Chanel marketing and advertising

[Name of the Writer]

[Name of the Institution]

Chanel marketing and advertising

**Introduction**

Chanel SA is a French company, that operates in private sector. It is one of the luxurious companies that focuses on accessories, ready-made clothes and different high fashion articles and objects. Chanel is one of those companies which are growing globally, as well as departmentally. It is highlighted that there is a massive increase in the product range as well as the quality aspects that are associated with Chanel (Fleming 2019). It makes this company one of the best, growing and global brand. This paper aims at the identification of different factors that are affecting the company along with a critical overview of the intrapreneurial and entrepreneurial opportunities that are available to the company.

**Discussion**

PEST Analysis examines the political, economic, social and technological and environmental factors that are affecting Chanel. It is also defined as a set of external factors that are meant to help a business to operate within the business environment (Zhang and Su 2019).

**Political Factors**

There are different political factors that are affecting the progress of Chanel. It is highlighted that Chanel is emulated in a feminist protest that is empowering women with some solemnity words and slogans, that assert “Ladies first”. It is one of the political affairs, referring to the opulent politics that is in fashion (Fleming 2019). Other political factors are the Consumer protection laws referring to the barriers that can stop the competition of gaining any kind of profit that might be gained from some good or product. Privacy regulations laws are also one of the threat taking into account that there are several companies that are using the brand name to fulfill its negative aims in attracting the customers. One of the major aspects to note is the European Commission rules that are threatening NO 5 with the ban on sediment ingredients and the belaboring regulations, creating hurdles in the passage of the company to make up the mark and gain that trend setter title (Zhang and Su 2019).

**Economic Factors**

Economics is one of the major catch line in the analysis of the reputation of the company and in the progression of all the brands and the services that are provided to the consumer in the world. It is highlighted that there is a growing purchase power in the world which is a contribution as well as a tribute to the developing areas of the market. also, there are some worldwide economic crisis, that are also affecting Chanel from taking significant steps in the world. One of the important aspect to consider is, in 1974 there was a lack of availability of products based on the sales cut that caused the demand to rise, and it resulted in the increase in the sales as well as the price of the products. In addition, Luxury goods making is also something that is casting a direct impact on the economic factors such as, the number of customers has grown to triple in the under 20 years ranging to 330 million people. As the company's spending has risen to about 4 300 billion USD dollars since 2013 which is also one of the major factors that are affecting the company (Ashill, Semaan, and Williams 2019).

**Social factors**

There are a lot of social factors that are affecting the progress of the company taking into account that these factors are casting a direct impact on the working of the company. one of the major social factors is the total Asian value prestige brand that is associated with Chanel because the number of sales is directly dependent on the number of the customer that is casting a direct impact on the brand. It is also important to note that exclusively in 1974, Wertheimer brothers reduced the overall sales from 18000 to about 120000 by removing all the products that are found in all the drug section Also, there is a high-profile image that is casting an impact on the promotion of the brand. It refers to the divert campaigns that are featured in some high caliber celebrities that can endorse the product or the overall worth that is associated with the product. Other social factors that are affecting the brand are the exclusivity of the products because the products are not available to the elite people who are either very rich or they are in direct contact with the boutique where such goods are prepared. Although, it is something very positive still this lack of access is also something that is casting a negative impact on the publicity of the brand paving the way for lack of customer ratio (Fleming 2019).

**Technological factors**

There are different technological factors that are affecting the overall working of the brand, taking into account the fact that branding is facilitated with the help of coherence o technology and the other electronic applications that are having a direct impact on the promotion of the brands. Also, it is highlighted that the emergence of mobile banking has played a central role in directing the customers to get in touch with the outlet and get the required product. Other technological factors are a move towards industrialization that highlighted that the approach of “re-formulation” that is used for shifting trend away from the synthetic chemicals. It is also highlighted that technological factors have paved the way for more online shopping avenues, facilitating the shopping of brands. It also encourages Chanel to be as much present on the social media as possible so that more customers can be attracted. This stance of having more sustainable products has paved the way for a synthetic chemical that is also a serious point to be considered. Also, Chanel has a very well-developed website that is acting as a profound source of customer attraction, highlighting feminist taglines that attract all types of women. However, it is also a threat as not all the customers have an access to the website and it is one of the major gaps in terms of the technological aspect. Empowering and asserting is also found controversial in some cultures, that might affect the brand (Horoszko, Moskowitz, and Moskowitz 2018).

