

Gucci's closest competitor



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CRITICALLY CONTRAST THE KEY ELEMENT OF GUCCI'S MARKETING STRATEGY TO ITS CLOSEST COMPETITOR. JUSTIFY WHY YOU HAVE CHOSEN THIS COMPANY AS GUCCI'S CLOSEST COMPETITORS

Gucci is one of the most powerful leaders in luxury fashion market. Gucci is founded by Guccio Gucci in 1921 in Florence, Italy. Now, Gucci is the part of Gucci Group and Pinault Printemps Recloute (PPR). The globalization of the fashion environment and boost in the western economies transform Gucci from a small Italian company into a large luxury fashion brand on a global level.

In the 1980s, Gucci had lost its appeal and became a tacky brand and was also in a deep financial crisis. But Tom Ford raised Gucci from dead and found out the company's leading status and maintains their customer loyalty. He created Gucci's image as: sleek, sexy, and daring. And, Frida Giannini the new creative director of Gucci after Tom Ford changed the image of Gucci from sexy to sensuality. There are two sides to a brand like Gucci: the glamorous, very fashionable side but also with its roots and heritage of 90 years history and artisans working for Gucci. (Frida Giannini, The Times, Sept 5, 2009)

For the Gucci's rebirth marketing mix plays a vital role. The concept of 4Ps or the marketing mix is to explain the relationship of product, price, promotion and place within the brand/business. The marketing mix is a set of marketing tools that the firm uses to pursue its marketing objectives in the target market. So, this theory proposes that all brands/business need the right product, sell that product at right price, in the right place, using the most suitable promotion. Basically brands use this concept to attract their target consumer to match their needs and demands.

Out of these 4Ps product is main focused area of marketing mix because the product is combination of tangible and intangible offer that a brand sells to customer to makemoney. Product addresses the need of consumer. The product has to have the right features like: it must look good and work well. “ When well designed, good-quality product is at the root of the marketing campaign it often adds a degree of authenticity and sincerity to the marketing strategy. ” (Gary Aspden – Adidas) For example: consumer needs to fit in with the peer group and the problem of how best to do this is solved by wearing particular brand’s trendy product. Mastering Fashion Marketing, Tim Jackson, 2008). As mentioned earlier that product is the main element of the marketing mix and in that product category footwear is the main focused area. “ Shoes are always the most important thing because they are who you are. They change the way you walk, the way you move. ” – Tom Ford The market for the footwear category is United Kingdom. The reason behind choosing this market is that the United Kingdom footwear market, the value of this market is reached a record high of over ? bn in 2008. The UK is one of Europe’s leading footwear markets, accounting for nearly 19% of the European footwear sales. PRODUCTSGUCCIPRADACHANELLouis Vuitton Women’s wear???? Men’s wear???? Shoes???? Hand Bags???? Jewellery???? Fragrance???? Watches???? Eye wear???? Beauty products??? X Hats???? Tie???? Scarves???? Based on the above mentioned table Gucci's competitors are Prada, Chanel and Louis Vuitton. The reasons behind taking only these brands are these four brands are very popular in luxury market all over the world.

So, through this table get the basic idea of the product wise comparison in these four brands. All the four brands have almost similar products but the personality is different. Gucci is much more similar to Prada in terms of brand image and product comparison. The brand image of Gucci and Prada is very seductive, powerful, accomplished, sexy and chic. Whereas Chanel and Louis Vuitton have very smart, classic, sophisticated and mature personality. In terms of prices Gucci and Prada go hand in hand while Louis Vuitton and Chanel are quite expensive as compared to Gucci and Prada.

While comparing the brand value of these brands and the ranking of Top 100 Brands Louis Vuitton stands on 17th rank with the brand value of \$21,120 millions, Gucci stands on 45th rank with the brand value of \$3530 millions, Chanel stands on 60th rank with the brand value of \$6040 millions and Prada stands on 91st rank with the brand value of \$3530 millions. So, as comparing the brand value and rank of top 100 brands Chanel will be the closest competitor of Gucci. But, here the comparison is based on the product so, Prada will be Gucci's closest competitor because as per the product line and brand image Prada is Gucci's closest competitor.

