

Clarks british shoe manufacturer and retail marketing essay



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Quaker brothers Cyrus and James Clark started it in 1825, as a business, by hiring workers for making slippers and sheepskin rugs from their village, and it then expanded to become a global shoe brand, operationing in United States, Europe and Far East.

For years during the lifespam of the business, the company was manufacturing its own shoes in Somerset, building several factories in there. The company's Quaker ethos provided their workers basic day to day needs. But soon their low production and rising cost prompted the company to move its productionout of UK, and while shoe design is still done in the United Kingdom, all manufacturing work has been moved to BRAZIL, CHINA, INDIA, VIETNAM and CAMBODIA. In 1993, redundant buildings at its Street site were opened as Clarks Village, the UK's first outlet shopping centre.

In her nearly 200-year history the Clark family maintains ownership of the company and as of today, Clark is the UK's largest private family-owned businesses.

The Group's existing 10005 more than a thousand employees, distributed throughout the world, with a annual sales of 4 1000 7 1 million pairs of shoes, up to 1. 5 billion dollars in sales, product sales in about 165 countries and regions around the world.

Clarks have produced so many iconic styles in its historical span of 200 years. One of the style was Playdeck sandal, it was manufactured for children, men and women from 1970s to early 1990s. It was quite popular especially in children. It had many colours and popular ones were white, tan

and blue. In spring 2010 clarks introduced a style KESTRAL SOAR it was copy of original playdeck style.

Each product has a different value of the composition, with the interests of consumers point of view kept in mind, clarks shoes the attributes and benefits of the commodity segmented, and to the unique product attributes News Index quantifies the goods to consumers all the benefits. Evaluation in the shoes, clark shoe stores will single-brand goods index, category index of interest applicable to people and occasions, clark shoe outlet such as index for the qualitative recommendation to consumers to provide consumers with purchase basis. The interests of the index of the shoe category is further divided into:

Aesthetic index:

Beautiful pair of shoes or not, clarks privo shoes is often an important indicator of consumer purchasing decisions, quality index of hearing beautiful shoes by color, style, fabric and other property from the smoothness, color, luster, surface perception, decorative accessories, texture flu, creases Mido, personality style, and other comprehensive rating of its circumference.

Comfort Index:

High-quality shoes only to have extraordinary refined design, but also to meet the comfort of the factors to consider, so as to not only satisfy the psychological needs of consumers, but also to meet the physiological needs. Commodities News comfort index through the shoe material, technology and

other property from the extensibility, flexibility, light degree, fitness foot sex, warmth, softness degree, air permeability, Pai humidity, touch, stiffness in areas such as evaluation of their conduct.

Performance Index:

The more comprehensive performance shoe, using the interests of the greater goods News Performance Index by shoe materials, technology, features and other property from the water-proof, anti-bacterial, anti-odor, anti-slip, shock absorption, anti-static, anti-oil, increased environmental protection, no side effects of other aspects of its conduct comprehensive score.

Durable Index:

Shoes shoes durability to a certain extent reflect the quality of durable goods, index of hearing through the shoe material, technology, features and other attributes from the strong degree of anti-loss upper degrees, soles wear degrees, sole hardness, anti-deformation, mind bending groove stiffness, folding nature of thermal insulation, etc. circumference to its comprehensive score.

Price index:

Commodities News via their character than the index of prices, product life cycle, technical content, and functional characteristics and to conduct a comprehensive evaluation of evaluation, in order to better the basis for consumers to buy.

Composite Index:

Through the aesthetic index, comfort index, performance index, durability index, price index derived from a comprehensive objective evaluation.

C & J Clarks brands include Bostonian Shoes; Clarks Shoes; Desert Boots; Elefanten Shoes; Indigo Shoes; K Shoes; Privo Shoes; Ravel Shoes, to name some popular ones.

(www.clarks.co.uk/ – Cached – Similar

en.wikipedia.org/wiki/C&J_Clark – Cached – Similar)

For C&J Clark the end of the 1940s brought in a period of quick growth, leading to change. The workforce that could be got in Street was not enough to meet its huge demand, so, under their chairman Bancroft Clark, 15 new factories were opened in neighbouring towns and cities. New shops and stores too had to be opened, including, Clarks first flagship store on London's upfront Regent Street (in 1957).

