

# Marketing plan (harrods)

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Executive Summary Harrods is the leading department store in the world for luxury and branded merchandise having unprecedented level of quality standards in place. Since its inception, Harrods remained a one store entity with only store situated in London however, the expansion into Qatar Market. Harrods has a rich history and is considered as a prestigious brand in the luxury market. Though it serves a diversified range of products through its store however, due to its geographical constraints as well as lack of distribution channels it may not be able to continue to serve a wider level of market and expand. The proposed expansion into Qatar market therefore is a step towards achieving more international expansion and geographical diversification. Harrods is facing competition in international market especially in UK where Selfridge is emerging as one of the leading premium retail stores. In order to overcome this threat, it is critical for Harrods to actually expand into other markets and achieve the much needed diversification and risk reduction. The main focus of Harrods in Qatar market will be to replicate its strategy adapted in Qatar and offer the same level of quality services to Qatari market. Following the same pricing strategy, Harrods will be focusing on charging premium prices while at the same time offering the higher of quality. Harrods Mission statement To be the number one department store in the world for luxury branded merchandise, maintaining an unprecedented level of retail standards, expertise and profitability. Through a combination of product, innovation and eccentricity, we aim to provide every customer with a truly unforgettable experience in our quintessentially British environment. Objectives Harrods' motto is 'anything is possible' and, for over 160 years, it has worked as a team to

exceed the expectations of our customers. It aspires to be unique; to surprise and to provide exceptional service which ensures every experience is unforgettable. Its passion is about having pride in our brand, what we do and how we do it.

**Situation analysis SWOT**

**Strength**

First, Harrods has rich history and heritage, with a number of unique traditions. Second, it has magical store experience. Third, it has existing relationship with international designers like Chanel, to ensure that merchandize will also be available in the US. Fourth, they provide many types of services and sell all type of product (accessories, perfumes, make up, toys, male and female and children clothes, foods) in one place that saves time for customers and make them family place. Fifth, it include restaurant to customer get relaxed in it when they fell tired and then complete shopping. Sixth, it has a Spa and beauty center to make massage for customer after finish shopping. Seventh, it provides tax free product that means reduce tax from purchases price. Eighth, it offers discounts vouchers and coupons and holds two sales each year (Winter and Summer). Ninth, it provides shipping service to any country at fix price one product same as shipping price for many products. Finally, it provide discount card that provide you 10% discount of purchase price and you can request the card from the internet or from the counter in the Harrods shop.

**Weaknesses**

First, Harrods has huge variety of products and services could be overwhelming to American shoppers. Second, it may be unable to provide as broad and unique a selection as London store due to lack of distribution channels and vendors. Third, it doesn't has branches in other countries. Fourth, it is very small. Fifth, difficult to have parking in front or near Harrods. Fifth, it doesn't has advertising or any other type of

marketing activity that will double its sales if it does advertising and puts it in TV's channels (Arabic and English), newspapers, Internet websites, taxis and buses, and programs that have many viewers. Sixth, the price of the product is very expensive and not all types of customers can afford it. Opportunities: No one travels to London just to see Harrods and buy from them anything, especially souvenirs. So it used to be from tourists in London. It has a personal shopping-assistance program known as "by appointment". Second, as people's income increases, so does their discretionary income, which will make them increase buying expensive brand-name products. Also, if they see their friend or family or any people around them having famous branded products, they will be jealous and pay like them. These will make Harrods increase or even keep the price high. Fourth, it provides high-quality products and services, and 100% prime brand-name products that help them charge high prices. Fifth, Harrods produce many types of products like clothes, souvenirs, and food. Finally, it is located in a strategic place (middle of London). That place is always active as all the tourists pass it to go to many famous or historical places like Hyde Park. Threat: Competition is intense in the market. The big competitor is Selfridges. Selfridges like Harrods sell popular brand-name products but has more brands than Harrods and has many coffee shops in it. Second, increased competition will intensify Harrods' need to lower their prices than other competitor brands to keep their customers and attract their competitor's customers. Finally, Harrods has many choices of brands for customers at different prices and qualities. This will make it difficult for other brands to overcome the sales of products produced by Harrods because it will be more popular and confident. In addition, it will lower the profit of the

