

SAINT LAURENT

PARIS



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SAINT LAURENT'S MISSION STATEMENT

“

Saint Laurent Paris aim to create and market highly desirable products through innovation and unparalleled quality and design” (Kering Report, 2013).

With the volatile marketing environment, it is fundamental for Saint Laurent Paris to construct an innovative marketing plan to address their recent re-positioning and form a direction for the company in the future.

Through effective marketing strategies the company aim to improve brand loyalty, customer awareness, increase revenue and market share; all with the objective to give the brand a competitive advantage in the dynamic market.

Additionally, they will be forward thinking regarding opportunities within technology to develop a 'point of difference' (Chernev, 2012) from digital innovators such as Burberry.

The following strategic marketing plan is drawn from the outcomes of the audit, taking external and internal factors into consideration that could directly affect the company and thus need to be addressed. The overall goal is to support the company's growth in the emerging premium market.



**“It is the nature of fashion to evolve, only with the digital revolution it might evolve more than ever, with seat belt options”
Hedi Slimane (2010)**

SUMMARY OF THE INTERNAL AND EXTERNAL ANALYSIS

The internal analysis has highlighted key findings to focus on in the marketing plan.

Firstly, the unclear branding through different 'touch points' (Davis and Dunn, 2002) is confusing for the consumer to grasp the new "retro-branding" (Kering Report, 2012) by Slimane. This weakens the brand equity (Jackson and Shaw, 2009) thus will be addressed in the following plan.

Secondly the successful restoration of Saint Laurent's relationship with the music industry has brought the brand back to its roots. With this in mind, there is opportunity to progress their relationship with music icons through promotional activities.

Lastly, digital marketing is now a fundamental platform to engage consumers (Chaffey and Ellis Chadwick, 2012). Refining their e-commerce will aid them grow into new and existing markets (Chaffey and Ellis Chadwick, 2012).

Additionally the PESTLE analysis highlighted wider environment factors that could directly affect Saint Laurent.

The 'democratization of luxury' (Jackson and Shaw, 2009) is making consumer groups become highly fragmented. Also known as the 'changing consumer'; this needs to be considered when segmenting Saint Laurent's target market.

Mobile technology is evolving at a fast pace. Saint Laurent need to adapt to the new advances to attract the young tech savvy consumer.

Lastly with the re-positioning of the brand, the target consumer has changed and with that so has their competition. The brand should be aware of 'threat of new entrants' (Porters Five Forces) such as 'The Kooples' and 'Rag and Bone' who appeal to the same consumer at a lower price.





With digital marketing being a fundamental platform to engage with consumers, they must be forward thinking, regarding opportunities within technology

Unclear branding through different 'brand touch points' is confusing for the consumer to grasp the 'retro-branding'

There is opportunity to progress Saint Laurent's relationship with the music industry as a form of promotion

OBJECTIVES

HIGHER-LEVEL OBJECTIVES (Wood, 2009)

The overall goal is growth in market share, profit and consumer awareness within the younger target segment. There is opportunity for market development (Ansoff's Matrix, 1957) as a means of growth, using existing core products directed at the young global market.

Having considered Saint Laurent's current marketing situation, the following SMART (Fernie and Moore, 2004) objectives support the direction and long-term goals for the brand to grow (Wood, 2010).

Strategic Marketing objectives

The purpose of applying marketing objectives is to specify Saint Laurent's aims for managing relations with customers and the public (Wood, 2009)

Focus of marketing objective using	Purpose	Measuring performance progress	Behavioural objective (Chernev, 2012)
To increase consumer awareness through effective communication in the younger market aged 20-30 by 15% at the end of the fiscal year	<ul style="list-style-type: none"> -To help build brand awareness around Saint Laurent's new retro-branding - Acquire new customers in the younger market segment - Enhance the brand image to enable them to be more competitive 	Monthly	Customer-specific objective
Increase customer acquisition (Jackson and Shaw, 2009) by 15% and to improve brand loyalty by 15% by the end of the third quarter	<ul style="list-style-type: none"> - To acquire more market share through loyal customers 	Monthly	Customer-specific objective
Increase sales value by 15% from 2013 and increase the market share over the next financial year	<ul style="list-style-type: none"> - To successfully grow as a brand with the goal of generating a profit - Develop a sustainable competitive advantage by creating value 	Monthly	Company objective

Table 1: Marketing objectives for Saint Laurent Paris

Increase consumer awareness by 15% at the end of the fiscal year

Increase customer acquisition by 15% and to improve brand loyalty by 15% by the end of the year

OBJECTIVES

Increase sales value by 15% from 2012 and increase the market share over the next financial year

FUTURE STRATEGIES

**“Luxury houses and brands are meant to be exceptional by any means and not settle for the average”
(Hedi Slimane, 2010)**



The following strategies support the marketing objectives.

