss and hence the existence of the brand. The price is the amount a customer pays for the product. Adjusting the price has a deep and vital impact on the marketing strategy and depending on the price flexibility of the product; often it affects demand and sales as well. The marketer should set a price that complements the other elements of the

marketing mix Some examples of price decisions to be made include: Pricing strategy (skimming and penetration) Suggested Retail price Seasonal pricing Bundling Volume discounts and wholesale pricing Price flexibility Price discrimination Cash and early payment discounts When setting the price, H&M must be aware of the customer perceived for the product and services and should decide which of the pricing strategy it should use. As India is one of the developing countries where huge population of is from the middle class category it is best that it uses penetration pricing strategies, relatively putting the price in the early openings so to attract the customers. As per the per capita income rate in India which is \$1219 it is very much crucial to understand the customer expenditure behaviour and come to compromise which is suitable for both customer as well profitable for the company.

## **Place decisions**

Place decisions refer to providing the product a place or a venue which is easily accessible and visible for the consumers. In the corporate world marketing can simple be quoted also as distribution? Some examples of distribution decision include: Distribution channel Market coverage Specific channel Inventory management Warehousing Distribution centres Order processing Transportation Reverse logistics Promotion decisions Promotion speaks for the sum of the systems for communication that a marketer may utilize to give qualified information to distinctive gatherings concerning the feature. Promotion involves components for example: advertising, public relations, private offering and sales promotion. Advertising spreads any communication that is paid for, from film plugs, radio and Internet notices

with print media and announcements. Public relations is where the communication is not straight paid for and incorporates press discharges, sponsorship bargains, displays, meetings, workshops or exchange fairs and occasions. Expressions-of-mouth is any clearly casual communication concerning the feature by customary people, fulfilled clients or folks particularly captivated to make statements of mouth force. Sales staff regularly plays an imperative part in expressions of mouth and public relations

### **Limitation of marketing mix framework**

The marketing mix structure was particularly handy in promptly days of the marketing concept when physical products represented a greater portion of the economy. In familiar days, with marketing more coordinated into conglomerations and with a wider assortment of products and markets, certain creators have attempted to expand its convenience by proposing a fifth p to be specific as packaging, people, process et cetera. Today on the other hand marketing mix remains dependent upon four p's model despite of its restrictions perhaps in view of its simplicity. The utilization of structure remains solid in marketing

### **Use of internet and information technology for marketing**

Today internet and information technologies hold a great power of information sharing with simple uses. Today there may be very few people on earth who logs onto their Facebook page or twitter account once a day. The rapid and revolutionary growth of the information technology and cyberspace, it has become much more easily as well important for every firm

to be online. Marketing management can also rely on various technologies within the scope of its marketing efforts. Computer based information systems can be employed, aiding the in better processing and storage of data. Marketing researchers can use such systems to devise better methods of converting data into information. And for the creation of enhanced data gathering methods. Information technology can aid in enhancing the Marketing information system (MKIS) software and hardware components and improve a company's marketing decision-making process. In familiar years, the notebook private computer has added on critical piece of the pie right around laptops and expansively because of its more client-accommodating size and convenientce. Informative data innovation ordinarily advances at a quick rate; accelerating advertising bosses being conscious of the most recent innovative infrastructures. Additionally, the launch of smartphones into the cell business sector is generally inferred from the interest near the purchasers for all the more mechanically progressed items. A solid can likewise loos out to its contender may as well it overlook the mechanical developments in its industry. Mechanical headways can diminish hindrances between nations and locales. Utilizing the World Wide Web, firms can briskly dispatch qualified information from one nation to a different without much limitation. Preceding the mass use of the internet, such exchanges of qualified information might have been taken longer to send particularly if done through snail mail, telex et cetera. Just there has been an impressive attention on information examination. Information might be mined from diverse origins as online shapes, mobile telephone application and all the more as of late social media networks. C:

UserskryshnaDesktophm. png. g. H&M@S website of Great Britain  
websiteH&M needs improvise it website and develop a worldwide web for Indian customers too in order to make it easily accessible and viral. An impressive and artistic web page attracts the eyes and number of login would surely be increased. The web page also helps in online business as to sell products online easily and new information can be dispatched though it in a convenience.

## **Social media network**

The rapid growth of social media networking sites user has made each company crucial to make a pages on these sites namely Facebook and twitter. It is much simpler than website and the cost is obviously very much low. H&M and can simply make a Page and make it visible to the page users by advertising it in the network itself, the growth in followers and fans would surely help in spreading the news and information of the company's plans and products. Today it is one of the easiest medium of marketing and sharing the information quickly and easily.

## **Smartphone APPs**

Smartphone apps are the commonly used term today for the smartphone application with. With increase in the consumption and usage of smartphone celluloid all around the world, many companies has developed and application for such users is it Android, IOS (apple) or windows phones. This application helps in directly logging in to the company profile with simple use of internet. Users can easily look through portfolio and services and Offers Company is providing. By Making APP H&M India app smart Indian user

would have an idea of H&M's effort making an ethical and friendly environment India which could add up to the goodwill and hence increasing the public relation as well sales revenue.

## **Market developments**

This is a marketing strategy where the company tries to sell its existing products in new markets. There are different ways of reaching the new markets such as new geographical markets, new product packaging styles, new distribution channels etc. One of the markets that are relevant in this also could be online marketing and selling online which is known as e-business. This strategy might need huge capital expenditure and investment.

## **Conclusion**

H&M is the well-established global brand name known for its trendy and affordable high street fashion products along with quality and ethical value. It is very much important for the brand to have and maintain the same image in launching the brand in India. With the huge diversification among the people, target customers can vary and thus it is very crucial to have a proper market researcher before launching the brand. Use of local fashion icons for the advertisement campaign can add up to the higher revenues as people in India idolize their favourite stars. With rapid development in Indian youth and updated fashion and trend genres, it is vital for H&M to be online and come out with innovative ideas in order to attract the customers. India has become one of the most successful countries in advertisement business though local ideas mixed with the international strategies can bring some great profitable business to the company. In order to maintain the public

relation, H&M should also show involvement in various charitable and ethical programmes. It would definitely increase the goodwill and hence the products are sold on the name of company not just by products itself. Targeting first the metropolitan cities of India must be the priority for the greater sales revenue and financial position. The launch of the brand itself can open other various opportunities for the company as well. As the labour cost is relatively less in south Asian countries, possibly factories can be set up for the production but without exploitation of resources and manpower should not be anyway near the brands image. Lastly, all the factors do emphasize as an important growing market and possibility of mutual benefit for the company and country itself is very much higher.