Title page

IMD Report

## Executive summary

The marketing strategy of Missguided adopts is a process that helps the company to concentrate on its limited resources and use these resources for the positive and best outcome. For instance, a company’s goal might be to become the market leader within the industry. Achieving this objective might be planned in association with delighting the customers. Therefore, a strong marketing strategy would come into play for such an objective (Missguided, 2019). The company conducted market research for assessing potential future customers and markets. Misguided uses an Acron grading system in which it ranks customers according to the value that they offer to the company. The digital strategy of the company opens further opportunities because it focuses on building direct engagement of the company with online buyers.

Table of Contents

Executive summary 2

1. Introduction 4

1.1.1 Key issues 4

1.1.2 Key opportunities 4

1.2.1 Misguided digital strategy assessment 5

1.2.2 Current digital strategy 5

1.2.3 Digital and traditional strategy integration 6

1.2.4 Key priorities 6

1.3.1 Misguided marketing objectives 7

1.3.2 Misguided segmentation and targeting strategy 8

1.4.1 Misguided market segmentation 8

1.4.2 Misguided targeting strategy 9

1.5.1 Misguided market positioning 9

1.5.2 Misguided marketing tactics 9

1.6.1 Traditional marketing tactics 10

1.6.2 Digital marketing tactics 10

References 11

Appendix 1 16

Appendix 2 16

Appendix 3 19

## 1. Introduction

Missguided is a bold brand that creates clothing for women. Company’s focus is to promote women empowerment by designing affordable dresses. The company follows the customized designs informed by customers. This allows clients to make informed decisions. Missguided sells clothing for women of all age groups with different price options. The company aims at providing diversified clothing options to female customers. The ideology of the company is to inspire a new generation by providing dressing that will allow them to attain what they want.

“Misguided has not only successfully translated its online aesthetic and brand power into its Stratford flagship, but further offline spaces as well” (Trotter, 2018).

## 1.1.1 Key issues

The key issues faced by the Missguided include generation of adequate budget/ funds for marketing activities. Adoption of various techniques such as digital tools and integration of technology also remains a challenging task. The company face issues in driving customer acquisition and referral programs. Strong buyers power due to the existence of rival brands is also another issue faced by the company (Sumner, 2018). The company's decision of expanding the customer base by targeting other regions also poses significant challenges. Because many new companies are entering the apparent industry, Missguided needs to maintain strong brand loyalty.

## 1.1.2 Key opportunities

The apparel industry provides numerous opportunities for growth and business to Missguided. The company has massive opportunities in world markets due to increased interests of millennial in fashion and apparel. Because the company follows the ideology of modern fashion and relies on online selling strategy it has a huge potential of capturing more customers. The digital strategy of the company opens further opportunities because it focuses on building direct engagement of the company with online buyers. This is considered as one of the fastest methods of grabbing customers across different regions and countries (Calaranet, 2018).

## 1.2.1 Misguided digital strategy assessment

A culture of shared value is established in which the company stresses on e-commerce. Company's policy for improving digital performance is to give enhanced surges in the traffic. This increase the visibility of the Missguided website across different social media platform. The chance of capturing customers is also increased. The company's strategy in the UK is to communicate with clients and ensure the provision of quality service (Poq, 2018).

## 1.2.2 Current digital strategy

The digital marketing process involves the capturing of value in return from the customers after a profitable relationship has been building. Unlike the rest of the steps, this step is focused on the benefit of the company. “In 2015, the [PRC](https://www.nytimes.com/2018/01/25/smarter-living/bad-text-posture-neckpain-mood.html%22%20%5Ct%20%22_blank) reported that 24% of teenagers are “almost constantly” online, and in 2017 [Statista](https://www.statista.com/statistics/271851/smartphone-owners-in-the-united-kingdom-uk-by-age/%22%20%5Ct%20%22_blank) found a whopping 96% of 16–24-year-olds with a phone were reported to own a smartphone" (Sneyd, 2017). This reflects that company’s strategy of targeting millennial improved customer base. Missguided has developed its app that provides fast access to the company's website. It is easy for the customers to place an order after viewing the features. The strategy is thus effective because it shares the price, pictures and three-dimensional view of the cloth. The focus of the company is to provide a direct interactive experience to the customers (Sillitoe, 2018).

The marketing strategies of the company are to be formulated in such a way that they not only help in satisfying the needs of the customers and providing them with superior value but also to bring back value to the company in the form of profits.

