STRATEGIC BRAND MANAGEMENT OF INTERNATIONAL FASHION RETAILERS

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ABSTRACT

In today's high street fashion competition fashion retailers are adopting strategies to compete and survive in order to capture and maintain market share. Being a seasonal and highly volatile market the fashion market is always vulnerable to the concept of 'fading-out'. Everyday a new design, style, fad or fashion develops and becomes hype hence fading out the previous fashion. The retailers that keep up the pace of this fast development and creativity manage to survive, while those left behind, become extinct. This paper examines the brand management strategies that fashion retailers would adopt to compete in the international market. From the process of internationalisation, to devising brand strategies, to taking the right decisions of brand management, all of the issues are equally important and carry immense importance. Although there are many dimensions of brand management, but only three major themes are highlighted in this paper, which prove vital for the success of fashion retail brand.

Keywords: Brand Management, Retail Internationalisation, Fashion Retailing, Retail mix

Introduction:
With the advent of the 21st century, and the new phenomenon of globalisation, the world markets have become closer and are shrinking in size and getting highly saturated yet volatile. This gives rise to competition and survival of the fittest makes the competition even more intense. This is the exact scenario at the current retail sector of the world. With the high street wars amongst the retail giants, the ever increasing competition not only gives rise to more options but much better presentation for a customer to choose from. Hence, the bigger retail giants make low budget retailers difficult for them to survive. Furthermore, in order to survive in this high paced and intensely competitive market place there is a need to design a marketing strategy with a clear differentiating stance.

The following research paper undertakes the subject of brand management of international retailers and explores different aspects of brand management and identifies the level of brand consistency towards the international markets. The focus of this paper is international fashion retailers and its brand management strategies.

Based on the internationalisation and identification of brand management factors, a conceptual framework model has been developed which would be tested in the real corporate world of international fashion retailers. The objective of this paper is to identify the factors of strategic brand management of fashion retailers operating in the international markets.

Literature Review:
In any particular fashion market place, the consumer is faced with choice amongst a varied group of retail outlets, each developing and maintaining its own brand profile. The ability of each of these competitive retailers, and particularly those large chains competing for mass market, is dependent upon the distinct advantage one brand has on the market place. This advantage can be the basic customer perception, brand image, brand positioning, or any other branding attribute.

Brand Management:
A brand is termed as the key organizational asset. A successful fashion brand would seek to create a distinct brand image and personality (Doyle, 1991). De Chernatony and McDonald (1992) define a brand as "an identifiable product, service, person or place, augmented in such a way that the buyer or user perceives relevant, unique added values which match their needs most closely". There are several dimensions of brand management but only three basic dimensions are highlighted and discussed here. These three dimensions are selected because of being the most appropriate and vital factors affecting the brand management of fashion retailers.

Brand Identity:
There has been a recent shift in the branding literature from the importance of image (Boulding, 1956), focussing on customers' perception of brand differentiation, to brand identity (Kapferer, 1997) which is more concerned with how managers and staff make the brands unique. Brand identity originates from the company, ie a company is responsible for creating a differentiated product with unique features. It is how a company seeks to identify itself. A company will often use branding strategy as a means of communicating its identity and value to consumers and other stakeholders (Nandan, 2005). The marketing mix strategy plays an important role in establishing a brand identity. The four Ps — product, promotion, price and place — can play an important role in this process. Through brand identity, a company seeks to convey its individuality and distinctiveness to all its relevant publics. Kapferer has emphasised the brand-focused view of identity. It is through the development of this identity that managers and employees make a brand unique.

Brand Positioning:
Positioning refers to the adaptation of Porter's (1985) generic competitive advantage dimension of differentiation. It is through differentiated positioning, that a fashion retail brand would embrace the opportunity to add value for the customer and to modify the offering in a manner that will give a customer a reason to buy.

The fashion retailers target a particular segment of a market and position its brand accordingly to be perceived by its customers in a distinct manner. A retail brands position is derived from the perception of its product/service mix and its aggregate image among various customer target markets (Sayman et al 2002). This positioning is never permanent as it changes its direction and is time-related. It may change its direction because of several reasons. The major reasons of change in brand position is change/improvement/development of product, change in store design and layout, change of brand image, change of competitor's brand positioning and even change in fashion theme.

