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The significance of integrated marketing communication techniques in the 21st century marketplace

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THE SIGNIFICANCE OF INTEGRATED MARKETING COMMUNICATION

TECHNIQUES IN THE 21ST CENTURY MARKETPLACE

by
Janice D'Amico Nee

A Thesis

Submitted in fulfillment of the requirements Master of Arts in Public Relations
of
The Graduate School
at
Rowan University
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Approved by _____
Professor

Date Approved __3-22-04__

ABSTRACT

Janice D'Amico Nee
THE SIGNIFICANCE OF INTEGRATED MARKETING COMMUNICATION IN THE
21st CENTURY MARKETPLACE
2003/2004
Advisor: Dr. Don Bagin
Program: Master of Arts in Public Relations

The primary purpose of this study was to examine integrated marketing communication techniques used to develop successful apparel brands. This author researched existing data and explored the IMC development of three successful brand apparel companies: Nike, Ralph Lauren Polo, and Tommy Hilfiger. The study included the process of building brand identity, including the tenets of brand management and the symbolic process, as well as the significance of brand equity and architecture.

This author conducted a pen and paper quantitative survey to a random sampling of 50 Cumberland County College undergraduate students concerning the influential factors in their choice of brand selection. The data was categorized and tabulated in percentages by age into two groups, 18-25 and 26+. This author conducted two focus groups consisting of 10 students from the 18-25 age group and 10 students from the 26+ age group. The quantitative and qualitative results indicated that the respondents were very influenced by integrated brand marketing techniques in the selection of apparel items.

ACKNOWLEDGEMENTS

The author wishes to express sincere thanks to her family for their love and support, and to Dr. Don Bagin, for his guidance and praise. This thesis was completed due to their continuing encouragement.

TABLE OF CONTENTS

CHAPTER 1

Introduction

I. *Need for the Study*

The American Marketing Association defines a brand as: A name, term, sign, symbol, or any other feature that identifies one seller's goods or service as distinct from those of other sellers (1). However, in his book *The System of Objects*, the intellectual French critic Jean Baudrillard suggests that objects are used to represent a "brand essence" and create an emotional desire to satisfy one's need for individuality. Baudrillard points to the powerful effects of advertising in creating a consumption driven society based on a "personalization of choice." He defines "consumption" as "an activity consisting of the systematic manipulation of signs." These objects of "consumption" make up an idealist list of signs, which provide the "will to live" and satisfy people's never ending desire to achieve happiness through "status" (2).

Branding is integrated marketing's version of a personalized "system of objects" that maximize consumer sales by fulfilling their desire for happiness through an association with the brand image of the products. Several marketing scholars have pointed to the need for brand management skills for success in the 21st century marketplace. In her scholarly text, *Strategic Brand Communication Campaigns,* Beth E. Barnes points to the need for a broader form of communication that gives meaning to products and services (3). David Aaker's scholarly reference, *Building Strong Brands,* describes a company's most valuable asset as its "unique brand." Aaker details the need to understand how to

1

implement the branding process to increase the overall brand equity of the company. Furthermore, his research demonstrates a strong correlation between brand equity and stock return (4). Finally, in *Managing in the Corporate Brand,* Kevin Lane Keller develops a model of brand management to provide marketers with a practical guide to building, measuring, and managing brand equity (5).

Statistics demonstrated that in 1983 American brands spent 70 percent of their total marketing budgets on advertising and 30 percent on promotion. However, by 1993, the ratio had flipped: only 25 percent went to ads, with the remaining 75 percent going to promotions. The U.S. Association of National Advertisers warned that competing on the basis of real value, rather than brand image would spell corporate death. In 1994, *Advertising Age* actually predicted the death of traditional manufacturer brand names in the United States and a rapid decline in their value to the brand owners. As a result, companies began to put their resources into price reductions rather than expensive ad campaigns. However, many companies, including those in the fashion apparel industry, ignored the warning (6).

How did we get from obituaries about the death of the brand to today's legions of billboards for Nike, Ralph Lauren Polo, and Tommy Hilfiger? A study of how these apparel companies became cultural icons provides a successful integrated brand management model for the public relations practitioner. The men that founded these industry giants consciously used integrated brand marketing tools in every fabric of their companies by using superstar athletes, rock stars, and logo design to tap into the human desire for "totality" with the 'personalization of objects.' They reinvented the brand as a cultural sponge, morphing the brand to its surroundings (7).

2

There is a need for this study to provide the public relations practitioner who aspires to work in the retail consumer product environment with a model of successful integrated marketing principles that can be used to develop a strong brand identity in the twenty-first century marketplace.

II. *Purpose*

The primary purpose of this study was to examine the integrated marketing communication techniques used to develop successful apparel brands such as Nike, Ralph Lauren Polo, and Tommy Hilfiger. This author researched existing scholarly materials to develop an overview of tenets that build a strong brand identity. In addition, this author researched pertinent industry periodicals for information and case studies specific to the aforementioned apparel companies. The author then examined how these three companies have successfully integrated such branding techniques to catapult their companies to financial success. An examination of these three companies provides the public relations practitioner with a practical model of brand management techniques by which these companies have become dominant members in apparel industry. This was done by examining the following subordinate topics:

1. Brand awareness.

2. Brand recognition.

3. Brand quality.

4. Brand associations/personality.

5. Brand equity.

6. Brand architecture

7. Nike, Ralph Lauren Polo, and Tommy Hilfiger:

    a. Brand Management

    b. Integrated Marketing Campaigns (8).

III. *Statement of the Problem*

This study was designed to answer the following questions:

1. What integrated brand marketing techniques are effective in forming a brand connection with consumers?

2. What integrated marketing techniques have Nike, Ralph Lauren Polo, and Tommy Hilfiger used to build strong brands that are successful in the marketplace?