Branding	<p>In 2014 Saint Laurent will change all brand touch points to ‘Saint Laurent Paris’</p>	<ul style="list-style-type: none"> - Aims to create consistent branding to give the customer a clear understanding of the ‘retro-branding’ - Communicate more effectively with the youthful target market - Branding is all about consistency (Matern, 2013). Promotional activities need to deliver a coherent message
Promotional activity	<p>Having launched the music project campaign (April, 2013) Saint Laurent will use Harry Styles as the next music icon</p>	<ul style="list-style-type: none"> - Fashion contains all types of cultural phenomena including adornment, clothing, art, music, and architecture (Rickman, T & Cosenza R, 2007). Furthering their music campaign will allow them to increase their innovation, a core essence of the brand. -The cult of celebrity is increasingly influential in every day life (Jackson and Shaw, 2009) thus celebrity endorsement has become ubiquitous (Thomson, 2013). Harry Styles is a global fashion icon thus will appeal to Saint Laurent’s global audience - Aims to engage the youth-centric consumer - The evolution of ‘customer-driven social media interactions’ (Chernev, 2012) enables customers to receive a collective amount of information therefore the campaign could generate strong brand awareness through social platforms
Promotional activity	<p>Saint Laurent will pursue Omnichanneling by designing a shopping app accessible on iPhones and iPads to create an exciting experience for the customer</p>	<ul style="list-style-type: none"> - The aim is to create convenience for the young tech-savvy consumer - Enable the brand to compete more effectively against digital innovators such as Burberry - As highlighted in the audit, 1.1 billion people own a smartphone (Gardiner, 2013) therefore it is essential for Saint Laurent to adapt to technology advances. Consequently, mobile marketing (Wood, 2010) is frequently used by fashion brands. - 4 in 10 people respond to advertising via their mobile or tablet (CNBC, 2013) therefore this is an opportunity for Saint Laurent to gain consumer awareness and increase profits - The app enables the customer to connect with the brand at any time
Place of distribution	<p>iPads and ‘Totems’ (large digital screens) will be accessible in store to access the app</p>	<ul style="list-style-type: none"> - The iPads and totems in store will support limited stock through ordering it online and delivering straight to a customers home - The efficiency will optimize the customer experience and enhance customer retention - Provides a superior customer experience

Table 2: Strategies for Saint Laurent Paris

SEGMENTING

Mass marketing is no longer relevant to consumers with the growing interest in being individual. Thus understanding the changing market segmentation is a pre-requisite for successful fashion marketing (Jackson and Shaw, 2009). Specifically identifying Saint Laurent's target segment will optimise the effectiveness of the above marketing strategies.

The 'profile based segmentation' (Table 3, Chernev, 2012) divides the customer characteristics into types to capture the important aspects of the Saint Laurent consumer.

The company's goal is to 'streamline their product lines' (Chernev, 2012) to a younger generation (20's-30's) who are early adopters to new trends.

The VALS system (values, attitudes and lifestyle, Wood, 2009) gives an understanding of the Saint Laurent customer's lifestyle.

They are typical buyers of luxury products, desiring high-end designs and the latest trends thus are 'status-orientated fashion consumers' (Jackson and Shaw, 2009). Additionally they are 'action-orientated fashion consumers' (Jackson and Shaw, 2009) because they have high disposable incomes thus are likely to invest in fashion products.



<p>Demographics</p> <ul style="list-style-type: none"> - Men and Women - Aged 20-30 - Generation Y 1984-2002 (Howes and Strauss) - High level of education throughout child hood, studied at university - Multicultural (global audience) - High income £65,000+ - Socio-economic group by NRS A-C1, Higher managerial, professional, intermediate managerial, administrative, supervisory, clerical (Jackson and Shaw,2009) - HEIDI's (Highly Educated Independent Individuals) 	<p>Pyschographics</p> <ul style="list-style-type: none"> - Social lifestyle with friends - Interest in rocky music - Strong career aspirations - Aspire to have a high social status - Confident self image - Purchasing motives are to enhance status (Esteem in Maslow's hierarchy of needs) - Fashion savvy - Art and music as a hobby - Enjoys travelling and is cultural - Embrace freedom and inspiration
<p>Geographic</p> <p>Based on the store locations and availability online</p> <ul style="list-style-type: none"> - Europe- Azerbaijan, France, Germany, Italy, Monaco, Poland, Russia, Spain, Turkey, Ukraine, United Kingdom - North America- Florida, California, New York, Texas, Hawaii, Las Vegas, Los Angeles, New York, Jersey - Asia- China, Hong Kong, Indonesia, Japan, Macau, Malaysia, Singapore, South Korea, Taiwan, Thailand - Africa and Middle East- Kuwait, Lebanon, Morocco, Saudi Arabia, United Arab Emirates 	<p>Behavioural</p> <ul style="list-style-type: none"> - Clicks and mortar- purchases online for convenience but also in store to get the shopping experience - Higher cost, not a price sensitive consumer the premium pricing does not prevent customers from purchasing - Men are more loyal to Saint Laurent Paris than women because women are typically more fickle due to strong competition (Jackson and Shaw, 2009). However the design and styling of the product appeals to a niche market therefore the consumers are satisfied/loyal - 'Experimenters' (Wood, 2009) are also attracted to the company - Customer is directly influenced promotional campaigns such as social medias, magazines and TV ads - 'Image enhancement' as desire to be highly fashionable - Enjoy designer and luxury brands to increase social status (Esteem, Maslow's hierarchy of needs) - Medium-high consumption buying multiple products from the brand in order to capture the overall Saint Laurent style