The most important strategic issue in international market positioning is to maintain the same standards throughout all retail outlets throughout the international market. A fashion retail brand has to maintain its

position in the international market all the time to convey its brand image in the consistent manner to its customers (Ailawadi 2004).

Brand Premium/Added value:

A retail customer perceives a fashion brand as premium brand that carries added value. This added value can be in terms of design, brand repute, quality, or even hype. Brand premium can be derived from effective and differentiated brand identity and brand positioning.

There are two basic values identified by de Chernatony (1999) that contribute towards the brand premium. One is the functional value such as the price, technology, design and store layout. This functional value is a distinct attribute that a customer adds to the brand and distinguishes the brand from the rest. The second form of added value comes from emotional value. This value is derived from notions like advertising, internal branding, translating the retail brand into consumer taste, and even the shopping experience itself at the retail outlet. A customer values all these attributes and attaches these values to a fashion brand. These added values determine the success of a brand and only successful brands can have control over adding brand premiums onto the pricing of the products. If a brand is successful, it can command a premium price, allowing the retailer greater opportunities to maximise profitability with less need to discount prices (Doyle, 1991). Hence, a brand has to be able to differentiate itself positively and have the quality and added value to define a premium price.

Conceptual Framework and research question:

The above literature review has identified the three basic aspects of brand management that would determine and contribute towards the success of international fashion retail brand.

This literature review has highlighted some brand management strategies that can be implemented by the international fashion retailer to capture the market. Although there is much to analyse and determine while discussing these three themes of brand management, yet a general concept can be developed to assess the impact of a fashion retail brand in the international market. The broad research question would be:
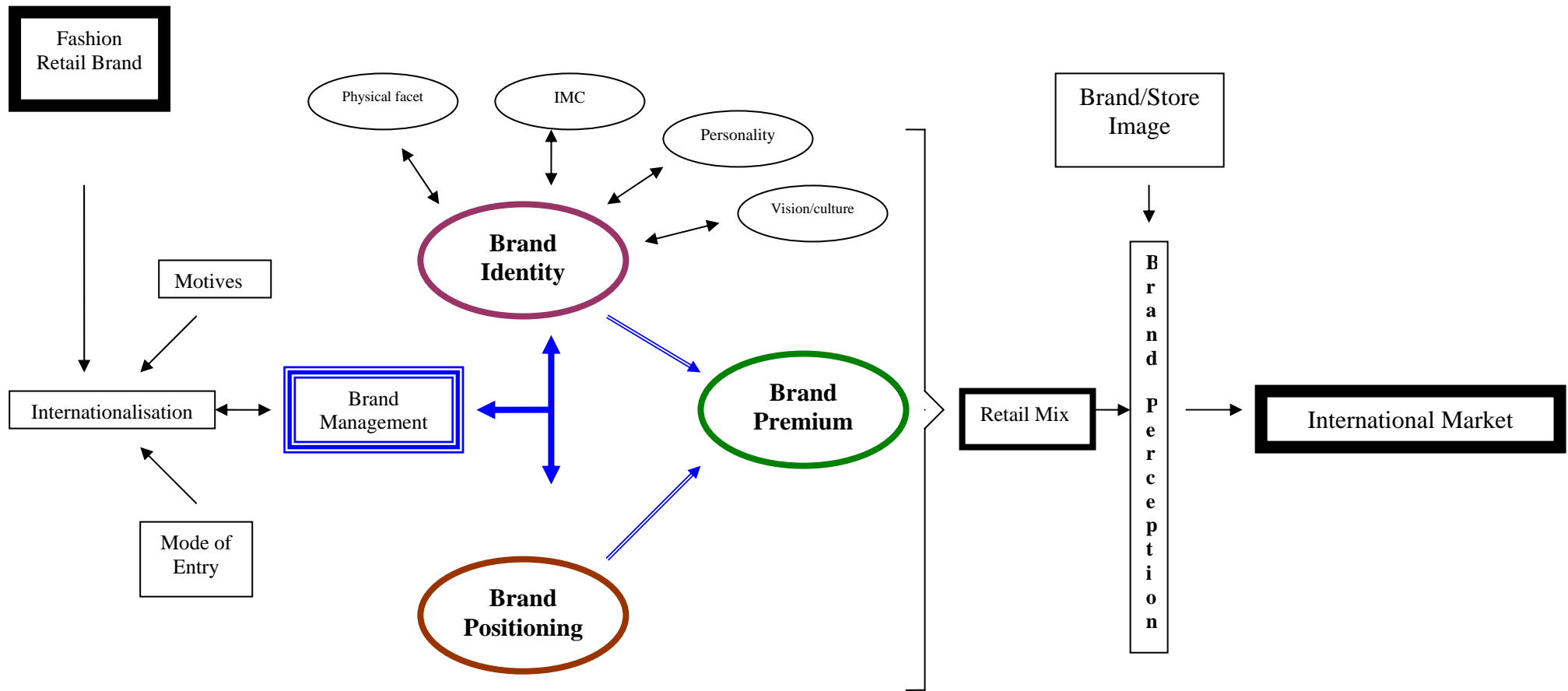
RQ1: What strategic brand management measures would a fashion retailer take, while competing in an international world?

