Giordano Company Analysis

Posted on October 8, 2019

Executive Summary

Giordano, a leading Hong Kong-based retailer, is considering its potential to enter new markets along with achieving high growth in its existing markets. Giordano is facing difficulties in relation to the identification of its repositioning strategies and key success factors of the brand, along with consideration of a combination of strategic and marketing mix to compete in its market areas. Various research papers which were conducted to identify and analyze various strategic and marketing strategies suggested that localized supply chain management, adoption of focussed and concentrated business and operational strategies and combination of suitable strategic and marketing mix should be utilized by organizations operating in fashion and clothing industries. In order to obtain detailed information about suitable strategic and marketing plans, further research is necessitated. Interviews with existing suppliers and surveys of customers are suggested as suitable research methods to collect and analyze the required data and information.

Introduction

Giordano, a retailer of casual clothes for men, women and children, is operating in large areas of China, along with international markets. Giordano has introduced a number of different brands since its inception to suit the requirements of different customer groups. The brand is considering expanding its operations across its existing markets and the emergence of its product range in new markets. This research proposal is prepared to identify and discuss the findings of existing literature in this field and their relevance to Giordano. Different competent research methods are suggested to conduct future research in a coordinated manner.

Problem Statement

The problem statement for this research report in context to Giordano is the number of decisions which senior management of the brand are considering. Some of the issues which could be stated as a problem statement are challenges associated with repositioning requirements for Giordano in its existing markets, sustainability of key success factors of the brand and growth strategies of Giordano in its different markets, i.e. Asia and other continents.

Research’s Questions

Research objectives act as facilitators of the overall research process by directing the actions and efforts in a specific direction. Different research objectives related to this research are as follows:

- Which repositioning strategies should be adopted by Giordano in its existing market, and requirement to adopt different repositioning strategies in different markets?
- What are the different core competencies and key success factors of Giordano, and the discussion on sustainability and erosion of specific core competencies in future which could be associated with its repositioning strategies?
- What are the different competitive strengths of Giordano which could be transferred and utilized in other markets and a mix of strategic and marketing mix to suit its potential repositioning strategies?
- What would be the possible impacts of the overall business repositioning strategies of Giordano and its future operational and business prospects?

Literature Review

Giordano has focused on limiting their expansion and specific attention to simplicity and the introduction of new ideas and product lines since its inception and has tried to change its product positioning strategies by focusing on differentiated and functionally value-added product ranges. According to (S. Dolbow, 2002) and (AD Chandler, 1962), limiting the product range in departmental stores and more focus on upscaling shop-based promotion by laying specific attention to young population could act a competent repositioning strategy for clothing brands. In addition to this, setting competitive priorities and specific supply chain strategies could lead to systematic and effective attainment of organizational objectives as identified by (Craig R. Carter. Dale S. Rogers, 2008) (B. KIm, 2013) and (R.D. Wang and J.M.Shaver, 2013). These authors, based on their research, discovered that different successful companies in the fashion and clothing industry adopt more focus and concentrated strategies to project their competitive proprietary knowledge, coordinating different competitive priorities, target markets sourcing or channel strategy, and supply chain management.

In a similar manner, (A. Hauge, 2012) states that fashion and apparel companies cannot use their global powerhouse to position themselves in different geographic markets, and a localized system of production and innovation should be used by identifying the competitive advantage through interaction with other suppliers in the same market. (M. H. Haluk, 2014), in alignment with the findings of (A. Hauge, 2012), identified that the selection of suppliers in case of expansion of any fashion brand to an overseas market should place a high priority on relationships with key suppliers to get qualitative goods at competitive prices and companies should implement specifically designed strategies to build and maintain strong supply chain management across their operating markets. According to research conducted by (M. B. Ataman, H. J. V. Heerde, and C. F. Mela, 2010), the use of a strategic and marketing mix could facilitate the successful launch and growth of branded products in new business areas. The authors identified that a combination of integrated elements of marketing, i.e. (advertising, price promotion, product, and place) with business and operational strategies of business enterprises could deliver long-term and sustainable benefits and profits to these entities.