IV. *Procedures*

1. Key words such words as brand identity, brand management, integrated marketing communication, apparel, Nike, Ralph Lauren, Polo, and Tommy Hilfiger were used to search the *Bibliographical Retrieval System* in Rowan University's *Campbell Library* to find related dissertations. A manual search was then done of communication abstracts to identify relevant abstracts using the same key terms.

2. Using the same key words, a computer search was conducted at Atlantic Country Library West and the Campbell Library at Rowan University to find relevant textbooks and periodicals. These libraries also listed information available in other libraries, which one could request through inter-library loan. The database Lexis Nexis Academic was searched for applicable pertinent subject material. The Internet search engine Dogpile was also used to search for scholarly information on the subject.

4. This author designed a Quantitative Research Survey concerning consumers' views of five apparel brands:

- Nike

- Ralph Lauren Polo

- Tommy Hilfiger

- The Gap

- Old Navy

5. This author conducted a pen and paper quantitative survey to a random sampling of 50 Cumberland County College undergraduate students. The data was categorized by age into two age groups, 18-25 and 26+, and was tabulated in percentages.

V. *Limitations*

1. Information from books and periodicals was limited to those published between 1989 and 2002. The three brand studies were owned by United States companies, though they did have international markets.

2. Access to Rubicam and Young case profiles was restricted to limited verbal confirmation with an anonymous company source.

VI. *Terminology*

Brand Associations - refers to the positive feeling that a particular brand gives to the consumer.

Brand Equity - refers to a set of memories in the extended minds of a brand's customers.

Brand Image - refers to the verbal and visual element, associated with the company that leave an impression on the prospective customer.

Brand Quality - refers to the perceived quality of the product in the consumer's mind.

Brand Recognition - refers to the strength of a brand's presence in the consumer's mind.

Brandscapes/Consumerscapes - include the built environments of stores and malls in the

city and suburbs that are designed to envelop the consumer in the brand experience.

Cool-hunters - search out pockets of cutting edge lifestyle and capture them on video as a marketing resource tool.

Corporation- is a body of persons granted a charter legally recognizing them as a separate entity having its owns rights, privileges, and liabilities distinct from those of its members.

Differentiation - measures how distinctive the brand is in the marketplace.

Esteem - measures whether a brand is held in high regard and considered the best in its class, similar to perceived quality.

Hip - refers to the constantly changing style of what is a popular fashion apparel.

Hip-hop - refers to a black culture fashion style.

Integrated Marketing Communication - is a blending of public relations, marketing and advertising to effectively convey the brand.

Kiosk - is a small, freestanding, often-interactive presentation station in a public place, for displaying information on products, events, and locations.

Knowledge - measures the understanding of the function a brand provides, similar to recognition.

Logo - is an identifying statement, picture, or symbol for a corporation.

Marketing - is process of planning and executing conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives.

Relevance - At the center of all brand development is a commitment to putting the customer in connection with the brand identity.

Targeted - refers to a brand campaign does not seek to be all things to all people; rather,

it focuses on a single important idea that can be developed over time and presented in a variety of creative executions and communications techniques.

Street-ballers - refers to a freestyle of basketball played in black culture neighborhoods and which is used in commercials to target the black audience.

Uniqueness - refers to the message a company selects which differentiates it from competitors and sets it apart from the crowd.

CHAPTER 2

Review of Related Literature

The subsequent composite of related literature provides an overview of the

research material available on the subject of building strong brands and information

specific to the integrated brand management of Nike, Ralph Lauren, and Tommy Hilfiger.

The Dictionary of Marketing Terms by Peter D. Bennett provided a reliable guide to

efficiently define the major terms used in the study (9).

I. *Building Strong Brands*

(Awareness, Recognition, Quality, Association, Equity, Architecture)

Strategic Brand Communications Campaigns by Beth E. Barnes is a useful guide

to the marketplace of the 21st century. It discusses how the critical form of customer

communication will be broader than advertising and promotional messages. Customers

have relationships with the brand, combining all the forms of communication that give

meaning to products and services. Brand communication creates an interactive relationship

between the product or service and consumers, which is a major change in the way

advertisers and marketers have traditionally viewed customer communication (10).

Strategic Brand Management by Jean-Noel Kapferer gives a useful insight into the

ability of companies to create relationships with customers through branding. The text

provided a detailed account of the major tenets of brand management: brand awareness,

brand recognition, perceived quality, brand associations, brand equity, and brand

8

architecture (11).

No Logo by Naomi Klein was an insightful reference into the evolution of buying patterns from the 80s to the 90s. She traces the buying habits of baby boomers toward buying brand names in the 80s to rushing to the supermarket in the 90s. Her theoretical reasoning demonstrates that since consumers were not being told there was a difference between brand products and generic supermarket brands, they decided they wouldn't spend more. Klein also explored the Nike and Tommy Hilfiger models of establishing brand identity through themed environments, celebrity endorsers, and event sponsorship (12).

Death of Brands: Advertising's Grave New World by Steve Yahn is an in depth look at the predicted death of traditional brand manufacturers in the 90s. He provides statistics that demonstrate how the drop in brand marketing budgets in the 90s spelled the death of many consumer products companies. His research demonstrated that companies who failed to spend money on brand identity and simply reduced prices suffered reduced profits (13).

The main message of *Building Strong Brands* by David A. Aaker is that your most important asset is not your product or service, but your own unique brand. A company's brand is its golden egg. Therefore, it should be nurtured to grow for all its worth. But how does one determine the value of one's brand? And how can one convince others of this value? Aaker lays out the process necessary to assess and advance a brand's value (14).

In an article titled "Study Shows Branding Pays Off for Stockholders," Aaker's research shows that brand building for 34 major US corporations paid off where it really

counts - for the shareholder. Making use of the Equitrend database created by the Total Research Corp., the researchers examined the extent to which brand equity provides information about firm performance that influences stock prices above and beyond that contained in current-term return on investment (ROI). It was found that stock return is positively related to changes in ROI. It is also found that changes in brand equity matter, too. While not quite as large as the response to ROI, the results depict a strong positive association between brand equity and stock return (15).