Table 3: Profile-based segmentation (Chernev, 2012)

TARGETING

“In order to achieve the main aim, the company needs to identify the target customers and develop an optimal value proposition by creating an offering that will satisfy a particular customer need better than competition and create value for the company” (Chernev, 2012).

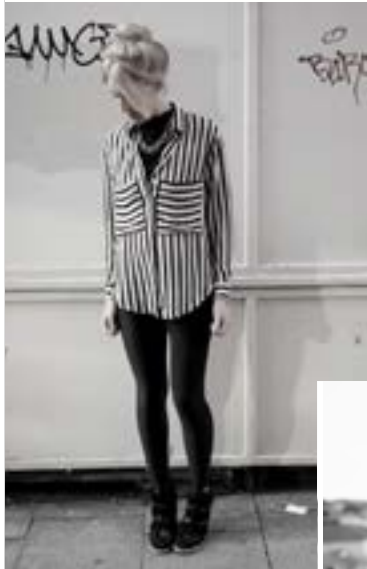
With reference to the audit, the ‘retro-branding’ (2012) has resulted in the re-positioning of Saint Laurent. In turn, they appeal to a younger (Generation Y) rock ‘n’ roll consumer placed in the global luxury market. The ‘tactical targeting’ (Chernev, 2012) has created a point of difference from Saint Laurent competitors in the same market who target a more traditional consumer.

The marketing strategies will appeal to both the male and female consumer base that has a reasonable disposable income. Albeit the the ‘democratisation of luxury’ (Jackson and Shaw, 2009) has led to consumers mixing high street and luxury. Meaning high street consumers may aspire to invest into Saint Laurent products.

The strategies will focus on the core customer segment (Jackson and Shaw, 2009) to target the young global consumer effectively. The focus on ‘concentrated marketing’ (Wood, 2009) will satisfy an individual set of customers. Thus, it will allow them to compete efficiently and avoid extra expenditure to a market that is unlikely to create value.

However, being too focused on one market could result in ‘oversegmenting’ (Chernev, 2012) and exclude existing customers of an older generation. Consequently, the plan needs to remain authentic to the brand to retain the older consumer.

Despite this, the ‘Yves Saint Laurent’ consumer is likely to stay loyal to the brand, “The older Yves Saint Laurent consumer is embracing the changes that have been made” (Selfridges assistant, 2013).



Creating customer value

“There is only one boss. The customer. And he can fire everybody in the company from the chairman on down, simply by spending his money somewhere else”. (Walton, 2012)