# **Priority Lists**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Issues** | **Score** | | | **Strategies** |
| **Importance** | **Rating** | **Score** |
| Piracy Regulation Laws | 0.1 | 5 | 1.4 | Piracy regulation laws is one of the major aspects to be considered in political factors taking into account that there are a lot of cases in which the design of the brand is copied and sold in the local market. It is tarnishing the reputation of the company, resulting in a reduced number of customers (Zhang and Su 2019). |
| Social Factors | 0.04 | 5 | 0.35 | Among the social factors, the reputation of the brand plays a central role. In the context of social factors reputation is one of the most pressing aspect. it is highlighted that the Asian value prestige brand is one of the major social factors that is affecting the worth of the brand. Asia is one of the largest markets of Chanel and the Asian are now preferring and looking for more prestige brands rather than the brands that are most easily available and that is copied every now and then (Ashill, Semaan, and Williams 2019). |
| Economic Factors | 0.09 | 5 | 0.25 | Among the economic factors, one of the most significant issues is that of increased purchase power in the world. It is highlighted that today, everyone knows about and eager about having the most luxury goods and it is posing serious competition for Chanel, taking into account the stance of majority availability and lack of innovation. People always prefer things that are more expensive. there is some prestige associated with the particular object rather than a casual approach that can make the produce more purchasable and a sign of prestige. Excessive availability is also counted in the aspect because already available products are given less importance (Fleming 2019). |
| Technological Factors | 0.25 | 4 | 0.51 | Among the technological factors that are casting an impact on Chanel is the underdeveloped technological approach. there is a single website and not all the customers know about the website Also, there is less attention on the technological factors that are affecting the promotion of the brand, Here it is highlighted that it is not always enough for the company to develop a website where all the products are displayed, in fact, there is a dire need of some online presence in the form of attractive ads that can attract more people and let them understand the sense of responsibility found in the brand (Horoszko, Moskowitz, and Moskowitz 2018). |

# **Competitive Readiness: Chanel**

Taking into account the prevalence of threats and growing competitors, Chanel has the potential to compete and maintain its name because there are a lot of customers who are still dependent in this brand. Also, the company is addressing the posed threats such as technological and social factors so that its strategic and market value can be maintained, by dealing with its competitors such as Gucci and Prada. The Company has numerous opportunities to grow in terms of the lagging sectors as well ranging from technological aspects to that of social aspects.

**Intrapreneurial Opportunities**

In context, intrapreneurs are those employees who are made to work on special projects or ideas. They are given time to define and work on different opportunities for the project. These opportunities refer to the platforms that can be used by the company to address the needs of the employees. Also, it will help the company to look for options that can help it to incorporate those avenues that are more productive and unique enough to attract more number of customers and ideas. Intraprenuel opportunities play a central role in the evaluation of the business opportunities that can play a central role in enhancing the businesses and highlight the areas of new opportunities (Horoszko, Moskowitz, and Moskowitz 2018).

**Environment policies**

One of the major aspects is the environmental policies, where Chanel can make use of some environment-friendly policies that can make Chanel empowered enough to manufacture and design products that would not be casting a negative impact on the environment. One of the major aspects is the trendy concept of synthetic material that is being used in the perfume is also considerable. Also, it is highlighted that the company can adopt different facts and figures that would ultimately pave the way for new avenues. Another major aspect is the inclusion of the newer products and the other materials that are used for making unique articles as well as the products that are environmentally friendly because globally those products are preferred that are not causing any harm to the people as well as the environment. Also, the decaying and the decomposition including the circle of recycling is also important to note because the company needs to maintain its reputation in terms of global perspective that can help it achieve a mark in the paradigms of ecological stability (Fleming 2019).

**Trend shifting**

Another major opportunity for the company is to manage its production with that of the trends that are set globally. It is highlighted that the company needs to be on the hallmark of trends where all the trend shifting and major trends can be set by the company. It is also added that the company needs to address how generations and customers are acting towards the trends that are globally prevalent. Within this trend shifting, it is important to consider that the trends are driven by a unique thought and this thought is driven by the critical thinking into what is required by the customers and what do the customers expect for the Company to present them with. Trend shifting is not just confined to the realms of the market only, in fact, it also includes putting some suggestions on the websites so that the customer can get to know what is coming and they can also give their suggestions (Lunardo and Mouangue 2019).

**Diversification**

If an analysis of the products and services is made, it is highlighted that the company Chanel is just a market that is serving people with what is required of them. It is also important to note that the company needs to get in touch with the varying cultures and what are the requirements of different cultures. It will help the company to get an insight into the different cultures of how their fashion can be introduced to contemporary culture (Fleming 2019). It will not only attract the customers who belong to a different culture but it will also add to the flavor of the market. Another view highlight that the customers always seek something new and diverse culture in fashion is particularly celebrated. So, it is required by the company to address all the needs of the customers in order to be capable of major and significant brands (Horoszko, Moskowitz, and Moskowitz 2018).