Emotion in Advertising by Stuart Agres explores the relationship between emotion and advertising. It included theoretical contributions representing a broad range of approaches and techniques. Some of the key topics explore the measurement of mood, emotion and feeling in an advertising (16).

Culture and Consumption by Grant McCracken takes a new view of the culture of consumption. McCracken examines the interaction of culture and consumer behavior from the anthropologist's point of view. He provides new insights into the way that we view our society and ourselves. McCracken takes the view that we are all beholden to our culture and that it is nearly impossible to break out of it (17).

The System of Objects by Jean Baudrillard proposes that every object reaches us by way of an individual choice. He reasons that for an object to be significant, it must have distinguishing features. Thus, the sole way to personalize apparel is to distinguish itself with a brand identity that forms a link with its target audience. Baudrillard points out that "personalization" is far from being a mere advertising ploy. It is actually a basic ideological concept of a society, which "personalizes" objects and beliefs solely to integrate persons more effectively (18).

Managing in the Corporate Brand by Kevin Lane Keller presents a comprehensive and detailed study of brands and brand equity to date. Keller provides unique insights into the strategies of a host of leading brands and what they are doing right and wrong. He also introduces a model to help anyone interested in building a strong brand or managing a mature or growing brand. The book contains over 75 branding case studies that provide a look into the performance of leading brands such as Coca-Cola, Virgin, the Gap, Ralph Lauren, Nike, and Tommy Hilfiger.

Keller develops a unique model of customer-based brand equity to provide marketers with a means to understand and interpret the potential effects of various brand strategies and tactics and assess the value of any type of brand. Keller shows how the power of a brand lies in the minds of consumers and what they have experienced and learned about the brand over time. The book contains specific tactical guidelines for building, measuring, and managing brand equity, which marketers can follow to begin developing strong, successful brands (19).

II. *Nike Brand Management*

Brand Leadership by Erich Joachimsthaler explores how to build a deeper emotional connection with customers. How did a company like Nike use "Just Do It" to launch its way to success and become part of global culture? How did Starbucks reinvent a familiar 900-year-old product and change the way people drink coffee around the world? Joachimsthaler explains how to apply the principles that made these companies grow and establish their trademarks as leaders in their categories. He offers a practical analysis of why some brands succeed where others fail (20).

Possessions and the Extended Self by Russell W. Belk conveys the significant idea

that brands and products can be portrayed as symbols of a person's lifestyle. Belk, a prominent consumer behavior researcher, details the use of one's self-concept in association with the brand image of a product. Belk demonstrates the proven effectiveness of such theory through specific cases of consumer product companies that have been successful in creating a brand identity with consumers (21).

ServiceScapes, edited by John F. Sherry, Jr. Ph.D., is a valuable reference into the importance of symbols in thematic competition. He explored the role of themed environments to maximize capital retailing. Sherry maintains that themed environments work because they offer consumers a spatial experience that is an entertaining attraction. He highlights the themed environment of Nike Town in successfully portraying the tagline-"Just Do It." In addition, the methodology of how the environment is designed as a "showcase" is extremely insightful in understanding how the symbol and the brand were made one (22).

Emotional Branding by Marc Gobe describes the new paradigm of connecting the brand to people through an emotional connection. Gobe examined how the emotional meaning of a brand needs to evolve from dictated to personal, from impact to contact. He makes a strong point that corporate identity programs in the new economy are more effective if the identity has integrated elements of social sensitivity, cultural relevance, and makes a real connection point with people (23).

Swoosh by J.B. Strasser and Laurie Beckland is the quintessential look at the branding of Nike from top Nike executives who had left the company. The authors trace the branding of Nike back to its co-founders Phil Knight and Bill Bowerman. Bill Bowerman, a college track coach, taught his athletes not only how to win races, but also

how to succeed in life. His inventiveness in athletic shoe design and Knight's business

knowledge of the sneaker industry in Japan were a dynamic combination. Brand

awareness, recognition, perception, and association were created with the design and

production of personality athlete posters which stressed that "Nike stands for

performance." Bad boy tennis star John McEnroe and longhaired Andre Agassi appeared

in some of the first Nike ads. The authors trace the drop in Nike profits in 1985 and the

company's rescue by signing Michael Jordan and communicating a revolution in fitness,

exercise, and wellness (24).

III. *Tommy Hilfiger Brand Management:*

The End of Fashion by Teri Agins explores the mass marketing of the clothing

business. In particular, it contains an informative section on the branding of both Ralph

Lauren and Tommy Hilfiger. Agins makes a strong case for the idea that without Ralph

Lauren, there would be no Tommy Hilfiger Corporation. He demonstrates how Lauren

introduced the concept of "lifestyle merchandising" in department stores. Then Hilfiger

imitated Lauren's business model to perfection. For both Lauren and Hilfiger, Old Glory

has been the most effective branding tool and a blatant symbol of their redefinition of

fashion the American way (25).

An article in "Apparel Watch" is extremely informative concerning Hilfiger's two

years of careful planning, market research and designing, to try and dominate in the

promotional marketplace, much as it has in the retail arena. The new 2002 catalog was

made available to promotional product distributors and embroiderers on Aug. 10, and

features men's and women's fashions, from polo to denim and dress shirts, as well as

outerwear selections.

So, what was the reason for all the caution when approaching a promotional marketplace launch? "We wanted to make sure we didn't go too fast because the Hilfiger brand is such a well-known label that we could have almost shot ourselves in the foot by trying to approach the market quickly and then not have the inventory available for distributors," explained Bill Monteith, director of corporate sales for the Hilfiger line. Hilfiger planners spent 18 months in design, in development of product, in picking the right SKUs, the color palettes that go with them, looking at the market, and determining what products to add to it that would be most effective in the corporate marketplace.

