

Marketing and paul logan assignment

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However, the research by the company shows that 5% of their consumers purposely bought office furniture products for home. Therefore, Manchester has decided to enter household furniture market with the acquisition of Paul Logan's Furniture Division (PLED). Also, Paul Logan is a well-known brand for home furniture due to its fashionable and colorful style, which makes its products unique. In addition, the acquisition only included a furniture division; however, Paul Logan still runs the apparel, fashion accessories, and home decor divisions.

Also, Paul Logan allows Manchester to use its brand name for only a three-year period. **SOOT Analysis Strengths-** Manchester has a strong reputation and brand image in the office furniture market, while PLED is the leading brand for household furniture. Therefore, the coexistence of these two popular brands will allow the company easily promote its products. Also, the acquisition of PLED will allow the company to expand its product line as well as gain market share from household furniture market.

In addition, the company financial was stable and expected to grow by 30% in 2005. **Weakness-** the company is struggling with their distribution network because office furniture distribution did not interact with home furniture distribution network. Thus, the consumer might have difficulty to access home furniture products line. **Opportunities-** the economy started to recover after the recession period, and it seems that the household furniture industry has been growing since 2002.

Therefore, there is a potential for Manchester to enter the home furniture market during this period. **Threats-** the increasing number of imported

furnishers from China and Mexico has hearten the united States furnisher Industry because these regions have lower labor 1 OFF percentage of importing furnisher from China increases by 154%. If the low-cost imports trend from overseas still continues increasing, the United States furnisher industry might collapse in the future.

Synopsis of the current situation The case, Manchester Products: A Brand Transition Challenge, Squelch (2009), reports that Manchester is facing the challenge of brand transition as well as determining the marketing expenditure to support the transition of the brand. Paul Logan has throng brand images, which allows Manchester to easily promote household products. However, Manchester can use the Paul Logan brand only for three year, so after three years, the company has to change the name and by that time its might struggle to rebind itself.

Therefore, the company must make sure at first place that the consumer will not confuse or mislead with these two brands. On the other hand, the company should take advantage of Paul Logan brand image because consumer have confident to buy Paul Logan product because in the sense that they will receive high-style and quality finisher. Moreover, since the company will use Paul Logan brand only for three year, thus company have to determine the marketing expenditure for Paul Logan by finding the right advertising strategy and promotion programs.

Currently, Paul Logan mainly spends its marketing budget on push programs such as volume rebates because the company believes that rebate program will lead to successful distribution network. Whereas, Manchester focus on

pull program such as national advertising because advertisement will help company promote the brand as well as provoking of sales. Identify Key Marketing concepts Customer brand roles- brands will give the knowledge about the product to the consumer. Once consumers has experienced the product and its satisfied their need.

Also, when consumer already have knowledge about the brand this will make they feel more comfortable for the next purchase. Purchase decision also became less. Paul Logan is already a well-known brand for household furnisher, and consumers have their product experience and knowledge about the brand. Thus, for the next purchase, the consumer will have confidence to buy the product because they has heir experience in the brand and feeling they will receive quality piece.

However, if Manchester considers rebind itself, it might take time for consumer to learn about the brand also purchase decision is more longer than buying the branded ones. Company brand roles- to protect the brand, the company should be able to keep the feature of the product, such as design, also the brand will help company-categorizing product. For instance, Manchester is known as an office furnisher and consumer might be confused if Manchester used the same brand name for household ornerier product line.

Thus, the Paul Logan brand has a stronger identification for household furnishers, and it will also help consumers not be confused about the Competitor brand roles- the competitor of the market-leading brand is aiming to compete by building product to target at the market leader. For

example, National Furniture Company, which is Paul Lagan's competitor in terms of price point, realize that Manchester and Paul Logan will merge that brand. National takes advantage of the uncertainly association by announcing price reduction.