Brand Strategy in the Clothing and Textile Market

Abstract

In today’s market economy, which is characterised by a very changeable environment and strong, intense competition caused mainly by enlarging globalisation, it is becoming more and more difficult for an enterprise to maintain long-term success. Using techniques such as simply maintaining low costs or innovative solutions are losing their importance. That is why the significance and meaning of brands have been growing recently. The brand is a strategic resource of every firm. Possessing a brand, and knowing how to keep it and manage it well, are becoming keys to reaching success in the market, a source of competitive advantage. The aim of this paper is to show that a properly used brand strategy is the enterprise’s most valuable asset, and should be the top priority in the company’s work. Undertaking actions aimed at building a brand or at strengthening an already existing one are especially necessary in the clothing industry, which is characterised by great competition, and where threats connected with product smuggling and unauthorised copying of trade marks exist.

Key words: brand, brand strategy, marketing instruments, clothing and textile industry.

Essence of Brand

The constantly changing market poses new challenges to clothing enterprises, and the clients’ demands are also continually rising, and so it is necessary every now and again to offer them a higher added value. This added value is a properly planned brand strategy, the so-called branding [1]. Firms without any distinct features, without a clear vision or specific mission, or without permanent values, will sink in the mass of messages hitting the market.

Thus it is necessary to launch actions not only directed to distinguish a given brand from the competitors, but also to build a set of values and modes allowing the company to communicate with the market in a manner which would be easily recognisable and which would stimulate positive associations and strong reactions.

A brand image is defined through its selected symbolic patterns. The most important among these are the brand’s name, logo, and composition of graphic elements and colours all associated with the company. It is crucial for a brand built on these elements to give a clear message to the customer about the kind of company he is dealing with, what its product is and who the clients are. All the elements comprising a brand image have to be closely related to the idea and goals of the company. This certainly helps its positive identification, and as a result a strong and distinct image is created in the customers’ mind [2].

By translating a business strategy into a brand strategy, the firms become more visible on the market and more understandable for their environment; furthermore, the messages included in the advertisements reach the potential customers more efficiently. Positive features have to be spotlighted and combined with culture and target groups according to the strategy already developed. This increases customer loyalty to a given product.

It is important that the customer’s mind should absorb and retain as much information about a brand as possible; some time later this is translated into the recognisability and prestige of a brand on the market. A brand product offers a sense of safety, and guarantees quality and reliability. Brand values are features that appeal to the emotional sphere of human perception [3].

Hence a brand is the most valuable asset of a company, and customer satisfaction is the key to a long-term success. As consumers must have a reason for selecting this given brand from among many others, each brand should have a motto apart from its distinctive usability. It is necessary to define why it is different and what its position is. A brand is not an advertisement, but rather a whole philosophy underlying a set of combined actions fixed on the company’s success. It is certainly an indispensable tool allowing effective conquest of markets, retention of the market position, and international competition [4].
Brand Management

Using a brand strategy is possible in two cases. The first is when a company or a product already exists on the market; the second is when the company wants to enter the market and wishes to make itself known to potential clients. The actions carried out in the first case are surely much easier. If a product or a firm already exists on the market, more or less clients have already encountered the brand and have their own concept of it. In such a case, it is only necessary to look for solutions which would enable them to gain an advantage over competitors by their action strategy, stressing the values expected by the targeted market and received positively by them. Here we deal with the strategy of enhancing the existing brand.

Naturally it is necessary to analyse in detail whether or not the brand evokes any negative images, or whether or not there have been any drastic crisis situations that would suggest rebuilding the brand under a completely new name.

Although the strategy of enhancing an existing brand surely needs much less financial outlays, and requires a shorter period of time than creating a new brand, it cannot be used in every case. Most of all, the company should base its strategy on a great value added, included in the product, which leads to a high recognisability of the already existing branch [5].

On the other hand, if we are just introducing a brand onto the market, we must propose some unique solutions, as potential clients should be given the idea of the need which our company can fulfill, something they need subconsciously, and which is different from everything on the market offered so far. Usually, to build a new brand, a company is motivated by the following factors:
- growth of competition in the market where the company is active;
- the need to differ from its competitors;
- the entry of known, strong foreign brands on the market;
- unused financial resources, thanks to which a new brand can be built;
- lack of brands in the enterprise, allowing for a strategy of enhancement [5].