"We plan on adding product as we go along on an annual basis based on the market's needs," Monteith said. What kind of response does he expect from the corporate world? A pretty solid one, judging by sales made by word-of-mouth over the last year. "We had no salespeople, although we probably did upwards of $4 million our first fiscal year (June 1, 2000 to May 31, 2001) in sales, and I attribute that 100 percent to the success of the Tommy Hilfiger brand at retail and everything that Tommy has done to make his brand the No. 1 brand in the United States today," Monteith said. "It was very important to us to do this the right way for corporate, so what has transpired in the last 90 days is we have put in a 21-person national sales force covering all 50 states that are there to support and service the distributor and embroiderer industries; and that is the only way we will distribute this product." Monteith said that the company has a five-year goal of achieving $75-$100 million in sales in the corporate category (26).

IV. *Ralph Lauren Brand Management*

Genuine Authentic by Michael Gross examines the branding of Ralph Lauren through masterful "lifestyle merchandising." Gross conveyed how Lauren's "real" clothes and home furnishings had an aura of heritage that makes them seem superior to mere fashion. He has transformed an oxymoron - "faux authenticity" - into a great selling tool and balanced mass commercialism at the same time. Gross details the themed environment of Lauren's signature store in the Rhinelander Mansion at the corner of Madison Avenue in New York City. The mansion was the perfect venue to portray the brand association with the heritage of American affluence and sophistication. From signature ties at Bloomingdale's to designer style suits for men, Lauren's clothes have been all about image - his image. Thus, his homes, apartments, photo layouts have all been designed to make him a fashion celebrity and cement Polo's brand identity (27).

V. *Internet Sources of Integrated Brand Marketing Analysis*

The following Internet articles provided scholarly information on the integrated brand marketing strategies of Nike, Ralph Lauren Polo, and Tommy Hilfiger:

- "Chaps Ralph Lauren." Pinpoint Case Studies provides an analysis of how the Chaps advertising campaign was integrated into the consumerscape environment (28).

- "Nike History" by Scott Roth gives an overview of Nike's development history (29).

- "A New Model of Branding" by Michael Serwetz analyzes the normal life cycle of a brand. Serwetz's research forms the basis for summarizing and making predictions as to the normal life cycle of a brand. If we look, then, at what is

happening to the brands, versus the relative success of those firms that are a private brand, or are creating their own, what does this tell us? That national and designer "legitimate" brands are becoming over distributed with great rapidity; thus, their fashion image "tips" downward. They are becoming over distributed because, to build volume, they have to force massive distribution into their only outlets, the traditional department stores, thus creating huge inventories that can be seen and seen again in at least three places in the average mall. And, once inventories start to back up, manufacturers have to sell into the mass market in some form. It is also true that people do not have to go to traditional department stores to find "branded,' quality merchandise. They can go with confidence to a Kohls, Target or Wal-Mart to whom most of the major brands will not sell.

- Serwetz points to the nature of the pattern of distribution and the retail strength of the chains, which are growing quickly while department stores and traditional outlets are consolidating; this creates an inevitable path of distribution for any brand that reaches a certain volume level. It is impossible to grow beyond a certain point without widening distribution to the point that a) "fashionability" among those respected for their fashion leadership declines, and b) the amount of merchandise available far exceeds the demand at regular (high) price points. So, why wait until you are in a position to have to sell down? Over and above the ramifications for your market and fashion image, it is murder on the bottom line. Why not sell down as part of a marketing plan for the brand's life cycle (30)?

- "Just Do It" is a chronological analysis of the successful advertising campaigns developed by Dan Wieden for Nike (31).

- "Brand Management" from the Business Advisory, discusses how Nike connects with people's desire to be something bigger than themselves (32).

- "Mini-Study Nike" from the Center For Applied Research discusses how Nike has cemented their brand image with celebrity endorsers such as Michael Jordan and innovative commercial spots (33).

- "Best of Show: Nike's Freestyle" by Bob Garfield discusses the rebirth of Nike in the late 90s with spots such as the Tiger Woods "Hackey Sack" commercial and "The Freestyle" hip-hop spot (34).

- "Nike's 2003 Annual Report" provides a profile of Nike's model of brand management including sponsorships, strategies, and performance data (35).

- "Giddying Up and Getting It Up: Gender and Desire" discusses how Ralph Lauren targeted his 70's advertisements for its men's clothing to women as potential purchasers for the men in their lives (36).

- "Corporate Illusions" analyzes the commercial advertising campaign that launched Ralph Lauren's new scent in 2002 (37).

- "Case Studies Polo: "Extending Brand Equity Into A New Product Line" analyzes Ralph Lauren's extended brand product line with the launch of a men's underwear line in partnership with Sara Lee Corporation (38).

- "Ralph Lauren" analyzes how the Ralph Lauren Lifestyle Paint Collection uses translucent finishes and tools to capture the essence of time-softened wallpaper (39).

- "Ralph Lauren: Feel Good Marketing" by Connette Gayle analyzes the efforts of Ralph Lauren Polo to increase its brand equity with "Feel Good Marketing" and

their non-profit G.I.V.E. campaign (40).

- "Ralph Lauren Launches Polo.com" discusses the launch of Polo.com to offer access to Ralph Lauren lifestyle products (41).

- "Polo Ralph Lauren Standardizes on the Informatica Data Integration Platform" analyzes how Polo is simplifying its merchandising processes with a data integrated program called Informatica (42).

- "Ralph Lauren and His Polo Empire" provides a scholarly reference of the annual ranking of Women's Wear Daily's 100 most recognizable brand names (43).

- "Polo Ralph Lauren Brand Table" provides a profile of the Ralph Lauren model of brand management, including strategies and performance data (44).

- "Brand Cool" by Peter Belmonte analyzes how Tommy Hilfiger advertising has targeted multiculturism (45).