## 1.2.3 Digital and traditional strategy integration

The purpose of integrating digital technology was to reach a wider audience. In traditional strategy the company to capture value from customers, an organization first has to create customer value. A company can only capture value from its customers if those customers are satisfied with the products of the company. Customers' needs and demands must be addressed by the organization (Kotler et al 2015). If a customer is happy with the products and services of a company, he/she is most likely to buy the product more than once. These repeated purchases are proof that the company has been successful in creating value for its customers. In return for each product bought by the customers, the company receives profits (Brand, Daly, & Meyers, 2003).

In modern digital marketing, building strong and long-lasting relations with the customers is the most important concept and this concept is termed as customer relationship management. This concept involves delivering superior value to customers by maintaining and building profitable relations with them. It basically helps in growing, keeping and acquiring customers (Forbes, 2012). Customers are usually delighted by the company's products and offer if they have good and maintained relations with the company. These customers are mostly the ones that are brand loyal and have been using the company's products for the past many years (Hartemo, 2016).

## 1.2.4 Key priorities

The key priority involves sub-porting of the organization's strategy. Development of certain procedures, processes and information is also part of the strategy. The priority of Missguided is to target the youth who is more inclined to buy fashion products. The company states that it has “the most suitable leaders with sufficient technical skills to navigate their organisations through a significant period of disruption within the industry, influenced by artificial intelligence (AI) and other technology” (Sillitoe, 2018). Company's priorities are to rely on shared value that optimize all aspects of e-commerce. Missguided has a primary strategy of understanding what the customers require and create products accordingly (Wightman-Stone, 2017).

To attain goals and objectives, sometimes organizations should develop some marketing principles and should follow them firmly. In the below section, there is the detail of some important marketing principles. The key marketing principles are strategy before tactics, narrow market focus, differentiate, marketing material should educate, orchestrate the lead generation trio, create tool online presence and live by a business market calendar. To operate a successful business, the organization should focus on technology and permit the workers to use excessive technology for fast results (Jones, 2016). Through high-level technology, organizations can communicate with their customers easily and can provide high-quality services. In the same way, today the tendency towards e-commerce has been enhanced and people prefer online shopping. In this situation, technology helps organizations to operate the online business (Khraim, 2015).

## 1.3.1 Misguided marketing objectives

The marketing objectives of Missguided include establishing internet retailer into the strong high-street market and developing brand loyalty. The objective is to build a personal and immersive environment that provide a better buying experience to the customers. The purpose is to provide an opportunity for the customers where they could interact with the products. The company aims at adopting promotion tactics that target customers across different regions (Reporters, 2018). The company's objective is to provide an inclusive and positive culture to the employees that improve their morale and productivity (Jahn, Kunz, & Meyer, 2013).

## 1.3.2 Misguided segmentation and targeting strategy

Missguided is always making amendments within its marketing campaigns and strategies depending on the changing needs and wants of its customers. The company maintains good and a very long lasting relationship with its current customers because the products of the company deliver superior value to its buyers. Majority of the company’s customers are happy with their services (Neti, 2011). The company takes a special interest in its customers and frequently does market research in order to understand its customers and their personal needs. The marketing team of the company is of the opinion that working hard for providing greater value to the customers can benefit both the company and its customers, they believe that strategies of marketing ought to concentrate more towards customers rather than competitors (Cole, 2018).

## 1.4.1 Misguided market segmentation

The market analysis depicts the Missguided has a primary target audience that includes young creative, connective and energetic people. The company specifically targets people having ages of 16-24 years. The company keeps information about the clothing choices of this age group (Romãoa, Morob, Ritac, & Ramo, 2019). The company use demographics for targeting potential customers (Missguided, 2019). The consumers who purchase from Missguided are concerned about brand value, identity and reputation. The company also targets students because they are more interested in buying fashionable clothes. The company has adopted another criterion for targeting potential consumers that include determined dreamers. Missguided target people of 15-18 years in this group (Itelligence, 2019). The company believes that parents are more likely to spend on teenagers. This group spends more time on online platforms so chances of their interaction with the company's products are high (CRAVEN, 2018).

## 1.4.2 Misguided targeting strategy

Advertising is rounded off by a wide scope of monetary administrations. The company has environs in every single significant business sector around the globe because of its brands and a huge sized portfolio. China, Western Europe, America, Brazil, and Mexico are presently the most important markets for the company (Neti, 2011).

## 1.5.1 Misguided market positioning

The market positioning of Missguided indicates that the company has a strong understanding of the customers. The company conducted market research for assessing potential future customers and markets. Missguided uses an Acron grading system in which it ranks customers according to the value that they offer to the company. the thorough analysis of the market condition depicts that the customers having ages between 16-24 years offer wider opportunities for business (Reporters, 2018).