Building a new brand is time-consuming, and needs great financial outlays, with no guarantee that the enterprise will be successful. That is why it is important to create the action plan properly. In order to ensure that the results meet our intentions, it is important to establish some stages which we must go through before we are able to say that the new brand has been created. The stages are shown in Figure 1.

As can be seen in the scheme, in the first stage, from which the building of a brand should be started, the needs of the customers are determined. All kinds of market research play the key part here. As we know, in a free market economy, which is characterised by great competition, we work in uncertain conditions in which it is very difficult to foresee future events without additional information. So, the risk level of accomplishing the intended aims is dependent on whether we will obtain proper data [6]. It is necessary to define the clients’ needs in order to suggest something to them which will fulfill these needs.

We can also undertake such actions which will awake the interest of potential clients. In identifying the clients’ needs, such a part is played by the innovative character of the manufactures of brand products. Introducing a novelty onto the market may become a strong stimulus for the client, awaking his need [7].

Research carried out at this stage allows us to establish what advantages are seen by potential buyers, and what the negative associations may be. Thanks to these analyses, it will be possible to exactly determine the characteristic of a product which we want to introduce on the market. Then we can move to the next stage, which determines the identity, and creates the desired image of the brand. The brand identity consists in what way the brand should be seen by the receiver; the image which will be created in their mind is the brand’s image [8].

The brand identity makes it easier to gain competitive advantage; it distinguishes a brand and makes remembering it easier. This in turn is connected with gaining such important advantages as the client’s loyalty, which means his continuity of shopping. It also makes it easy to shop, as the client easily distinguishes a certain brand from among the many others available on the market [9].

Of course, to create a positive image, much research and many tests need to be done, mainly tests connected with choosing the name and logo. It should be checked to what extent the brand can be remembered and associated with a certain product or company, and whether it definitely creates positive images. Only then can it be introduced into the market. Properly devised brands are universal values with no territory limitations, and they fit perfectly the demands and rules of the free market.

It is also necessary to concentrate our actions on legal aspects. These are mainly issues connected with protection of intellectual property (TRIPS). In the modern world, the knowledge and application of the intellectual property protection rules has become a significant factor for starting and running a business in practically any industry. The effective and strong
The legal protection of a strong brand should prevent four categories of phenomena:
- forging famous brands;
- overruns (a specific kind of forging, which takes place if a subcontractor who works for the famous brand manufactures more goods than specified in a contract, and sells them as original brand goods without the brand owner’s permission);
- unfair imitation (i.e. marking manufactured goods using identifications very similar to the famous, known brand);
- using one brand by many producers; in such a situation it is difficult to establish the authenticity of a brand, if it is not specified who its owner is [11].

So, it is important to undertake every possible action aiming at protecting the new brand against its illegal use by a third party. Correct management of the brand means looking for effective forms of communication with the potential receiver. It is important to use all marketing instruments correctly, including product placement. This consists of placing a certain product as a prop in various means of artistic production, such as films, theatre plays, TV programmes, books, and computer games.

Product placement is determined in literature as one part of public relations activity. In this strategy the so-called opinion leaders are most often used; these are public persons who convey intended marketing opinions. Showing a celebrity using a certain product creates the tastes of potential receivers, becomes a model, and influences perception and evaluation of the product. It definitely influences the decision process of the consumer, builds brand awareness, enhances trust, and enlarges loyalty and satisfaction with the decision to buy [12].

Using different sales promotion techniques is on necessary to achieve the result that the client becomes a loyal buyer in the future. The goal of sales promotion is to urge the client to a preliminary test of the brand, make the client try the brand again, and to evoke a positive experience from his purchase, so that he will also buy this product after the promotion has been finished. We can use various instruments of sales promotion:
- samples - the client gets a free opportunity to try the brand; if he is satisfied, there is a great probability that he will also buy the product;
- tokens or vouchers - they guarantee the chance to buy a certain product at a price lower than normal;
- promotion discounts - the lower price is clearly marked on the product, which makes it easier to draw the clients’ attention, and to discover the brand;
- competitions - they increase the awareness of the brand existence and amplify the brand image; organising such activities increases the interest of retailers, to whom it will later be easier to sell the product;
- bonus packaging - special packaging with more amount of the product at the same price;
- product with a gift - rewarding clients for buying a certain brand with a small gift, which stimulates impulse buying;
- prizes for loyalty - not to reward consumers immediately after buying, but to build up loyalty by promising a reward after some time [13].