- "Why Generation Y?" by Keith Allan Deutsch provides a scholarly reference from Teenage Research Unlimited on the teen market (46).

- "Tommy Hilfiger Case Study - Touch Screen Kiosk" by Taylor Insights provides a scholarly reference from Teenage Research Unlimited on the teen market (47).

- "Rogers-Innovations Diffusion Model" provides useful information on the role of the Late Majority in consumer behavior (48).

CHAPTER 3

Procedures

A search of the <u>Dissertation Abstracts International</u> for the period of January 1990 to Sept. 2003 revealed no studies done on the effects of integrated brand marketing on the apparel industry, including Nike, Ralph Lauren, and Tommy Hilfiger.

Relevant periodicals were narrowed to general and business. Databases explored included, Lexis Nexis Academic, the *Reader's Guide To Periodical Literature, the Library of Congress, Academic Abstracts, and the Social Science Index.* Periodicals in the category of business included: *PR Journal, Journal of Marketing News, Sales and Marketing Management, Public Relations Quarterly, Advertising Age, and Business Week.*

The author did an extensive interlibrary search to locate 16 applicable textual sources to support the purpose of this study. In addition, an Internet search produced 31 valuable resources concerning Nike, Ralph Lauren, and Tommy Hilfiger.

In addition, through a phone call to Young & Rubicam, a national advertising research firm, a researcher, who wished to remain anonymous, confirmed the results of Y & R's branding surveys of Nike, Ralph Lauren, and Tommy Hilfiger.

After compiling the list of secondary sources, the process of researching each source took place. This involved doing an overall assessment of the range of topics in each source and narrowing the review to specifically related subject areas that would support the subcategories of the study. This process included taking pertinent notes via

index cards on each subject and cataloging these cards by subcategory.

The research information was categorized to support the following subordinate topics:

- Brand awareness

- Brand recognition

- Perceived brand quality

- Brand associations/personality

- Brand equity

- Brand architecture

- Nike, Ralph Lauren Polo, and Tommy Hilfiger:

    a. Integrated Marketing Campaigns

    b. Integrated Brand Management

The categorized research information was used for two purposes: (1) As an overall criteria to explore the building of a strong brand identity. (2) As specific data to demonstrate how these techniques were effectively used in an integrated marketing brand strategy by Nike, Ralph Lauren, and Tommy Hilfiger to make their companies into cultural icons.

A quantitative survey (Chart A) was conducted on a random sampling of 50 Cumberland County College undergraduate students. A pretest was given to a small sample of the population to determine if the questionnaire was correctly drawn and the questionnaire was then revised to improve clarity where necessary. The random sampling included 50 students from two age groups, 18-25 and 26+. The researcher administered the survey displayed in Chart A of the appendix to the participants in the sample.

Respondents answered privately with pen and paper about their buying habits of such brands as Nike, Ralph Lauren Polo, Tommy Hilfiger, as well as The Gap and Old Navy. The quantitative responses for each question were tabulated in percentages and entered into Charts C, D, E, and F for each respective age group. More in depth information was gathered through qualitative questioning of two groups, one consisting of 10 students from the 18 - 25 age group and the other of 10 students from the 26+ age group. Discussion group guidelines are displayed in Chart B of the appendix. Qualitative conclusions were drawn and tabulated in percentages for both age groups. General conclusions were then related to providing a model of Integrated Marketing Communication techniques for effective brand management in the 21st century marketplace.

CHAPTER 4

Building Strong Brand Identity

I. *Main Tenets of Brand Identity Management*

Brand identity is a unique set of brand associations that the brand strategist aspires

to create or maintain. These associations represent what the brand stands for and imply a

promise to customers from the organization members. Brand identity should help

establish a relationship between the brand and the customer by generating a value

proposition (brand equity) involving functional, emotional, or self-expressive benefits

(49). The management of brand equity involves investment to create and enhance the

following set of assets:

1. Brand name awareness

2. Brand quality

3. Brand associations

Brand awareness refers to the strength of a brand's presence in the consumer's

mind. If consumers' minds were full of mental billboards, each one depicting a single

brand, then a brand's awareness would be reflected in the size of its billboards. Awareness

is measured according to different ways in which consumers remember a brand. For

example: Have you been exposed to this brand before? Is this the first brand recalled? Is

it the only brand recalled? A brand is said to have recall if it comes to consumers' minds

when its product class is mentioned. Whether the customer recalls your brand can be the

deciding factor in whether it gets on their shopping list (50).

Brand recognition reflects familiarity that has been gained from past exposure. Recognition does not necessarily involve remembering where the brand was encountered before, why it differs from other brands, or even what the brands' product class is. It is simply remembering that there was a past exposure to the brand. Research in psychology has shown that recognition alone can result in more positive feelings toward nearly anything and give the familiar brand an edge with the consumer.

Economists tell us that consumer attraction for the familiar brand is not just an instinctive response. When consumers see a brand and remember that they have seen if before, they realize that the company is spending money to support the brand. Since it is generally believed that companies will not spend money on bad products, consumers take their recognition as a "signal" that the brand is good (51).

The most visible and common basis for a brand value is a functional benefit that the product provides to the customer. Examples are as follows:

- Nike provides state of the art sneakers for athletes to achieve their potential.
- Ralph Lauren provides upscale lifestyle fashions.
- Tommy Hilfiger provides fashions linked to the street culture.

If a brand can dominate a key functional benefit, it can dominate a category. The challenge is to select functional benefits that will "ring the bell" with customers and that will support a strong position relative to its competitors (52).

