

Hugo boss: a famous german brand



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Hugo Boss, a famous Germany's brand, was established in 1932 by Mr. Hugo Boss. After his death, his two grandsons Uwe and Jochen Holy developed the company, which focused on men's clothing (answer. com, 2010). Hugo Boss one of the most famous brands in the world, was manufactured other goods, which including perfumes, women's clothes, shoes and sunglass (ecvv. com, 2010). Furthermore, " BOSS Black, BOSS Selection, BOSS Orange, and BOSS Green" are the distinct category from men and women's clothing (Hugo boss. com, 2010). According to fragrancex. com (2010) state, Hugo Boss is the market leader of qualitative menswear.

1. 12 Giorgio Armani

Giorgio Armani was found by Mr. Giorgio Armani and his friend Sergio Galeotti in Italy in 1975(referenceforbusiness. com, 2010). There are five portion of Armani " Giorgio Armani, Armani Collezioni, Emporio Armani, Armani Jeans and A/X Armani Exchange" (ROLL, 2006). As the international brands, Giorgio Armani not only produce the menswear, but also manufactures the women's accessories, such as " shoes, handbag, shirts and suit" (raffaello-network. com, 2010). According to thinkfashion. com state, Giorgio Armani is the famous designer on the world, who guides the men's high-end fashion.

1. 2 Theory

1. 21 Market Segmentation

Market segmentation may be defined as an identification, which divides a market into different groups with similar traits. In addition, there are four

kinds of segmentation, including “ geographical, demographic, psychological and behavioral” (Hall et al, 2010: p56)

1. 22 Marketing Mix

Marketing mix means “ the elements of a company’s tactics which are designed to meet the needs of the customers.” There are four elements, including “ price, place, product and promotion” (Hall et al, 2010: p75).

1. 3 Aims

The aims of this report are to analyze the Hugo Boss and Armani of the market segmentation and marketing mix. In addition, the viewpoints of these two companies will be compared and contrasted. At last, there are the conclusions and recommendations will be showed.

2 Findings

2. 1 Market Segmentation

2. 11 Hugo Boss

Market segmentation is comprehensive used in big company to reach the customers. Hugo boss. com state, the geographic segmentation of Boss Black was divided into different localities in European, Americas and Asia which established the store in the big countries. For example, in China, Boss Black set up their stores in “ Beijing, Shanghai, Guangzhou, and Qingdao” (fashiontravellers. com, 2010). In addition, demographically segmentation was also a significant method, Boss Black offer the suit for the business man who has 60, 000 euro per year and it suitable the age of 25~49 man. What’s

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more, it is widely believed that high-grade goods can display one's position, Boss Black offer the suit for “ high-powered of city offices for men.”

(sixwhitingstreet. com, 2010) The man who was wearing the Boss Black suit always has the leader's qualities.

2. 12 Giorgio Armani

The modern period, fashion is the main trend. Giorgio Armani pursues the stylish tendency. The market segmentation of Giorgio Armani is to focus on geographic and demographic. Giorgio Armani distributes stores all over the world. There are different sub-brands on Armani. Giorgio Armani is the one of it, which targets 35~50 year old customers (Roll, 2006a). The merchandise emphasizes high social class customers, as it can be seen in the price. The different sub-brand helps the company to segment the product to different consumers.

3. 1 Marketing Mix

3. 11 Product

3. 111 Hugo Boss

Hugo Boss's black suits have a refined and classical style and the materials stand of durable character (sixwhitingstreet. com, 2010). It is the formal wear for men, which can realize the individuality. What's more, there are various sorts of sizes, which offer different physique's customers. It also has product guarantee, which promises the merchandise's quality. (Hugo boss. com, 2010)

3. 112 Giorgio Armani

The design of Giorgio Armani's suit is the most special point. The designer uses professional techniques and "functional, adaptable, flexible items". The product emphasizes the timeless quality and nostalgia style (perfumesglobe.com, 2010). There are many different kinds of size and color to choice (emporioarmani.com, 2010). It is obvious that the unique selling points of Giorgio Armani are the superior quality and distinctive excogitations, which can meet the needs of customers.

3. 12 Price

3. 121 Hugo Boss

Price is another element for marketing mix. The price of Hugo Boss is between \$695.00~\$1,045.00(Hugo boss.com, 2010). It is expensive, but the price is fit in the product, which has high quality and special style. Hugo Boss suit uses the special material, which increases the cost of production.

3. 122 Giorgio Armani

The price of Giorgio Armani has two kinds, first one is one button suit, the price is from \$1,195.00~\$1,695.00, the second one is two button suit, which the price is between \$1,295.00to\$1,695.00(emporioarmani.com, 2010)

3. 13 Place

3. 131 Hugo Boss

Hugo Boss is a big company, which needs the intermediary to improve the products quantity. According to suit-latest. com state, nowadays, Hugo Boss has 6, 100 selling points in 110 countries, nevertheless, approximately 1, 000 retail store and shops are owned by charter. However, Hugo Boss also has online store, it including the largest product from the Boss and Hugo Brand (Hugo boss. com, 2010). In addition; Hugo Boss will make their factory near by the competitor, which is easy to observe.

3. 132 Giorgio Armani

Giorgio Armani's branch store was distributed all over the world.

(armanistores. com, 2010) China is a big market, which is still increasing the economic, there are around 10~13 million Chinese using this luxury brand.

Giorgio Armani opens store on shanghai. After that, the company is founding about 30 stores by the end of 2008(Roll, 2006b).

3. 14 Promotions

3. 141 Hugo Boss

Online stores are more popular than before, Hugo Boss set up the online stores on all over the world. It is the fast way to introduce the product and it is convenient for the customer to get all kinds of the products. However, Hugo Boss gives money to develop the early childhood organization. It will remain a good impression for customers.

3. 142 Giorgio Armani

Giorgio Armani also has online store, which was including the entire product. What's more, Giorgio Armani will also use the fashion show to present the product, it is livelier. Furthermore, in different area Giorgio Armani uses various mouthpieces, which focus on the local stars.

3. Discussion

3. 1 Compare and Contract Marketing Mix of two companies

Marketing mix is the significant way for the company to divide the product into the right way, which can satisfy the customer's needs and want.

Therefore, both Hugo Boss and Giorgio Armani possess high grade materials and distinctive styles. To compare with the place, Hugo Boss and Giorgio Armani have various retailers in different countries, especially in China. However, Giorgio Armani's price is more affordable than Hugo Boss. In addition, Hugo Boss gives money to the early childhood development program, and helps the children, the customers can join in, if consumers use the face book APP. It is the special way to introduce the merchandise.

3. 2 Compare and contract Market Segmentation of two companies

Marking segmentation can assist the company in classifying the market into small group. Hugo Boss and Giorgio Armani offer the suit for high social class men, who have high income. In spite of this, Hugo Boss offers the suit for younger customers, but Giorgio Armani target on middle age customers.

4. Conclusion

In short, Hugo Boss and Armani are the luxury goods, which have difference and similarity to operate their companies, such as, promotion and price. It obvious that market segmentation and marketing mix is important for the company.

5. Recommendations

According to analyses above, Hugo Boss and Giorgio Armani are recommended to improve in market segmentation; both two companies target high social class customers, however, the population of middle and lower social class customers are more than high social class, especial in China, 79% customers cannot buy the luxury goods. Price is the most significant factor to affect the customer's choice. Lower price has more demand, Hugo Boss and Giorgio Armani can develop to different social class merchandises.