(M. Pagani and P. Otto, 2013) and (Andrew Parsons, Michael Zeisser, and Robert Waitman, 1998), on the basis of research conducted by them, state that in case of the presence of intense competition, rapid chances of growth, abundant innovation, idiosyncratic local business conditions and complex technological innovation, business managers should have developed and implement a combination of marketing and strategic mix by understanding the dynamics of industry structure and external environment (B. KIm, 2013).

Although the findings of the research papers discussed above have a direct relationship with Giordano, as either they are conducted in the fashion industry or in the same operating region, there are specific requirements to conduct further research in the context of Giordano. Further, research would provide meaningful information about the potential marketing and strategic strategies and their suitability to its existing and potential markets in a more detailed and concrete manner.

Hypothesis Development

In order to address the research problems stated above on the basis of findings of various previous research papers and journal articles following hypotheses are formulated. These hypotheses would be evaluated on the basis of further research in a systematic and coordinated manner. These hypotheses are developed in the light of the findings of various literature discussed above (AD Chandler, 1962) (B. Kim, 2013) (M. Pagani and P. Otto, 2013) and to study their potential impacts on future repositioning strategies of the brand.

Hypothesis 1

Delivering more focused attention towards focus and concentrated strategy to project their competitive proprietary knowledge and coordinating different competitive priorities would generate more profitable business opportunities for Giordano in existing and potential markets.

Hypothesis 2

A more concentrated and localized network of supply chain management would result in more qualitative and price-competitive procurement of materials by Giordano.

Hypothesis 3

Utilization of a combination of strategic and marketing mix would deliver long-term and sustainable benefits and profits to Giordano.

Dependent And Independent Variables

In this case, various parts of repositioning strategies i.e. marketing and product mix would act as independent variables and performance and growth of Giordano would act dependent variables due to their dependence on repositioning strategy.

Research Design

To complete any research, selection of suitable research method or methods are crucial and significant part, therefore research method should be selected after careful consideration of all the relevant factors. Generally, research methods could be classified into two major categories i.e. qualitative research methods and quantitative research methods. In qualitative research method, relevant information and data is gathered by utilizing the mechanism of interviews, personal observation and other descriptive methods, while in case of quantitative method of research, dedicated and sophisticated statistical tools and systems are utilized and analyzed the data in coordinated and systematic manner (P. Eriksson and A. Kovalainen, 2016). Following quantitative research method would be adopted in context to this research:

Quantitative Research Methods

In this approach of data collection and analysis, specific survey would be conducted among the customers. These customers would be selected from the customers which visits the different five stores of Giordano. The questionnaire which these customers would be required to complete would consist information about impacts of current marketing schemes and practices and their requirements in terms of further improvements. Total of fifty customers, in the equal ratio of men and women could be surveyed from five top sales generating stores of the Giordano so that limitation caused due to less number of customers could be addressed and there would be no issue in analyzing the data for 50 customers.

Conclusion

In light of the discussion of hypotheses and research methods, it could be expected that the problems stated above could be analyzed in detail and potential and alternative solutions in terms of improvements in marketing and strategic plans could be identified. Further, it can be stated that these marketing and strategic solutions would build competitive strengths in the existing and potential markets of Giordano and would deliver sustainable growth opportunities for the brand in its target areas.

Appendices

Questionnaire

Different questions of questionnaire for customers are as follows:

1. What is the image of Giordano for customers?

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2. Did customers notice any significant improvement in product range of Giordano?

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3. Which product range in most attractive to customers?

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4. Which part of marketing campaign, customers like most and why?

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5. Are customers satisfied with pricing of products of Giordano?

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6. Are customers find relevant information from social media and other electronic advertisements of Giordano?

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7. Any suggestions for future improvement in pricing and product range of Giordano?

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