**Innovative Approach**

Innovative approach is a universal team that covers all the relevant facts and figures of the company, taking into account the expectations of the company. It is also important to note that the company needs to include the strategies as well as technologies that can facilitate the company. In addition, it is also highlighted that the innovative approach will include new technologies for the shipping of orders and the activities that can keep far off located customers to get in touch with the company and the departments that are preparing their orders. Also, it will include incorporating technology in the products such as easy to use objects and containers that are waterproof or the material that is hardly breakable. It will also include smart bags and anti-allergic perfumes that are equally suitable for all the employees (Lunardo and Mouangue 2019).

**Growing beyond borders**

It is highlighted that one of the opportunities for Chanel is to opt for the initiatives that can help Chanel to empower and increase its business initiatives to other countries where there would be an increased opportunity for business along with attracting a large number of customers. It is also important to note that the growing beyond the borders is more like a necessity in the current time because it is one of those options that can help the company grow. Also, it will help the company to get in touch with the customers who are off the locations and what are their expectations for the company.

**Faster delivery of products**

Another option for Chanel is to empower customers and its brand by ensuring that the products are transferred at a comparatively faster rate as compared to the other companies and brands that are using online delivery opportunities. Also, keeping a follow up with customers is also important, taking into account that the customer will be more happy on receiving their products in time (Lunardo and Mouangue 2019).

**Feedback opportunities and suggestion**

Another major intrapreneurial opportunities for the company to avail and make use of feedback opportunities. It is highlighted that the feedback opportunities will not only help Chanel to gain the attention of the customers in order to know what kind of problems they are facing. Also, it will play a crucial role in the analysis of customer requirements.

**Entrepreneurial Opportunities**

Enetreperenual opportunities reefer to the opportunities that are defined as the platform where different products can be sold at a great price as compared to the actual price of the product. It also includes options that can be used by the company for making different profits. Entrepreneurial opportunities for Chanel are discussed as follows

**Investment in Multiple Businesses**

It is highlighted that the company can invest in multiple businesses, which will help to get empowered will keeping all the employees and the products on the same board. It is also important to note that the employees are required to get in touch with the products that are gaining from others and they are using in the manufacturing of their own products. Investment in multiple businesses will not only reduce the overall cost that the company has to spend in purchasing the products but it will also help to add to the credibility of the products (Lunardo and Mouangue 2019).

**The power of the internet**

The power of the internet is also something that is very important taking into account the fact that there is a dire need to make initiatives that can help the company to use all the available technologies for the welfare of the company and to increase credibility and productivity of the company. The power of internet actually reflects the use of technology by the company so that the goods are manufactured on the better scale and the technology can be used in a positive way that can help to add to comfort of the customers as well. Also, the power of the internet asserts the significance of attracting customers because social media is one of the major opportunities that are already valuable and it can be used anywhere anytime to address the overall needs of the company as well as the employees. It is also highlighted that the company can make use of internet to address the needs of the employees who are localized in the far off places and make initiatives that can add to the flavor of life (Ashill, Semaan, and Williams 2019).

**Product range and resources**

Diverse resources are something that can play a positive role in attracting a large number of customers. It is already known the Chanel has a less number of customers also, there are a lot of cases that are concerned with piracy restrains. the manufacturing of the different products can help to understand the customer requirement as well as attract them. Also, it can play a central role in adding to the feasibility of the company by adhering to a large number of resources. It is also highlighted that there are a number of people who are living in the areas where they can indirectly play a role in bringing variety or the quality of the product, such people should be hired or brought in contact with the company because it can add to the flavor of the market. also, they can play a central role in the analysis of the product range which will add to the products of the company. Using diverse resources will not only add to the market value of the company but it will also help the company to get in touch with the resources that are rare also they can help the company earn maximum profits (Ashill, Semaan, and Williams 2019).

References

Ashill, Nicholas, Rania W. Semaan, and Paul Williams. 2019. “Measuring Brand Charisma: An Exploratory Study of Luxury Brand Consumers.” In *2018 Annual Meeting of the Decision Sciences Institute Proceedings*, , 1074–1093.

Fleming, Ann-Marie. 2019. “Because It’s the Truth: Authenticating Chanel through Celebrity Death and Fan Magazines.” *Celebrity Studies*: 1–12.

Horoszko, Nithda, David Moskowitz, and Howard Moskowitz. 2018. “Introducing the Notion of DNA for a Perfume Brand.” In *Understanding the Marketing Exceptionality of Prestige Perfumes*, Routledge, 19–25.

Lunardo, Renaud, and Emilie Mouangue. 2019. “Getting over Discomfort in Luxury Brand Stores: How Pop-up Stores Affect Perceptions of Luxury, Embarrassment, and Store Evaluations.” *Journal of Retailing and Consumer Services* 49: 77–85.

Zhang, Li, and Zhuan Su. 2019. “Analysis of the Effective Integration of Visual Communication Design and Brand Image.” In *2019 International Conference on Management, Education Technology and Economics (ICMETE 2019)*, Atlantis Press.