II. *Symbolic Aesthetic Process of Brand Identity*

When the purchase or use of a particular brand gives the customer a positive feeling, then that brand is providing an emotional benefit. Thus, the customer can feel any

23

of the following:

- Affluent and important when wearing Ralph Lauren

- Hip as a rock star or athlete when wearing Tommy Hilfiger

- Cool as the celebrity endorser of a Nike product

To discover what emotional benefits are or could be associated with a brand, the focus of research needs to be on feelings. How do customers feel when they are buying or using the brand? What feelings are felt by the achievement of a functional benefit? A study by Stuart Agres supports the idea that the strongest brand identities have both functional and emotional benefits. His study of 121 commercials demonstrated a higher effective score for those with both a functional and emotional link to the viewer (53).

Russell Belk, a prominent consumer behavior researcher, wrote: "That we are what we have is perhaps the most basic and powerful fact of consumer behavior." What Belk meant was that brands and products can become symbols of a person's self-concept. Thus, a brand can provide a self-expressive benefit by providing a way for a person to communicate his or her self-image. Of course, each person has multiple roles. For example, a person may define himself or herself as any of the following:

1. Emulating sophisticated and upscale with Ralph Lauren

2. Looking for the hip-hop culture in Tommy Hilfiger

3. Striving to be all that you can be like Michael Jordan or Tiger Woods by wearing Nike (54).

The PIMS data base that measures more than one hundred variables for over 3,000 business units has shown that perceived quality is the single most important contributor to a company's return on investment (ROI). Perceived quality contributes to profitability by

enhancing prices and market share. In addition, a study of 33 publicly traded firms by EquiTrend, including Nike, Ralph Lauren, and Tommy Hilfiger, showed that perceived quality had an impact on stock return, the ultimate financial measure (55).

Grant McCracken, a consumer anthropologist, notes that a brand's personality is part of its cultural meaning. He argues that consumers look for products and brands whose cultural meaning correspond to the person they are or want or want to become. In other words, they use these brand meanings to construct and sustain their social self. The purchase and use of a branded product provides a vehicle for expressing a personality and lifestyle (56).

A study done by Kevin Keller has suggested that a brand personality can transform the use experience. Respondents were asked to imagine themselves either taking a break on a mountain after a daytime hike or relaxing at a small evening barbecue with close friends. During the scene, the beer served was either Coors or Lowenbrau. Coors created a feeling of warmth in the mountain setting, but not in the barbecue setting. For Lowenbrau, the reverse was true (57).

Brand association can be enhanced through developing a personality through symbols that can be memorable and powerful in creating a familiar visual imagery with the customer. A logo by itself is not necessarily a communication hook, but it can act as a symbol of what a company represents (or hopes to represent) and the resulting consumer perceptions. A logo without a "heart" is like a person without "heart": cold, uninteresting, a robot.

Like a person, a brand can be perceived as being upscale, impressive, active, or youthful. Symbols are more meaningful if they involve a metaphor with the symbol

characteristic representing a function, emotional, or self-expressive benefit. For example, the Prudential rock is a metaphor for strength, Allstate's "Good Hands" logo for caring service, and Michael Jordan's leaping ability for the performance of a Nike. Each strong visual image captures much of its respective brand's identity. Such strong symbolic imagery provides cohesions to the personality of the brand and makes it much easier to gain recognition and recall with customers (58).

The presence of a brand can serve to define a person with respect to others, and when social identity is involved, what is expressed can be very important to the individual. Belk suggests that objects can go beyond representing oneself to actually become a part of the self. He argues that brands which become a part of one's extended self: (1) are central to one's identity, (2) have a deep emotional attachment to the self, and (3) are somehow "controlled" by the individual (59).

III. *Brand Equity*

Young & Rubicam, a major global advertising agency, has measured brand equity for 450 global brands and more than 8,000 brands in twenty-four countries. Brands were examined using a thirty-two-item questionnaire that included four sets of measures:

1. Differentiation - as a measure of how distinctive the brand is in the marketplace.

2. Relevance - as a measure of whether a brand has personal relevance for the customer. Is it meaningful to him or her?

3. Esteem – as a measure of whether a brand is held in high regard and considered the best in its class, similar to perceived quality.

4. Knowledge – as a measure of understanding as to what function a brand provides. Differentiation multiplied by relevance = brand strength. The logic is that a brand

must have both characteristics to be strong. Similarly, esteem/perceived quality multiplied by knowledge = brand stature. Unlike awareness, knowledge is not simply built by exposures. It is generated by a real customer intimacy with the brand. Knowledge indicates that the customer is aware of the brand and has a true understanding of the brand (60).

IV. *Brand Architecture*

Brand architecture is the organized structure of the brand portfolio that specifies the brand roles and the relationships. The brand portfolio includes all the brands and sub-brands attached to product-market offerings, including co-brands with other firms. Should one or more brands be added? Such additions or deletions should always be made or approved by a person or group with a portfolio perspective.

A strategic brand is one that represents a meaningful future level of sales and profits. It may be a currently dominant brand that is projected to maintain or grow its position, or a small brand that is projected to become a major one. For the American Automobile Association, AAA Financial Services is a strategic brand because the future of the organization is to move beyond roadside services.

A linchpin brand is the leverage point of a major business area or of a future vision of the firm by providing a basis for customer loyalty. Hilton Rewards is a linchpin brand for Hilton Hotels because it represents the future ability to control a critical segment in the hotel industry.

A silver bullet is a brand or sub-brand that positively influences the image of another brand. It can be a powerful force in creating, changing, or maintaining a brand image. Some examples of silver bullets include the following:

1. Ralph Lauren's upscale men's suits "Purple" line

2. Nike's upscale "Air Jordan" line of sneakers

3. Tommy Hilfiger's upscale "P. Diddy" line of hip-hop formal and leisure wear (61).

According to Baudrillard, the effective determination of what is real at any given time creates a hyper-real cultural context in which our senses of space and time are largely defined by the mass media. The explosive growth of the information industries has created a culture that symbolically fascinates the populace with branding. The contemporary mediascape seduces the populace by merging ideological symbols into a network of brands that satisfy people's desire.