Harrods because the other branded will take percentage of the sale of them brand. Marketing strategy Target market: The main focus of Harrods is people who look for a high standard of luxury, quality and brand unique of goods and service, since these are the main characteristic that the Harrods focuses on. The main level of Harrods consumer target is people who are in middle to upper class. Who are wealthy shoppers and able to buy the luxury goods. Also, people who like to have famous brand name with high quality and to be fissionable. Moreover, they love and interest in beauty and buy the Products that designed by renowned designers. The secondary target of Harrods is tourist. Harrods one of the most famous commercial centers in London, so he became one of its landmarks meant tourists during their visit to London. Also, tourist likes to have memorial product or gift when they return home, from famous shop and the lonely in the world. Which is don't have branch around the world. The third target is low-income people. Harrods knows that these people have a strong desire to shopping in Harrods and buy product from there because it has famous brands that are more prestigious and have a high social reputation. So they do each period, strong cut to provide an opportunity for low-income people to buy from Harrods. Furthermore, Harrods targets genders men and women Local and worldwide customers, from all age children, teenager and adult. Mix market: Product strategy Provide consumers with the speed of payment, shipping and delivery of the product to the consumer quickly. Also, they allow for people who have the world's most luxurious and quality products and brand to showcase in the Harrods magazine. Also, they launch a WeChat social media account to communicate with customers around the world, and they convey

its special offers and latest content to consumers. Also they make every customer feel special Pricing strategy In general, most products and services in Harrods are expensive. And that is because it's well-known with its quality and brand. Also, Harrods is the lonely shop in the world; it doesn't have branches in other country, so they raise their price. Furthermore, the price is different depend on the brand name and quality. In addition, Harrods deals with manufacturing companies that are known with a high quality production and good price. However, the prices of products are decreasing sharply when the sales seasons comes, so the various segments of society are able to buy from it. Distribution Strategy: Harrods is an upmarket department store located in Brompton Road in Knightsbridge London. Also, Harrods was owned by Mohamed Al-Fayed, chairman of Harrods since 1985, and then he sold it to Qatar Holdings, the sovereign wealth fund of the State of Qatar in May 2010. They distribute in the entire world, and that done through their website, well-known stores and online luxury retailers. In addition, they open new locations to distribute their brand (Harrods brand) across London, and they wish to opening in different locations around the world. Furthermore, they have magazine and electronics catalogs to distribute their product and service in creative way, they spread the image and picture in amazing color and displays featuring the product so customers can see from their home in the entire world. Also, they detailed Description handouts. ????????

Promotion: They communicate with their customers by distributing each year a range of brochures and catalogues, and advertising the offers in the magazine like Harrods Hampers & Gifts, Harrods Children's Magazine, and Harrods Watches Magazine. Harrods publications can be viewed on the ipad,

mobile phone and websites. Also, the customer can see the publications in harrods.com and simply if he wants to buy it, just click in product. Furthermore, they promote by using the SMS, media, emails, and newsletters to tell them the events that will happen in the future. In addition, one of the best promotions is when the company make sale, because this will give consumers interest to buy. Furthermore, Harrods uses many components to promote their goods and service like advertising, by using media like TV and newspaper, So Harrods will attract a large number of consumers. Implementation and Control Harrods will be launched in the month of January and will start to take on the customers from the mid of the January. However, from December, one month prior to launch, Harrods will launch a \$100, 000 marketing campaign to announce its presence in the market while at the same time educate its target markets regarding the brands offered under the flagship store of Harrods. This awareness campaign will be directed towards select customers who are going to take action and actually engage into the overall purchase decisions to be made. In the month of January, the local website of the store will also be launched which will focus on offering the local contents while fulfilling the needs for premium global brands to be consumed within Qatar. This campaign will be focused on high income individuals who are residents of the country besides also attracting tourists also. Since Qatar is becoming one of the financial hubs in the world therefore it naturally caters to lot of international tourists. The initial campaign will therefore target both the local top level income earners as well as the tourists. In the month of February, an integrated radio, TV and print media campaign will be started to further penetrate into the market.

Notable high network individuals will be invited to visit the store on particular days and free giveaways of premium brands will be offered to those who visit the store. During the month of March, a free give-away session will be started for our online consumers who will be participating in our online purchase program. In order to develop an alternative online channel, this promotion will add more value for our customers to buy online from us. The contest will be held online and will be available for our online customers only. This contest will also be used to create awareness about free shipping services. During the month of April, the overall efforts of the sales persons will be rewarded with highest earning sales persons working within the store will be rewarded for their efforts. Their profiles will be publically displayed within the store. In May, a new campaign at international level will be launched to attract the international tourist market. Major markets such as UK and US will be explored and international ads will run in these two markets. In June a systematic effort will be started to collect email addresses and other particulars of the customers to kick start a newsletter campaign. In July a further expansion of the product line will be initiated to bring in more brands in the store. Control Tighter controls will be ensured through measured marketing efforts which will be monitored through key indicators. Strong quality screening systems will be in place to ensure that quality brands are put on display which is properly being screened and tested for quality. Custom attitudes as well as level of adaptability in the new market will be measured and analyzed to achieve desired results. In order to better ensure control procedures, market testing as well consumer profiling will be done to maintain and establish the same level of quality maintained at



Harrods London Store. The Chief Marketing Officer will have the responsibility to ensure that tighter quality controls are in place.