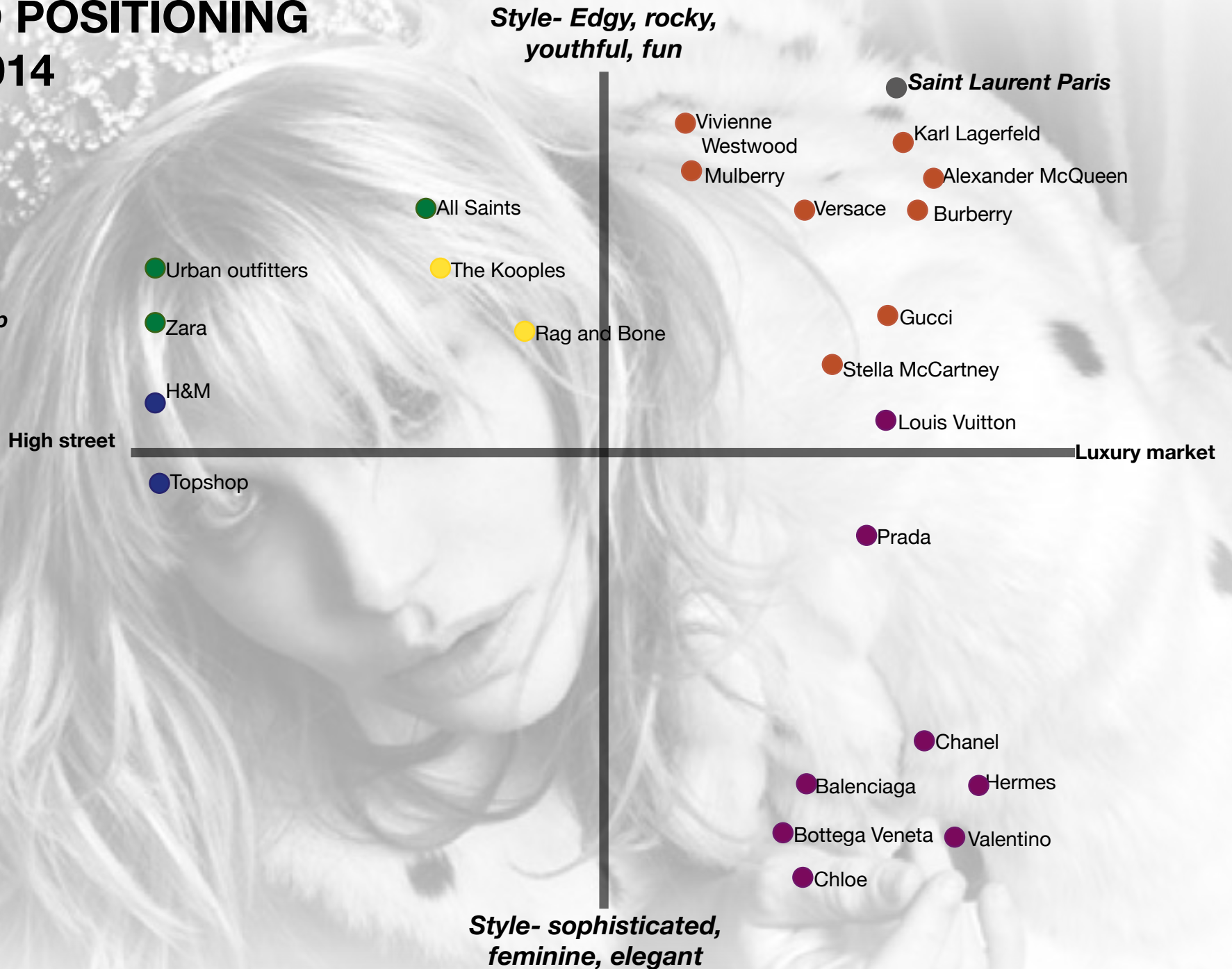
Saint Laurent needs to create superior value in their offerings to gain a competitive advantage. Tailoring the needs of the target customer will generate greater ‘customer value’ (Chernev, 2012). In relation to offerings, the young Saint Laurent consumer is typically digitally savvy and therefore desires interaction with the brand through an interactive website, app and social medias. Attributes such as these will be addressed through the marketing strategies to create a value proposition (Chernev, 2012).



BRAND POSITIONING MAP 2014

Key for brand positioning map

- Direct competition in the luxury market
- Direct competition on the high street
- Indirect competition in the luxury market
- Indirect competition on the highstreet
- Direct competition in the premium market



POSITIONING

Saint Laurent's positioning statement (Chernev, 2012)

For the young fashion savvy consumer, French designer Saint Laurent Paris offers highly desirable products through innovation and incomparable quality and design.

Positioning the brand is an analytical tool to indicate where Saint Laurent is in relation to its key competitors (Jackson and Shaw, 2009).

The highly competitive luxury market infers the brand need to create a unique selling proposition (Fernie and Moore, 2003) to differentiate themselves from main competitors.

As a result of their repositioning, the consumer has changed and with that so has their rivalry. Currently Burberry are 'threat of substitutes in the market' (Porter's Five Forces) because of their similar qualities to Saint Laurent such as their relationship with the music industry and the young target consumer. To ensure they create a 'substantial differential advantage' over their competitors (Jackson and Shaw, 2009) Saint Laurent will communicate clear marketing campaigns to make a lasting impression. Thus the marketing mix activity will strongly support the consumers perception of the re-branding

The fashion classics depict the core difference between the two brands. The iconic Burberry trench coat is designed for outerwear, which encapsulates their leisure brand image. In contrast, the fundamental 'le smoking' tuxedo (from 1966) represents the controversial and edgy personality of Saint Laurent and this factor will be portrayed throughout the marketing strategies. Therefore the 'product differentiation' (Jackson and Shaw, 2009) will distinguish themselves from Burberry.

Furthermore, the company should be aware of 'threat of new entrants' such as 'The Kooples' and 'Rag and Bone' who appeal to the same consumer with a lower pricing strategy. This could be an implication regarding Saint Laurent's 'entry level products' (Jackson and Shaw, 2009). Despite this, Saint Laurent's target consumer place great value in the luxury products and high-end designs thus this alone should allow them to remain competitive.



Iconic Burberry trench coat



Iconic Saint Laurent tuxedo

BRANDING

The brand management plays a pivotal role in marketing. It creates value that goes beyond the product and service characteristics (Chernev, 2012). As highlighted in the audit, the brand has undergone fundamental changes (2012) and in turn cemented the new identity to evoke “youth, freedom and modernity” (Kering, 2012). Consequently rebranding is unnecessary.

However the audit highlighted inconsistent branding as a result of elements maintaining the ‘YSL’ logo. Consequently this could devalue the ‘brand equity’ by giving mixed messages to a consumer.