Advertising is another instrument of the marketing programme, whose task is to build the brand’s image. It is mainly used to build up the awareness of the brand’s existence, keeping in clients’ minds that the product is available on the market. Its aim is also to show a given product in opposition to the competitors’ products. However, in the case of wanting to build up a strong brand, it is more important for the client to have some direct experience with it, as well as the knowledge of other users’ opinions. The best advertising campaign will not be able to save the brand if the consumers’ opinions are negative and their experiences are unsatisfactory.

Advertising is important while introducing the brand on the market, as it enables a wide variety of potential clients to be reached, and evokes connections with fragments of an image which the consumer has already seen. But in actual fact it is only sales promotion which builds the brand’s image and client loyalty [14]. Of course, advertising has an important part to play, and greatly stimulates the sale of a given product. It is necessary to use it when:
- the brand is new and part of the market does not know much about it; in such a case advertising builds up the awareness of its existence; in the messages sent it will repeat the firm’s or brand’s name;
- the target market is aware of the brand’s existence; the messages should include as much information as possible about the needs the brand can meet;
- the brand is already known, and so the company must focus on actions which will make the consumers think positively; positive images related to the brand should be used;
- there is much competition on a given market segment; the message should be created in such a way that it would show the positive features of a brand as opposed to competitors’ products;
- the company create the clients’ convictions for a product; we should include such information in the message which will make the client want to buy the given product [15].

However, in order to use various types of marketing action, a positioning method should be used earlier, so as to determine precisely what the difference of a given brand is and what the target market is. The company should also take a close look at the competition’s actions. The five dimensions of identity according to Leo Burnett will certainly be very helpful here (Figure 2).

A precise analysis of these dimensions will surely help to reach the goals which the company will aspire to, and will help to choose proper instruments of action and use them correctly.

If we are successful in promoting the brand, we cannot neglect such follow-up actions as constant monitoring. Detailed supervision is necessary, whether or not everything goes according to plan. As is well-known, the life cycle of a product in today’s world is becoming ever shorter, more new products are on the market, and if the company wants to retain its position on that market, it must constantly develop and try to evoke a high level of client satisfaction.

Summing up our considerations, we can conclude that a company’s anonymity does not support its actions, but on the contrary, it hinders its development;
therefore proper brand managing is one of the most valuable strategies. Brand positioning does not only provide an opportunity to differentiate the company’s product from other brands, but also defines its quality, value and professionalism. A correctly created system of brand identity is a simple and quick communication tool in the process of creating the best image [16].

Brand Strategy and the Clothing Branch

Economic development in a united Europe has resulted in a great number of commercial connections between European countries, and that means the joining and mixing of different cultures and the consolidation of mass communications. The result of this process is the change in social thinking, and a greater sense of mutual dependence between the citizens of Europe. But the most important part of this globalisation is, of course, the development of the international economy [17].

As we know, not all the countries have developed at the same speed; for some of them, joining the EU will be a chance to a economical success; this will include Poland among others. In order to reach the present state of development of the current members of the EU, many actions need to be undertaken. Members of EU who are consistent and stable will be needed. Most of all, effort should be focused on improving the competitiveness, modernisation and quality of manufacturing, but also on introducing the Union regulations, and on creating and enhancing institutions which will supervise the functioning of the economy correctly and appropriately [18].

Globalisation in integrated Europe causes many challenges, and so in order to build and maintain competitive advantages, it is necessary to constantly react to changes in the global environment, because simple monitoring of the threats and opportunities in the immediate neighbourhood is no longer enough [1]. Together with the liberalised access to the EU markets, the second half of the 1990s brought vast opportunities for dynamic development of trade with the member states. Undoubtedly this was apparent in every industrial branch, not least in the clothing industry. The clothing industry in Poland, once strong, is today in a difficult economical situation. With the exception of just a few companies, which have managed well in the new reality, we mainly have strong foreign companies on the market, not to mention enterprises operating in the grey zone, which are characterised by smuggling products and forging logos. Therefore it is so important to define our segment and use modern marketing methods.

The restructuring processes in the clothing industry in the EU, and especially the relocation of manufacturing processes outside the member states, were of key importance for the dynamics and the scale of integration of the whole Polish clothing industry into the EU. The inflow of orders of this type from the EU boosted Polish exports, enabling the Polish light industry to increase its output starting from 1993, and led to stabilisation of sales in the late 1990s. However, the same processes produced strong economic dependence, mainly of Polish clothing manufacturers, on the EU customers.

Since 1998, the light industry in Poland has enjoyed unobstructed access to the EU market, without customs duties or quotas, and since 1999 it has been fully exposed to competing imports from the member states within the established free trading zone of industrial goods.