In the years that followed, expansion at home and abroad, with an increased production and use of new materials like polyurethane and some trademark technologies like Active Air helped in making Clarks become the world's best-known name in footwear. And innovative styles too added to this. For example, the Nathan Clark, in 1950 introduced- The Desert Boot, which in no time, captured the imagination of millions and to this day remains a global icon.

Then came the 90s, and it became the noughties, with the computer revolution that had started two decades earlier with the invention of the microprocessor continued to transform work and play. And it still does, with the worldwide web, uploading, downloading and emailing all very much a part of almost everyone's daily routine.

But the dawn of the 1990s also found Clarks facing some tough decisions. The UK shoe market saw declining market values in the 1990's and in fact, it would appear that Clarks were also going to source their manufacturing abroad. A report on the BBC website, www.bbc.co.uk dated 11/01/05 had the headlines " Clarks ends shoemaking in Somerset" with managers in Somerset telling staff that the only way " the company can survive is by switching its production to the Far East."

Major changes in world trade meant that Clarks won't be able to compete with rivals if it continued to manufacture in the UK. Very reluctantly, its some production was moved out of UK. They started with a small unit in Portugal, but since it wasn't enough and they had little choice but to close their UK factory doors and move the entire production unit abroad.

This was only a change of location , but, their high standards continued, and stay as it is to this day, the same. Overseas modern factories, many of them purpose-built for Clarks, were and are even today, audited either by independent auditors or their own staff to promote the best working practices.

The decision to move its base abroad , however, wasn't taken welcomingly.

Clarks were also in the process of implementing a new competitive strategy <https://assignbuster.com/clarks-british-shoe-manufacturer-and-retail-marketing-essay/>

consisting of a new innovative designers and an advertising campaign aimed at young adults (18-35) mainly utilising TV advertising and a refurbishment of all Clarks stores.

However, coupled with their continuing commitment to quality, they hired new marketing and ad campaigns – including ‘ Act your shoe size, not your age’ and the current ‘ Enjoy Every Step’ – plus a rebranding in the high street. Clarks also introduced an awareness campaign for their wide range of adult shoes. Following on from the “ my shoes” campaign of 2004, the current todays advertising campaign features a professional, well dressed woman, in her late twenties, trying to purvey the international appeal of Clarks shoes, “ Nottingham is my New York” and “ Preston is my Paris” the two current campaigns, and these can also be observed on [www. clarks. co. uk](http://www.clarks.co.uk)

helped them to return to the success of the good old days.

With rivals like Stead & Simpson, which is one of the oldest, most well-known and respected names in the British footwear industry, and its business can trace its history back to 1834, when it was founded as a manufacturer of footwear with retail outlets. They sell a mixture of their own brands and branded footwear from other manufacturers. Many of their stores also sell related products, such as stylish and practical handbags and other accessories. Their business is constantly developing to build on its strong foundations and adapt to the rapidly changing demands of today’s market. Many of their customers are part of families that have trusted them and bought from them for generations: and the Stylo Barratt , and Priceless

chains which is a UK based PLC engaged in footwear retailing based in Bradford. It operates under several brands including Barratts, Priceless and Shutopia . It formerly owned the Shelleys brand which was sold. Stylo is a family run business which originated in 1935 with the consolidation of three separate companies the company was floated on the Stock Market under the trade name ' Stylo Boot Company (Northern) Limited'. The company grew to have 150 outlets by 1964 when it put in a bid for W Barratt and Company. Barratts is now the principal brand for Stylo and the company now has more than 400 retail outlets, going into administration, Clarks wanted to benefit from the “ relative disarray of their competitors” and win market share.

How a firm addresses the competition, is determined by it's orientation (Miles and Snow) by exploring the following themes:-

1. How firms may be orientated
2. How competitive analysis can help a firm refocus
3. How advertising can raise awareness of products

How firms may be oriented-Orientation refers to the relative position that an organisation takes in relation to it's products, services and markets (Miles and Snow). There are four main orientations, production, sales, process and the customer which helps decide.

Production-orientation

Production orientation focuses on the company driven belief that excellent quality is what the customer wants over and above everything else. Often

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associated with family run companies and owner managers, such companies tend not to undertake market research into external customer needs resulting in them trying to satisfy the perceived needs of the general or production manager. Generally scientifically based, this orientation has been the cause of decline of many successful companies and Clarks is very very production oriented as can be seen on the basis on the emphasis given on their website www.clarks.com, where much emphasis in the ' history' and ' about us' sections are given to quality and innovation, rather than style, fashion or customer need.