The following tangible features express the values and message of Saint Laurent.

- Brand name and logo
- The product
- Packaging
- Digital platforms- Website, Facebook, Twitter, LinkedIn, Youtube videos
- Advertising

The first strategy will involve changing all brand touch points to ‘Saint Laurent Paris’ opposed to the current ‘YSL’. The logo is a fundamental visible element to the brand and therefore represents the core brand essence (Posner, 2011). The following components will be changed to give the customer a clear understanding of the rebranding.

Building a strong brand identity will help establish the companies offerings to their new target customer. This is of crucial importance to the brand for sustainable growth.

Despite this, beauty and fragrance are sufficiently apart from the fashion products. The key is the regeneration of the fashion brand; therefore the beauty and fragrance will be a staged process and brought in line with the marketing plan in 2015. The exercise to replace cosmetics will take a longer period of time due to the shelf life. Therefore the brand will have a proper replacement strategy established for when stock needs to be replenished.

SAINT LAURENT
PARIS

Yves Saint Laurent
1,850,229 likes · 10,207 talking about this

Official Yves Saint Laurent Facebook page <http://www.ysl.com/>

SAINT LAURENT
PARIS

www.ysl.com/gb

DPT Year 3 > Log In Univers

SAINT LAURENT
PARIS

SAINT LAURENT PARIS
SAINT LAURENT MUSIC PROJECT
SAINT LAURENT COLLECTIONS
SAINT LAURENT STORE LOCATOR

SHOP WOMEN
SHOP MEN

SEARCH

SHOPPING BAG (0)

LOG IN / REGISTER

NEWSLETTER

HAIR CARE

SKIN CARE (D-WANG)

HARRY STYLES SAINT LAURENT 14

PROMOTION

Communication is the most visible component of an offerings marketing mix (Chernev, 2012), thus it is fundamental for Saint Laurent to successfully articulate their brand message to the target audience. The aim of the promotional activities is to achieve the marketing objectives; this is accomplished through effective strategies.

Harry Styles as brand ambassador

“Fashion is the diffusion by which a new style is interpreted as a context dependent code, and then adopted by a group of consumers” (Solomon 2006).

Recently, Harry Styles has been photographed in Saint Laurent menswear; the most recent occasion was when he was presented the British style award for 2013. Evidently this is good publicity for the brand. The second strategy involves using the high profile celebrity as the next music icon.

Harry Styles is becoming more commonly known as the Mick Jagger of his generation. His image has evolved since the beginning of his career and the recognized fashion icon would be a strong ambassador for the brand for 2014. Not only is he extremely well known globally, he would appeal and connect with the youth-centric, edgy consumer, creating a lifestyle around the brand. This would support the ‘communication goal’ (Chernev, 2012) to create awareness and strengthen the new brand image.

The outcome of this collaboration seeks to achieve “buzz marketing” (Wood, 2010) to gain good coverage through “positive word of mouth” (Wood, 2010). 85% of people in Europe (2013) are connected to at least one social network (CNBC, 2013). For this reason, the brand will engage with the target customer through “social media marketing” (Wood, 2009) to achieve increased brand awareness. However, this form of promotion is not in their control and therefore can be unpredictable. Hence the brand should anticipate that not all word of mouth would be positive.



Integrated marketing communication (IMC) (Jackson and Shaw, 2009) will ensure the promotional tools are interrelated to convey a coherent message to the target segment. (See Appendix A for communication plan)
The planned promotional activities highlighted:



**Activity 1
MUSIC PROJECT CAMPAIGN**

Hedi Slimane will photograph Harry Styles in a similar style to other musicians (such as Jake Bugg) to be used in the Music Project Campaign.

**Activity 2
'LE SMOKING' PARTY**

The brand will hold a prestigious 'pop up' evening event called the 'Le Smoking' party. The focal point of the night will be a solo performance from Harry Styles. To cohere with the title of the event he will wear a tuxedo designed by Hedi Slimane. This will take place in London and the venue will be compatible for the musical performance i.e. will be a gig venue. The performance will be videoed for future campaigns. What's more, the evening will focus on the seductive and rocky eveningwear to differentiate the campaign to competitors such as Burberry. High profile celebrities and bloggers will attend to gain as much press coverage.

**Activity 3
MUSIC VIDEO**

The Harry Styles video will be communicated directly to the consumer through Saint Laurent's social medias and will be featured on the homepage of the website.

**Activity 4
'LE SMOKING' EXHIBITION**

Another 'pop up' event will follow called the 'Le Smoking' exhibition. This will open in 3 key cities (Paris, Hong Kong and London) to engage the global consumer. The exhibition will be open for a week and will feature Hedi Slimane's photography for Saint Laurent. It will cohere the relationship between art and rock music to appeal to the creative and cultural consumer (see table 3).

Table 4: Promotional activities



SAINT LAURENT SHOPPING APP

Mobile shopping has changed the way businesses operate. 45% of consumers use two or more technologies to shop (IBM study, 2012).

