

BINDURA UNIVERSITY OF SCIENCE EDUCATION

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING

PROGRAMME: MASTER OF SCIENCE IN MARKETING

MMKt 504 BRAND MANAGEMENT

DURATION: 3 HOURS

EXAMINATION

INSTRUCTIONS

1. Answer Question **One** and any other three questions.
2. Each question should begin on a new page
3. Question One carries 40 marks and the other questions carry 20 marks each.
4. Credit will be given for appropriate use of illustrative examples.
5. No cell phones and programmable calculators are allowed in the examination room.

QUESTION ONE (COMPULSORY)

How Burberry is Reinventing Itself

by

Natalie Yiasoumi | August 22, 2018

The British fashion house is gearing up to present a renewed vision of the brand.

It's been a time of change for heritage brands, which have all had to rethink their ways to appeal to a new digitally savvy audience, in constant search of buzz and instant gratification.

Burberry is now at the center of this shifting climate, as it gears up to present a renewed vision of the brand, under incoming creative director Riccardo Tisci, best known for injecting gothic romance and a hefty dose of street into Givenchy.

Tisci will present his first full ready-to-wear collection for the label during London Fashion Week in September, but he has already been laying the foundations for the brand's revamp. He recently announced collaboration with his idol, Vivienne Westwood, via Instagram and plans to shake-up the collections' delivery schedule too.

Moving on from the 'see-now-buy-now' format introduced by Christopher Bailey, Tisci will introduce a capsule collection as part of his September show. The collection will be made available through a series of instant drops throughout the month and is part of a bigger company strategy to adopt a steady rhythm of drops on both the shop floors and its website.

Another fundamental change spearheaded by Tisci ahead of his big launch, is the introduction of a new brand logo and Thomas Burberry monogram, featuring interlocking "T" and "B" letters in orange, honey and white hues. This was the first time in 20 years that the brand is changing its logo and Tisci joined forces with British art director and graphic designer Peter Saville for the project. Saville has also worked with the likes of Yohji Yamamoto, Jil Sander and most recently Raf Simons at Calvin Klein.

Unveiling A New Look

Tisci took to Instagram to reveal the new graphics to very mixed reaction. However, the belief that appears to be universal is that the British label is following on the footsteps of the likes of Gucci, Prada and Fendi and trying to generate buzz and sales, by embracing the resurgence of logomania and all things Nineties-inspired.

This shift in gears from the part of Burberry is also reflective of the changing mood in the luxury fashion space and some of the necessary actions heritage labels will have to take to modernize themselves: Ensuring they can offer newness throughout the year and that the consumer is kept engaged.

So far, the strategy is working out for the British heritage label. Earlier this month the company reported a 3 percent increase in first-quarter retail sales to 479 million pounds.

The announcement of the collaboration with Vivienne Westwood, as well as Tisci's hotly-anticipated show have been key drivers of the sales growth, renewing consumer appetite for the brand in the U.S. as well as gaining more ground with Chinese tourists in Asia-Pacific.

"Riccardo is really excited about Westwood, and the collaboration is driving heat, customer engagement and excitement around the brand," said Julie Brown, Burberry's chief operating officer and chief financial officer, during the company's trading update.

Chief executive officer Marco Gobbetti, who previously worked with Tisci at Givenchy, is also looking to limit the brand's wholesale distribution and put more focus on e-commerce, as seen in the major deal he spearheaded with online retail giant Farfetch, through which the brand's entire inventory will be made available on the platform.

Facing Competition

Another pillar of Gobbetti's strategy is to align the brand's pricing with Burberry's luxury competitors, in a bid to consolidate its position in the luxury space.

But in order to catch up with its competition, Burberry will have to keep feeding customers with an appealing, re-energized image, new experiences and a focus on digital communications, according to retail analysts.

"Gobbetti and Tisci have a more difficult task ahead of the in repositioning Burberry vis-à-vis their previous work at Givenchy," said Rogerio Fujimori, analyst at the Royal Bank of Canada. "This is because Burberry has been so successful in establishing a history rooted in British heritage, with a brand DNA that has never been as fashion-forward as Gucci and with relatively accessible price points. Burberry needs to reinvest in communication and increase its fashion content to attract new, young consumers."

By upping its fashion credentials, Burberry is aiming to go down a similar path to its luxury counterparts who have already successfully revitalized their image for the new generation.

Prada, who has struggled with becoming profitable until recently, has managed to gain momentum by making its product more readily available online and forging exclusive partnerships with the likes of Moda Operandi, Mytheresa.com and Net-a-Porter. It has also resurfaced some of its most loved products from the Nineties, such as the nylon backpacks and flame prints, to great success.

Meanwhile, Fendi's signature FF logo has had a resurrection of its own and capsules featuring backpacks, sneakers, bomber jackets and tracksuit bottoms with the FF logo splashed all over them are making waves on social media among celebrities and influencers alike and creating long waiting lists online.

To support this newfound interest, the Italian label has been spearheading ambitious events across the globe, releasing video content to promote its new collections and revitalizing the brick-and-mortar retail experience; it is now set to open a Fendi kiosk at the British department store Selfridges, where alongside a series of limited-edition product it will offer Fendi postcards tracing its famous logo's history, a calligrapher and branded balloons.

Following the same approach, Dior, another LVMH-owned label, is maintaining interest around the new direction it has taken under Maria Grazia Chiuri through a constant flow of newness, delivered in the form of desirable accessories. Most recently the brand has brought back its famous saddle bag, promoting it via a global influencer campaign.

But perhaps the strongest competitor in the luxury space would be Gucci, which continues to grow in strength under Alessandro Michele, who not only introduced a new aesthetic and sell-out products - from the logo belts and sweatshirts to monogram bags - but also brought in a steady stream of collaborations with a wide range of creatives and a new narrative told on social media. These combined factors have been keeping consumer engagement strong.

Earlier this month, Kering reported a 26.4 percent rise in revenues in the second quarter, largely driven by Gucci's continued growth.

The label's organic sales increased 40 percent to 1.99 billion, representing the sixth consecutive quarter of growth.

As it gears up for its revamp and reposition in the luxury market, Burberry will have to measure up to its competitors in a saturated market, yet its famous check, the refreshed vision Tisci promises to deliver in September and its new delivery strategy signal promising signs of growth.

"While we know it will take time to achieve our ambitions, our progress to date — and the energy in and around the company — give me confidence for the future," said Gobbetti.

Source: <https://www.luxurysociety.com/en/articles/2018/08/how-burberry-reinventing-itself>

Accessed on 19 September 2021.

QUESTION ONE

- a) What does the term brand DNA mean in the context of the case? [10]
- b) Explain how changes on the brand logo of Burberry could impact on its brand mantra. [10]
- c) Discuss Gobbetti and Tisci's brand strategies for Burberry. [20]

[40 MARKS]

QUESTION TWO

Evaluate the following components of the Consumer Based Brand Equity Model;

- a) Brand identity [5]
b) Brand meaning [5]
c) Brand responses [5]
d) Brand Relationships. [5]

[20 MARKS]

QUESTION THREE

Discuss the importance of branding to consumers, organisations and society. [20 MARKS]

QUESTION FOUR

Examine the role of social media and over-democratisation of marketing in the context of branding. .

[20 MARKS]

QUESTION FIVE

- a) Define experiential marketing? [5]
b) Assess the role four realms of experiences in the context of branding. [15]

**[20
MARKS]**

QUESTION SIX

- a) Justify the importance of ethics in branding. [6]
b) Assess the relevance of Corporate Social Responsibility in branding. [14]

**[20
MARKS]**

END OF PAPER