Sales-orientation

It is not unusual for one of the side affects of a production oriented company to be excess stock. Often employing aggressive sales tactics, to move the goods, they spend a great deal of money on advertising to try and create a need and flood the market with their products, often at a discounted rate, to try and decrease the stock pile. Customers are reactive to the message the company portrays, that this one transaction is all important, rather than try and retain regular loyal customers.

There has been an element of this with Clarks. Recent years have seen many sales in the stores and the Clarks village, opened in the early 1990's, was a method of disposing of old stock. However, Clarks does not take a transactional approach to all customers for certainly, many parents buy Clarks shoes for their children because their parents bought Clarks shoes for them. But whether or not these parents now buy their own shoes from Clarks is an issue to be discussed and surveyed.

Process-orientation

Process orientation involves the company in the continual monitoring of systems and procedures necessary to ensure total quality management, processes deemed necessary to undertake before delivery to the customer.

With respect to this orientation, there is a strong element of process orientation within Clarks, for whilst innovating with new materials for soles (airwear, [www. clarks. com](http://www.clarks.com)) and working on the perfecting techniques, they had probably lost site of the fact that fashion was becoming a key influencing decision when customers were purchasing shoes.

Customer-orientation

A customer oriented business is one that puts the customer at the heart of it's business and realigns it's strategy, systems, structures, people and leadership around customers. Often known as marketing-led, organisations which observe this orientation take both the needs of the internal and external customer into consideration and concentrate on customer retention and lifetime value, rather than a transactional approach. “ The very core of marketing is the customer. The customer is the reason for an organisations existence, and customer satisfaction is the source of the organisation's profits.” (Fifield and Gilligan).

Also recent trends had not been seeing customers buying shoes for life, rather that they were buying shoes for current fashion needs and were probably not looking towards keeping such for long periods. Clarks have tried

to address this by offering a choice of fashionable ranges and trying to target customers with more disposable income.

In May the company bucked up the slump among high-street retailers by announcing a 16% rise in annual profits to £86. 8m thus in the recent months pushing their rivals , Stead & Simpson, and the Stylo Barratt and Priceless chains into administration.

Trading profits however fell in the first half of this year, although Clarks anticipated an improvement in the second half. But , the retail business had continued to “ thrive” using a mix of sales and promotional events, sacrificing profit margins to maintain a turnover.

According to accounts posted at Companies House, Clarks squeezed pre-tax profits of £86. 8m from the sale of 49m shoes in the year to the end of January. Shoe sales generated group sales of £1. 122bn, up 6. 6pc. The figures were helped in part by favourable dollar and sterling exchange rates, the company said.

CLARKS sync with your modern life

179-year history of glory, every shoe has been the work of its employees and are the crystallization of hard work, clarks shoes but also allows each person an CLARKS to be extremely proud of. Then in the new century, the goal of the CLARKS -what should it be?

In the first decade of the 21st century, clark shoe stores were working hard to put it into the global market for development. With the abundant capital, advanced technology, high-quality products, clark shoe outlet rapid logistics, <https://assignbuster.com/clarks-british-shoe-manufacturer-and-retail-marketing-essay/>

in particular the support of world-class talent, CLARKS's global expansion strategy will ensure that the new design and new opportunities translate it into sustained and rapid growth in sales.

At present, clarks privo shoes CLARKS being exciting two planning: a software system updates and new shipping warehouse building. A new delivery warehouse is controlled by modern technology to support, it is a long 188 meters wide, 152. Meters, 18. 55 meters high, you can save six million pairs of shoes shipped 200, 000 pairs a day, and a 24-hour operation is not intermittent.

Into the future

Clarks is pleased to say that things are still going well. New technology, state-of-the-art facilities and their love of shoes means they're not only the number one shoe brand in the UK, but with continuing growth in North America, Western and Eastern Europe, India and China, they're also the world's largest casual and smart shoe company and the fourth largest footwear company on the planet.

They've come a long way since Cyrus and James Clark and the 'Brown Petersburg'. But, however, their vision and passion live on in their shoes. You could say they're following still in their footsteps. Unlike many companies who have recently jumped on the comfort bandwagon, Clarks shoes commitment to quality, craftsmanship and authenticity remains unchanged from the beginning and for nearly 175 years.

Clarks today , thus, we can say, makes strides as rivals feel the pinch, as Clarks, the privately-owned shoe specialist, looks to exploit the “ relative disarray” of its high street competitors and it posted a 16pc rise in annual profits.