Moreover 71% of consumers are willing to shop digitally (IBM study, 2012).

Thus with the change in shopping habits by consumers, Saint Laurent plan to create a shopping app for ready-to-wear to provide a superior customer experience.

Saint Laurent seeks to become an Omni-channel retailer to provide a seamless customer experience with integrated technology to enhance convenience and engagement for the customer. This is relevant for their young target market that has grown up in the digital environment. The purpose of the app is not to differentiate themselves from competitors, but instead bring themselves up to date with the digital movement.

The mobile app is estimated to influence around 20% of Saint Laurent's sales (Kilcourse and Rowen, 2012) with the aim to increase the e-commerce revenue for 2014 to meet the marketing objectives. Thus it will cost-effective.

In order to integrate the app with the 'Le Smoking' party; the first 100 customers to download the app will win an invite to the prestigious event. This will be well promoted through the social media platforms prior to the launch. Both activities will generate sufficient customer awareness from this.

PLACE

“The location, aesthetics and shopping experience of any successful selling environment must inspire, involve and excite consumers” (Riddiford, 2009).

The place of distribution involves delivering the brands offering to the target customers (Chernev, 2012). Saint Laurent seeks to optimize the point-of-purchase through developing their online platforms and integrating the digital world with reality.

With the phenomenon of the Internet the retail environment has changed dramatically and thus the evolution of multi-channeling has become an inevitable part of retail. The above strategies will target the online platforms as outlined.

E-commerce platforms	Website	- Music Project Campaign and video will provide a deeper and richer experience for the Saint Laurent customer and will cohere with the brand message
	Mobile and Tablet shopping App	- Will create a new platform to generate point of sale - Accessible to their global market and creates convenience for the consumer

Table 5: E-commerce platforms

The last strategy for the marketing plan will affect the place of distribution through integrating their digital platforms in store to provide a seamless customer experience.

Bricks and mortar	In store iPads and totems will be used in store	- The iPads in store will overcome the implication of limited stock and sizing in store to enhance customer service - Customer assistants can help the customer order items that are not available in store and deliver the product to their home - Virtual shopping totems (large digital screens) will add a digital in store shopping experience - Initially 2 totems will be fitted in 3 key stores and if people respond well to the new technology it will gradually be rolled out across other stores - Deliver a personal experience with trained and knowledgeable staff - Before entering new markets, they will concentrate on cohering the new brand identity across all stores and implementing the ‘totems’ and iPad’s in store
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Table 6: Bricks and mortar

The Evolution of ‘me-tailing’

The rise of ‘me-tailing’ (Hoffman and Sang, 2010) positions the customer at the core of the retail experience through the in-store iPad system. It aims to deliver a relevant and personalized shopping experience, allowing the customer assistants to search for products not in store via the app. This will heighten the brand experience by transforming a regular transaction to a meaningful experience, allowing the customer to converse with the brand.

Furthermore the ‘virtual shopping totems’ (Arenz, 2013) will embrace the integration of offline and online with large digital screens in store.

“The totem is essentially adding an endless shelf element into their store” (Arenz, 2013).

The purpose of the feature is to allow customers to login to their app account and interact with the brand. Features include:

- Learn about the product information such as where it was made to add value
- Suggest similar product to style with
- Personalised customer experience



PRICE

The inelastic demand (Jackson and Shaw, 2009) for Saint Laurent means a change of price will not affect the sales. Therefore, the pricing strategy will be unaffected by the promotional activities. Saint Laurent will continue to use 'skim pricing' (Chernev, 2012) to meet the expectations of the target market. The 'premium pricing' (Posner, 2011) is a representation of the quality and can act as an ambassador for the brand. Tactical pricing is not necessary because the market is not price sensitive and this could devalue the perceived value of the brand.

What's more, in the hypercompetitive marketing environment high pricing will support long-term profits. The well-established design essence and ethos of the luxury brand needs to be maintained by price.



PRODUCT

“High end luxury and the brand itself are defined by the product” (Pinault, 2006).

The fashion product is a vital component to the marketing mix (Jackson and Shaw, 2009) as it is a tangible representation of the brand. Saint Laurent will continue to use historic manufacturers in Italy and France to optimise the company’s offering and deliver superior value to their target customer (Chernev, 2012). Technology advances has led to a rise in product quality expectations. In order for the brand to exceed customer expectations, the craftsmanship and quality should be well established.

The ‘wide and shallow’ product range will use market penetration (Ansoff’s, 1957) through selling existing products to the youth centric market.

A fundamental product for the brand is the ‘Le Smoking’ tuxedo as it is unique and identifiable to the brand. For this reasons Harry Styles will model it in the video. Additionally it will be the title of the event to draw emphasis on the iconic product.



FINANCE

The financial analysis (See Appendix B for financial analysis) highlighted in the audit represents the dynamic and competitive environment due to the dramatic changes in turnover over five years. From 2008 to 2012 the turnover has almost doubled. In correlation to this, so has their cost of sales indicating the high investment into the brands new concept is having a positive effect on turnover.