Thus, because consumers are bombarded every day by more and more marketing messages, the challenge is to establish recall and recognition. Firms like Nike, Ralph Lauren's Polo, and Tommy Hilfiger have become skilled at operating outside the normal media channels by using celebrity sponsorships, publicity, and flagship stores in creating brand awareness. This author will explore the evolution of the branding of these three companies in the subsequent sections of this research project (62).

V. *Brand Management of Nike*

The brand management of Nike goes back to when shoe man, Phil Knight, met the ad man, Dan Wieden. Phil Knight took a risk on the inexperienced advertising man and allowed him to create a brand, and an image, that would change the face of advertising. It all began with Nike's trademark "Swoosh," that was designed in 1971 for $35 by Carolyn Davidson, a Portland State University art student.

Wieden built Nike's consistent look and feel analogous to the wings of Victory,

the talria (winged sandal) of Hermes (63). Wieden and Nike's design shop, accounts for 98 percent of every creative thing that could possibly be done internally, from hang tags to packaging to annual reports. Today, Nike has about 350 designers working for it, more than any company in the country, to make sure its keeps close watch over the "visual expression of the brand."

A great brand invents or reinvents an entire category and Phil Knight is the consummate protagonist for sports and the athlete. That's why Nike transcends simply building shoes or making apparel. As the protagonist for sports, Nike has an informed opinion on where sports is going, how athletes think, how we think about athletes, and how we each think about ourselves as we aim for a new personal best. Nike connects with people's desire to be part of something bigger than themselves (64).

What strategy has a company such as Nike used to be relevant and "cool" after the 80s death of brand buying by boomers? Nike's "branding" model helped the company emerge from the 80's recession with profits 900 percent higher than when it began. Nike went from a $750 million company to a $4 billion one (65). The corporate mythology of Nike's success was built by a bunch of jocks that loved sports and were devoted to the worship of superior athletes. Nike's success is based on two guiding principles:

1. Turn a select group of athletes into Hollywood-style superstars who are associated not with their teams, but instead with pure ideas about athleticism that embody the Greco-Roman idea of the perfect male form.

2. Maximize resources on research and advertising by outsourcing production to Third World countries (66).

Between 1988 and 1998, Nike was able to increase its share of the domestic sport-

shoe business from 18 percent to 43 percent through effective brand management. Nike spent $300 million on overseas advertising alone. Most of it was centered on the "Just Do It" campaign. The success of the campaign is much more remarkable when one considers that an estimated 80 percent of the sneakers sold in the U.S. are never used for activities for which they have been designed. The reality is that most people buy the look and the image of athletic excellence associated with their athlete sponsors, but not necessarily the idea of exercising.

Nike's marketing tactics in the 80s gambled on the idea that the public would accept sneakers as fashion statements. It later cashed in on the jogging/fitness craze and expanded the campaign to attract female and teenage consumers in addition to the 18 - 40 year-old male consumer. Nike's ads were focused on the person wearing the product and its identification with athletic hero worship, determination, and passion. Nike was in a word 'cool.' By focusing on the aura and image conveyed by the fitness and sports culture, Nike has been able to attract those who wanted the image without necessarily incurring the pain (67).

A idea began to dawn on many in the manufacturing sector and entertainment industries that maybe sales were slumping not because consumers were "brand-blind," but because these companies had their eyes fixed on the wrong demographic prize. Thus, a new industry of "cool hunters" was founded between 1994 and 1996, just in time to present themselves as the brands' personal cool shoppers. Nike was the first to successfully send out "cool hunters" to search out pockets of cutting edge lifestyle, and capture them on videotape. Unlike the market researchers who use focus groups and one-way glass to watch kids as if they were overgrown lab rats, "cool hunters" are "one of

them"--they are in with the in crowd. The information accumulated by these "cool hunters" has been integral in the development of Nike's designs and styles (68)

In 1985, Wieden introduced Nike's first television commercial titled "Shoelaces," which focused on the ability that the Nike shoe had to reflect the individual's personality. The first innovated commercial was aired in 1987 and was called "Revolution." Set to the original Beatles song, the fast-cut commercial featured black-and-white clips of average Americans and Nike athletes. It carried one message: Nike Air was a radical departure from previous sneakers. In 1988, Dan Wieden coined the phrase "Just Do It," which would amount to what most people consider the most definitive and effective tagline in advertising history.

The "Just Do It" campaign was strategically focused on the person wearing the product, not on the product itself, and captured the corporate philosophy of "grit, determination and passion," colored with a little humor. The "Just Do It' campaign was able to turn painful exercise into something sexy and exciting when you were wearing Nikes. Most importantly, even those who were not actually exercising in Nikes, which was the vast majority, still wanted to own them. By focusing on the aura and image conveyed by the fitness culture, Nike was able to attract those who wanted the image without incurring the pain (69).

During the period from 1989 through the present, Nike has cemented their brand image with the endorsement of several prominent athletes. Magnetic commercials were designed to highlight the image of Nike's most successful endorser, Michael Jordan. Wieden and Kennedy created the character of Mars Blackmon, played by director Spike Lee, to star opposite Michael Jordan. This commercial coined the phrase, "Its gotta be

the shoes." Subsequent spots innovatively magnetized viewers with the imagery of Michael Jordan flying to the basket in his "Air Jordan" sneakers. In 1990, baseball and football phenomenon Bo Jackson was used to promote Nike's New cross-trainer shoes with the "Bo Knows" campaign. Wieden and Kennedy creatively enlisted guest stars like Bo Didley and George Forman to add humor to the commercial. The Bo Jackson ad had Jackson working out at several different activities, joking while on a bike saying, "Now when is that Tour de France thing?" Then after slam dunking a basketball, he contemplates "Air Bo." Though the ads were criticized as "impatient-bordering-on-contemptuous exhortation to the masses," sales skyrocketed (70).