Gucci Prada As, mentioned earlier in the product line Prada is the closest competitor of Gucci. Here, the images from Prada and Gucci men's footwear collection of Spring Summer 2010. The design of the product is similar, shape of the shoes is also similar, and material they used is also same. The cut detail of the outside counter of the shoes is also similar. From the top view both the shoes look very similar. The stitching detail is similar but Gucci gave dark color piping on the toe cap and gave same color stitching whereas Prada gave contrast color stitching detailing which is quite noticeable.

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The colors of these shoes are different Gucci used Bordeaux color in suede material which gives very dull look while Prada used same material in Red color which gives very bright and smart look. Prada also gave a logo on side of the shoe whereas Gucci gave green, red and green color web stripe. The detailing on the tongue of the shoes is also different Gucci gave zig zag look on the edge which gave a rough look though its finished where Prada gave very finished look stitching which give very sophisticated look. The lining of the both the shoes are also similar in terms of color and leather in sole logo.

The color of the sole is also similar but detailing is different Gucci gave their own brand logo detailing on the rubber sole where as Prada used nice detailing on drive sole. The price of Gucci's shoes is \$530 where as Prada shoes cost around \$557. Good design and color and with affordable price Prada is better than Gucci in this comparison. Gucci Prada This advertising campaign is for Autumn Winter 2009/10 for Prada and Gucci for the footwear collection. In both the advertising campaign both the brand focused only on the product.

Gucci's products are very shiny and glamorous which represents very urban, beautiful, young and chic look. Where as Prada shoes are inspired by Trojan helmet/headgear which gives very stylish and cool look and more focus on product detailing. Gucci (Gucci's store display window is very basic with perfume bottle shape with yellow light and hand bag shape with pink light and back drop is decorated with Gucci logo. In the display Gucci display bags and shoes together. The ambience and the light effect give very rich look to Gucci's display window.

In the display window Gucci only displayed their basic and classic bag and shoes. Whereas Gucci's image is very sensuous, sleek and sexy, but through this window display Gucci can not convey its brand image. But, the light effect, ambience and product complement each other. But this display does not Whereas Prada's window display is totally opposite to Gucci's window display. Prada give more focus on their product in the display window. Prada used six silver mannequins to display their footwear and which gave very trendy look. Even the color of footwear is very nice and eye catchy when it put on those silver mannequins.

The placement of the mannequins is also very nice, they displayed 3 mannequins in the right direction and rest of 3 mannequins they just flip it so that the product can highlight more. And they used white lights for the display. So, through this window display Prada convey their brand image which very trendy, smart, sexy and sensuous. Thus, to conclude we can say that Prada is Gucci's closest competitors. The reason behind this is Prada offer almost all the product which Gucci offers and the brand image of Gucci and Prada is same which is very sexy, sleek, sensuous and smart.

In product line in the same season Gucci and Prada offers almost similar shoes but Prada's shoes are very smart and trendy where as Gucci's shoes give very dull look. So, from that comparison Gucci is not able to maintain their brand image where as Prada's shoes are simple but Prada maintain their brand image which is very smart. While comparing the advertising campaign and the store display window, Prada and Gucci go hand in hand in terms of convey the message through advertising campaign and also

highlight their image through store ambience. But Gucci has 278 stores all around the world where as Prada have 128 stores around the world.

So, globally Gucci is more famous than Prada. The brand value of Gucci is more than Prada. Reference: Websites: http://bwnt.businessweek.com/interactive_reports/best_global_brands_2009/index.asp?sortCol=rankid=1=2=50 <http://www.stanforddaily.com/2009/03/06/milan-fashion-week-sexes-out/> http://www.researchandmarkets.com/research/34a553/footwear_market_re Books: Journals: Images: Prada Display: <http://williamyan.com/blog/2009/7/24/retail-prada-window-display-in-soho.html>) Gucci display: <http://www.bobbintalk.com/2009/11/window-shopping-gucci.html>