This will be taken into consideration regarding the overall marketing budget (Wood, 2010). Enhancing the brand image is fundamental to the marketing plan therefore a substantial marketing budget is required to meet the marketing objectives.

“The worst thing you can do is pull in your brand building spending and become more of a commodity” Wood, 2009).

Forecasting

Forecasting will enable Saint Laurent to have an understanding of future sales and cost of sales to direct the marketing plans and finance (Wood, 2009). However this can be difficult because of the unpredictable industry therefore it is just an estimated calculation. The estimated revenue is based on a 15% increase on 2012. The cost of sales is based on a 1% increase.

PROMOTIONAL ACTIVITY	ESTIMATED % OF REVENUE INCREASE
Rebranding	1%
Harry Styles as brand ambassador	5%
'Le Smoking' Party	2%
'Le Smoking' Exhibition	1%
App	3%
Totems	2%
iPads in store	1%

Table 7: Estimated % of revenue for each promotional activity to meet 15% increase in revenue

	2012 (£000's)	Estimated amount for 2014 (£000)
Revenue	392,000	451,000
Cost of sales	8,743	10,000

Table 8: Estimated revenue and cost of sales for 2014

'LE SMOKING'
EXHIBITION
£1 million

A YEAR
CONTRACT
HARRY STYLES
£5 MILLION

'Totems'
£100k

REVENUE IN
FIRST HALF OF
2013
£ 255.3 MILLION

'LE
SMOKING' PARTY
£500k

MARKETING
BUDGET
£9 MILLION

REVENUE IN FIRST
HALF OF 2012
£ 223.5 MILLION

APP
£100k

3 IPADS
PER STORE
£80k

Rebranding
exercise
£1 million

DIGITAL EXPERT
TEAM
£1 million

Budget

Based on using an 'affordability budget method' (Wood, 2010) Saint Laurent will set the budget based on what they can afford.

In the first half of 2013, Saint Laurent's revenue was £255.3 million (Kering Report, 2013) in comparison to £223.5 million in 2012. Therefore a £9 million marketing budget can be justified to cement and generate awareness for the brand concept.

This is broken down into specific marketing activities. It is also recognized there may be an impact on production, logistics, finance and administration, commercial etc due to increase in demand. (See Appendix C for reasoning behind budget)

IMPLEMENTATION AND CONTROL

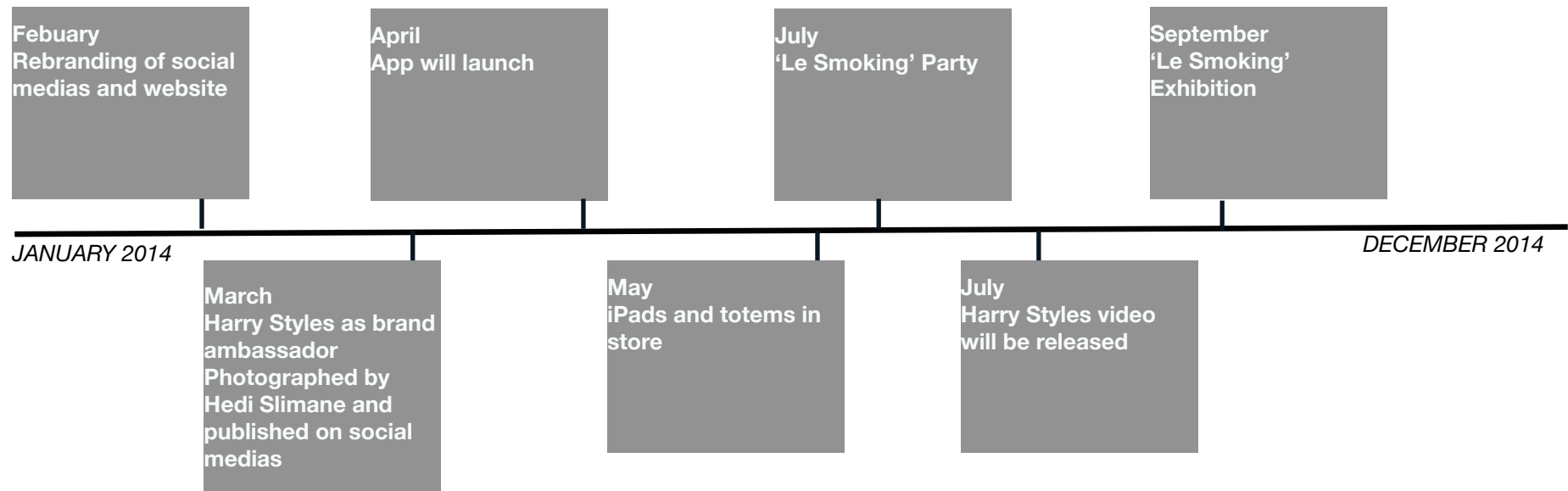
The marketing control process will help the brand track the implementation plan towards the objectives set.