## 1.5.2 Misguided marketing tactics

The organization needs to make a market strategy to develop and expand business at a high level. Market strategies would help the organization to attract customers, to build a loyal relationship with customers and to increase the sales. In the same way, the organization should keep an eye on its competitors and focus on their strategies (Danao, 2017). Completion also helps organizations to improve their overall system and to redouble their efforts for effective results. The tactics adopted by Missguided is to rely on e-commerce and SEO techniques. This has allowed the company to improve sales and growth (Wood, 2016).

## 1.6.1 Traditional marketing tactics

The key marketing strategies involve, building company’s reputation, increasing market share, attracting more potential customers, retaining already existent customers, creating awareness about the brand, positioning of the brand into the minds of the customers, enhancing sales through advertising and sales promotions, creating loyalty among customers, making the customers trust the brand and increasing profits for the company (Herman, 2018). Marketing strategies, therefore, play an important role in the success of any company within any kind of industry (Redelmeier, 2018).

## 1.6.2 Digital marketing tactics

This ensures that the customer receives products in good condition through online purchase. The company use attractive models for appealing the buyers and specifically millennial. The collaborative range of fashion beauty is another effective component of digital marketing that leads to maximization of customers (Hammett, 2018).

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## Appendix 1

RACE Model

|  |  |  |
| --- | --- | --- |
| RACE element  | Aim  | Sample KPIs  |
| Reach  | Building awareness among customers. Providing clear information about the company’s products and prices (Gilliland, 2016). | * To reach 1000,000 customers within a period of 2 years.
* Retaining at least 50 percent of the customers who purchase from the online platform.
 |
| Act  | Building direct engagement of customers with the brand through digital technologies including laptops, mobile phone and tablets (Blog, 2017). | * Improving bounce rates per page.
* Reaching 10 million more customers during the first year.
 |
| Convert  | Achieving conversion on sales by adding value for customers.  | * Generating revenue by selling products.
* Conversion is divided by total visitors.
 |
| Engage  | Missguided will retain customers and build long-term relationships.  | * Attaining customer satisfaction.
* Taking feedbacks and responding to them.
 |
| Appendix 2**7S model** |
| **The element of the 7S model** | **Relevance to digital transformation**  | **Key issues**  |
| Strategy  | The assessment of the company's digital strategy depicts that it emphasizes on accelerated growth. The company attained rapid growth through lack of strategy that is based on principles of speed and agility. The digital strategy has relied on an inclusive website that offers delivery on the next day. Time efficiency and cost-effectiveness are two prominent aspects of digital strategy in the United Kingdom. To provide high-quality products the company is also focused on replacing 25 per =cent of its stock. | * Acquiring funds and budgets.
* Managing change at the organization level.
 |
| Structure  | Modifying the organizational structure.  | * Hiring e-commerce teams that can manage digital and online operations.
* Involve inclusive and exclusive outsourcing.
* The close working of the organization with accomplices in different organization offices and also with external partners to mutually convey more prominent worth to clients.
 |
| Systems  | Developing procedures, processes and information systems.  | * Sharing accurate information with the customers.
* Providing valued service and equal treatment.
* Addressing concerns of the clients.
 |
| Staff  | Classifying duties and roles of staff according to their skills set. Each employee is assigned a task by the respective department in which he is working.  | * Adopting adequate practices for hiring staff.
* A comprehensive process of hiring is adopted in which the recruitment team finds competent workers.
 |
| Style  | Effective management style is adopted in which managers convince employees to follow rules for attaining organizational goals.  | * The managers define the e-commerce activities to the staff.
* The staff is provided awareness about the work style and they are convinced to follow rules.
* More time is required for making staff understand things.
 |
| Skills  | Missguided stresses on building the skills set that is required for performing operations appropriately.  | * New staff lacks skills and training.
* Investments are required for high-level training.
* The staff members will take time in learning.
 |
| Shared values  | A culture of shared value is established in which the company stresses on e-commerce. Company's policy for improving digital performance is to give enhanced surges in the traffic. This increase the visibility of the Missguided website across different social media platform. The chance of capturing customers is also increased. The company's strategy in the UK is to communicate with clients and ensure the provision of quality service (Poq, 2018).  | * This required changing the perceptions of employees and providing them with better incentives for change.
* Removing individual concerns may be difficult for managers.
 |

## Appendix 3

**5S Model**

|  |  |  |
| --- | --- | --- |
|  | Visual Management  | Yes/ No |
| Sort  | Items offered for sale are in good order?Unnecessary items are tagged as red? | Yes Yes  |
| Shine  | A clean schedule is established | Yes  |
| Set in order  | The items are defined appropriatelyPrice tags are added to the products  | Yes Yes  |
| Standardize  | All standards are establishedThe employee/ staff follow standards  | Yes  |
| Sustain  | The company conducts evaluations at a regular paceSchedules are followed for replacing the stock | Yes  |