In other words, what measures of retail mix, market positioning, and brand identity would a fashion retailer take, while entering or operating in an international market. A fashion retail brand has to face severe competition and market compatibility issues while going international. These constraints can be very threatening and has to be addressed in a very careful manner to capture and maintain a better position in the international market. Hence, continuing with the works of Treadgold (1990), it would be further investigated that whilst in a process of retail internationalization, going through different stages, how does a retail company position its brand and how does that affect its brand equity in the international market. Hence the research would narrow its focus on the *effects of retail internationalisation on global fashion retail brands.* William (2001) has contributed a very informative research regarding the factors contributing towards the internationalization of a retail brand and the motives for a retail brand to go international. He also has identified certain obstacles and constraints for these global retail brands whilst going international. This gives rise to another research question:

RQ2: What affects does internationalisation have on the brand management of a fashion retailer?

In its explanation, how the brand management of a fashion retailer would be affected when entering an international market. The changes within the three strategic dimensions of brand management i.e. identity, positioning and premium would be analysed and studied by comparing them with the base market and that of international market.

The conceptualisation model for brand management of fashion retail firm in an international market explains the different dimensions that carry equal importance while going international. This careful brand management would determine the success of a fashion retail brand in the international market. The three identified brand management dimensions would have an interactive relationship and this can be developed into a conceptual model. The proposed conceptual model would address the strategic brand management dimensions adopted by fashion retailers operating in international markets. The proposed conceptual model would be tested in the real world of international fashion retailing to determine the validity of the proposed concept and framework.

Fashion
Retail Brand

Physical facet

IMC

Personality

Vision/culture

**Brand
Identity**

Brand/Store
Image

Motives

Internationalisation

Brand
Management

**Brand
Premium**

Retail Mix

**B
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International Market

Mode of
Entry

**Brand
Positioning**

Conceptual Framework model of strategic brand management of international fashion retailers

Conclusion and further scope for research:

This paper has identified the strategic importance of brand management while going international for a fashion retailing firm. It identified three major themes of brand management that define its success in the international market. While going to a complete new international market, each of these three themes can be broken into separate dimensions and strategically implemented to compete with rival brands. The interlinked themes of brand management need the best combination to evaluate a success of a brand.

This paper leads to *future research activities* as well. There is a scope for research on subjects like evaluating and measuring the success of a fashion retail brand after implementing the brand management strategies. It can be evaluated as to how successful the branding strategies were and which attribute contributed most towards this success. Defining the brand personality dimensions of a fashion retailer can also be a potential area for further research.

Another aspect for further research can be the study of consumer perception in the international market towards these international fashion retail brands. How would a customer perceive a particular fashion brand entering an international market equipped with its branding strategies, and how would this customer position this brand while competing with local and already present fashion brand in the market.

Brand management trends in international market can be compared to that of domestic market and observed how much a brand needs to adapt towards the internationalised market and not losing its corporate identity. Sometimes replicating the brand identity is a necessity to convey the brand image, but sometimes due to international market trends, the brand image needs to be slightly changed. To what extent this change can occur and how flexible a fashion retail corporate identity is, can be a measure of further research study.

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