To ensure that the strategies are executed in time and being marketed enough, the brand will observe weekly schedules and assign management responsibilities for coordinating the promotional activities and the digital experts (Wood, 2010).

Marketing objectives	Metrics used to monitor the progress of promotional activities	Frequency of reviewing interim progress
To increase consumer awareness through effective communication in the younger market aged 20-30 by 15% at the end of the fiscal year	<ul style="list-style-type: none"> - Press and social media coverage will be monitored - Customer perceptions and attitudes towards the brand 	<ul style="list-style-type: none"> - Weekly - Review twice a year by observing their social media and direct customer feedback
Increase customer acquisition (Jackson and Shaw, 2009) by 15% and to improve brand loyalty by 20% by the end of the third quarter	<ul style="list-style-type: none"> - Competitive standing - Customer acquisition and retention 	<ul style="list-style-type: none"> - Review twice a year - Monthly analysis
Increase sales revenue by 15% from 2012 and increase the market share over the next financial year	<ul style="list-style-type: none"> - Monetary sales - Profitability 	<ul style="list-style-type: none"> - Analysed daily, weekly, monthly and year on year - Monthly analysis by product range and 'Le Smoking' tuxedo sales will monitored monthly following the Harry Styles

Table 9: Implementation of marketing objectives

MARKETING TIMELINE



APPENDIX

Appendix A- Communciation Plan

Activity	Promotional tactics	Detail	Goal	Metrics for the performance-related activities	Message
1	A new feature to the Music Project campaign	Harry Styles photographed by Hedi Slimane	Raise awareness of the new brand image through the chosen music and fashion icon	Create awareness among 50% of their target segment in one month of it being launched	Product related message (Chernev, 2012) through promoting the 'Le Smoking' tuxedo
2	Pop up event 'Le Smoking' Party	A solo performance by Harry Styles will be the focal point of the night. The acoustic song will be videoed for the music campaign. The title of the event draws attention to the iconic product. Further supported by Harry wearing a tuxedo exclusively designed for him. High profile celebrities will attend the event.	Create awareness through press and social medias to communicate the rebranding	Create awareness among 30% of their target segment in two weeks of the event	Brand and product related (Chernev, 2012). The title 'Le Smoking' highlights the controversial and rocky product offering to differentiate it from competitors. The evening will focus on the new brand identity.
3	Harry Styles music video will be launched on Saint Laurent's digital platforms	The video will be communicated directly to the consumer through the brands social media platforms (Facebook, Twitter, YouTube) and featured on the homepage of the website to create an enhanced customer experience.	Generate 'buzz marketing' and word of mouth with the aim to make the video go viral	Create a viral marketing campaign by getting 5 million views within 1 week	Brand-related message through inferring their relationship with the music industry
4	Pop up event 'Le Smoking Exhibition'	The exhibition will feature Hedi Slimane's photography related to Saint Laurent	Embrace innovation and accentuate the artistic and cultural essence of the brand to differentiate from competition	Create awareness among 20% of their target segment within a month of the event	Brand-related message (Chernev, 2012) with focus on the brand identity. Emphasising the correlation between art and fashion.

Appendix B- Financial Analysis

The financial analysis (from audit) has been drawn from the company's financial review on Keynote (2012).

	2012 (£000's)	2011 (£000's)	2010 (£000's)	2009 (£000's)	2008 (£000's)
Turnover	13,826	12,759	7,468	7,572	7,424
Cost of sales	8,743	6,903	4,233	4,032	4,051
Gross profit	5,083	5,856	3,235	3,540	3,373
Operating profit	(1,536)	(548)	(1,543)	(1,561)	(2,591)
Pre-tax profit	(1,533)	(545)	(1,554)	(1,610)	(2,601)
Profit after tax	(1,408)	(97)	(1,086)	(898)	(1,848)
Retained profit	(1,408)	(97)	(1,086)	(898)	(1,848)

Appendix C- Reasoning for budget

Promotional activity	Estimated cost (£)	Reasoning
Rebranding exercise	1,000,000	(URL + Ready-to-wear lines + Leather goods + Shoes + social media platforms)
Harry Styles as brand ambassador	5,000,000	A schedule of marketing activities over one year
Pop up 'Le Smoking' Party	500,000	(£1000 x 500) £1000 per guest
App	100,000	Creating App + design + shopping function
3 iPads per store	100,000	(Stores x iPads) 104x3=312 (iPads required x cost of iPad) 312x 250=78,000
Digital expert team	1,000,000	8-12 employees (one director with superior knowledge and experience)
Totems	100,000	2 totems x 3 stores= 6 totems (cost of totems x quantity) £10,000 x 6 = 60,000 + fixture costs + employee knowledge
Pop up 'Le Smoking' Exhibition	1,000,000	Venue x 3, Fixtures, Staff, prints
Total	8,800,000	

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