

Burberry investigative report and competitors essay



**ASSIGN
BUSTER**

Overview Burberry is a luxury brand founded in Basingstoke, Hampshire, in 1856 by Thomas Burberry as a family business. In 2002, Burberry became a public company led by Angela Ahrendts. The company operates 260 retail stores and in high-end luxury department stores worldwide. The brand has two headquarters locations in London and New York City. Growth Profile The Burberry brand is offered in North America, Europe, Asia Pacific, and South America. In 2006, Burberry had sales of \$1292.

3 million and net income of \$185. 1 million. The company expanded to 4,651 employees' leading to a 12. % employee growth. Products and Services The brand offers womenswear, menswear, childrenswear, accessories, footwear and licensing. Womenswear is the largest department of the brand by 36%.

The Burberry signature item is the trench coat for both genders. Services offered to the customer are online view of the brand, catalogue, Burberry gift cards, sending gifts, warranty on product, and returning policy. Distribution Channels Burberry distributes products in major consumer markets globally through its retail, wholesale and licensing channels. Retail is Burberry's primary channel of distribution.

The wholesale channel concentrates on key customers. Burberry brand expansion depends on Japanese licenses. Target Market The brand maintains a broad appeal across dual gender audience of ages of 18-55+. The customer has an income of \$55, 000+. Customer Profile Burberry targets traditional individuals as well as the new fashion conscious customer. The

customer is an individual who is interested in the British style of clean, smart traditional apparel.

Competitive Profile- Competitive Comparison Ralph Lauren
Ralph Lauren founded Polo Ralph Lauren in 1967. Lauren controls 90% of the public company and the headquarters is located in New York City. The company designs apparel, accessories, fragrances and home furnishing. The brand operates about 290 retail and outlet stores in US and licenses more than 100 others worldwide. Ralph Lauren is top competitor of Burberry due to product similarity and services. Both brands offer versatility in merchandise as well as in locations.

Ralph Lauren obtains various licenses and carries similar lifestyle image as Burberry. House of Fraser House of Fraser founded Baugur Group in 1849. The private department store offers home decor, apparel for all ages, accessories and electronics. The brand operates about 60 stores in the United Kingdom. House of Fraser is the second threat for Burberry due to its wide target in the UK.

The company offers to the customer quality brand merchandise and prizes. The House of Fraser customer is similar to the Burberry because both are fashion conscious and look for comfort. Escada Escada is a German public company founded in the early 1976. The brand designs women's apparel, accessories, leather goods and footwear. The brand operates about 515 owned and franchise stores worldwide.

Escada is a main competitor for Burberry because of the merchandise concept. The brand targets upscale female customer who is in search for
<https://assignbuster.com/burberry-investigative-report-and-competitors-essay/>

quality and individuality in the fashion society. The merchandise is an image of tailored silhouettes and intricate fabrics. Ralph Lauren, House of Fraser and Escada are main competitors of Burberry because of their approach to the customer and merchandise. All four companies suffer from similar threats such as weather.

This is an important factor because it affects sales and the traditional outlook towards merchandise rotation throughout the year. A second main threat to fashion companies is the economic status of the country such as recession. Burberry is a strong brand in the competitive field due to multi-category merchandise and creating versatility in the product. Bibliography Burberry Group. (2008).

Hoovers. Retrieved February 1, 2008, from <http://premium.hoovers.com/subscribe/co/factsheet/xhtml?ID=rftsryhyjhtxsyx> Burberry Limited. (2008). Burberry USA.

Burberry Website. Retrieved February 4, 2008, from <http://www.burberryusaonline.com/home/index.jsp> Escada.

(2008). Escada Home. Escada Website. Retrieved March 7, 2008, from <http://www.escada.com/home/?st=eg>

House of Fraser. (2008). Company Profile. House of Fraser Website. Retrieved March 3, 2008, from http://www.houseoffraser.co.uk/on/demandware.store/Sites-hof-Site/default/Link-Page?cid=HoF_9.0_ABOUT_HOF

Ralph Lauren.

<https://assignbuster.com/burberry-investigative-report-and-competitors-essay/>

(2008). About Us. Ralph Lauren Website. Retrieved March 7, 2008, from [http://about.ralphlauren.com/default.](http://about.ralphlauren.com/default.asp?ab=footer_aboutus)

[asp? ab= footer_aboutus](http://about.ralphlauren.com/default.asp?ab=footer_aboutus)