It is worth stressing that EU producers of textiles, threatened by competitors in the ’low-cost countries’, have moved their products to higher market segments. In this way, they try to avoid price wars in the lowest market segment, while maintaining their mark-ups in segments where customers accept higher prices for innovation, interesting designs, and quality finishing. The EU enterprises have thoughtfully relocated their production to countries with cheaper labour costs, yet they are focused on brand building and catching up with the fashion trends. Until now, the market has not been able to demand similar behaviour of Polish enterprises, but the country’s accession to the European Union may create such an effect [19].

The results of research carried out during the International Fair in Poznań in March 2004, aimed at determining whether, and if so how the clothing companies use brand strategy, showed that most of them do not employ such a strategy. The staff of marketing departments merely indicated their presence at the Fair as their main action of presenting themselves to the customers. They could not say what the company’s image is, or if their company has a personality. Most questions connected with brand strategy were not understood by them.

A characteristic feature of the clothing industry in Poland is that besides some leading brands, plenty of anonymous companies exists, and unfortunately this situation will continue to develop. One of the brands which sticks out from this crowd, and which has gained popularity
and esteem on the clothing market, is Americans. The company has been on the market for 13 years, and produces jeans and sportswear. Because of its controversial advertising companies, Americans has been proclaimed the Polish counterpart of Benetton [20]. Its messages are very bold, almost scandalous, and their aim is to get to a thinking buyer who pays attention to his original image. A very important part is also played here by the English-sounding name which is connected with good quality and luxury. In promotion activity the Internet was used as a means of reaching potential clients. Its marketing strategy employs product placement, regular-customer cards, promotion prices, and a loyalty programme. The company takes active part in sponsoring film premiers. An important element of strategy is shop image, e.g. a shop in Warsaw with the slogan ‘Clothing is a challenge’ as its catchword. Through its image, the company conveys the message that it is a modern enterprise, and it prefers bold solutions. The company is successfully competing with the world leaders in clothing such as Wrangler, Levis, and Lee [21].

A good and popular brand is always connected with high quality, and in order to compete in the EU, first of all one must know the specifics of the consumers on that market. Usually, they choose a product considering the price/quality ratio. This means that, contrary to Polish buyers, for whom a low price is still most important while buying, they prefer to and are ready to pay more if they are sure that the quality of a product is high, and high quality is always associated with a famous brand. Apart from the quality, the service is also very important, and this is still incomparably higher in western Europe.

Polish producers should consider whether they are able adjust to constant changes as quickly as is customary in western Europe. They should be sure whether or not they can quickly react to changes in fashion and new trends, and consider that the life cycles of the products are getting shorter, as is particularly seen in the clothing industry [22].

One of the most effective ways of checking whether the brand strategy has been used correctly is the consumers’ sensitivity to changes in prices. If the product on offer is getting more and more expensive, and the demand for it keeps dropping, that means that the attempt to build a really strong brand has failed. Brands are intended to draw the client’s attention from prices, and a well-created brand should be aimed at lowering the clients’ sensitivity to prices [23].

So, Polish producers operating in the clothing industry are faced with a range of challenges, and only changes - which in the foreseeable future will be necessary - will allow them to compete with other enterprises on the united European market. These are the following:

- improving the work output;
- raising capital for investments;
- reorganising the production cycles - changing from subcontracting only to a full production cycle (not many companies implement a full production cycle from the design to the final product);
- lowering the production of half-finished textile products;
- creating manufacturing of textiles and clothes of high quality under their own brand name, with their own original design;
- investing in their own delivery system and their own transport infrastructure, in order to enlarge their ability to quickly deliver the products to the receivers;
- improving the distribution system (it is necessary to co-operate with big trading networks);
- investing in research that would be helpful to innovate in production [24].

The free market is not for everyone on equal terms. It favours those who have a vision, an idea and are consistent in their actions. A chance for success is surely taking care of a good brand and a modern managing system.

Summary

Enterprises can use various marketing instruments in their actions. Obviously, managing a brand needs much talent and skill, but most of all some experience. In order to fully exploit the opportunities given by the brand strategy, it needs constant work on the brand, investment in its development and expansion of its capital. Of course, this is time-consuming and demands many financial investments, but what the company gets back in return is the loyalty of the clients, and all the efforts and investments pay off. Therefore it is worth finding out precisely all the possible aspects of brand managing, if we wish to achieve a position of the leader in a given sector [25].

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