In the late 90s, Nike was reborn with the two factors: 1. the second coming of an athlete with Jordan's magnetic athletic talent in Tiger Woods. 2. the emergence of the "hip-hop" culture. Tiger Woods playing "Hackey Sack" with a pitching wedge and golf ball was created from out-takes of filming a more traditional spot. The Woods commercials have been unique and yet consistent in maintaining the Tiger and Nike image of absolute excellence in athleticism. The "Freestyle" montage of NBA players playing so-called street-ballers was dynamic in connecting with the black hip-hop culture of "cool" (71).

"Freestyle" was very much influenced by the "Hackey Sack" concept of getting out of the way and letting what these athletes do be front and center. This empowered viewers with the expression of sporting creativity. In the case of the "Freestyle" spot, it tied into "the freestyle culture" of street ball: "One-upsmanship, when a guy does something to you and you have to come back and top him. It is how black culture communicates. The evidence of the effectiveness of the spot in popular culture is

demonstrated in music videos, knockoff ads, word-of-mouth, and increased sales in both shoes sales and Nike apparel (72).

A great brand must reassure consumers that the brand they have picked is a quality brand. This was effectively portrayed for Nike by celebrity sports figures such as John McEnroe, Michael Jordan, Bo Jackson, and Tiger Woods. If these celebrity athletes used Nikes in their particular athletic endeavor, then certainly the weekend warrior could trust the shoes' durability. Celebrity endorsements also appealed to the consumers' sense of belonging and "hipness," as Nike became a self-fulfilling image prophecy: "If you want to be hip wear Nike: if you are hip, you are probably wearing Nike." Nike successfully immersed their brand into every fabric of the consumer's life. This branding strategy was so successful that Nike eventually didn't even bother to display the word Nike in commercials since the swoosh was so recognizable to consumers (73).

Today's brand management procedures include appeals through television or print advertising and the built environment of suburban and city consumerscapes, including stores and malls. The key economic relation of a consumer society is not simply the exchange of money for goods, but the link between the promotion of desire in the mass media and advertising, and the commercial venues where goods ad services can be purchased. Therefore, store environments are an extension of TV, magazine, and newspaper advertising and responsible for the realization of capital. These venues provide material spaces for the realization of consumer fantasies developed by movies, rock videos, the record industry, and commercial advertising (74).

Recent research of consumer behavior by John F. Sherry, Ph.D., has incorporated these society shifts into the analysis of the new grounds of consumption. Sherry

conducted intercept interviews with fifty consumers and observed hundreds of others in

their encounter with consumerscapes. Interviews ranged from ten minutes to an hour,

from unstructured to structured, and included consumers, store managers, staff, and

marketing managers, as well as "subjective personal introspection" by Sherry. His

research indicates that the view of consumers as passively manipulated by advertising has

been abandoned in favor of a perspective that appreciates the semiotic nature of social life.

Themed environments work not only because they are connected to the universe of

commodities, but because they offer consumers a spatial experience that is an entertaining

attraction (75).

Part of Sherry's study includes an ethnographic examination of Nike Town

Chicago, the second in a series of seven company stores launched to date. This study

explores the interaction of "emplacement" and "brandscaping" by focusing on the

experience that design elicits from consumers. Intercept interviews were employed with

fifty consumers and observation of hundreds of others. In addition, structured interviews

were conducted with the store manager, staff, and marketing manager. Sherry also

practiced "subjective personal introspection" of his own experience at "Nike Town

Chicago" (NTC) (76).

NTC totally envelopes the consumer in an amusement-centered themed

environment consisting of 68,00-square-feet, three selling floors and eighty feet of

frontage on the "Magnificent Mile" in Chicago. Wieden's brand management team paid

attention to everything from door handles and railings to sound effects in tapping into the

consumer's senses. The visual detection of touching handles and railings that are cast in

the shape of the "swoosh," promotes the hands-on philosophy that Nike vision seeks to

instill in consumers. "Emplacement" and "brandscaping" act in tandem to root the consumer's experience in the product, with holographic fashion images encoded into the "brandscape" of the venue. The store comprises eighteen pavilions that display products related to twenty different sports. NTC strategically offers training in merchandising to dealers in an effort to export the essence of Nikeworld (77).

Consumers see their reflection in the central glassworks with the corporate name and logo framed by sculptures that depict the body parts of athletes and a banner that reminds visitors, "There is No Finish Line." To confirm this impression, a state of Michael Jordan identifies him as "The Man," and as a "good guy." The most compelling consumer experience on the ground floor is a large aquarium, which attracts consumers toward the outdoor-gear boutique and a video pond with nine video screens set in the floor. On the second floor, consumers encounter benches built to resemble the air-support technology that has given Nike one of its distinctive competitive advantages. In addition, the half-court basketball court provides a realistic opportunity for customers to field-test footwear. Combined with its soundscape and a multistory photograph of "His Airness" soaring to the net, it encourages the "mystical" participation in the real life world of Michael Jordan. By encouraging consumers to see and feel what benefits the design delivers to them, NTC facilitates a "being-in-the-shoe" experience (78).

On the third floor, is a video theater, built to simulate an open-air structure more like a drive-in than a conventional cinema. Advertising for Nike products plays continuously across the screen, as consumers linger to watch and listen. A rock video format is used to help capture this pulse. As in any museum or gallery, visitors are reminded in text of what they have experienced in person. The Nike Town concept has

been described as a "brand-building, 3-D commercial." However, it is more than an infomercial. Sherry characterizes the mystical merchandising that makes the NTC consumerscape so engaging in the following terms:

- Supernatural design

- Cathedral effect

- Memorabilia, statues, exhibits, banners, brand development (79).

The "carryover" effect of NTC is such that the next time consumers see Nike products in a regular store, they recall this good experience. In the process of global brand management, Nike has opened Nike Towns at the intersection of Rodeo Drive and Wilshire Boulevard in Beverly Hills, Union Square in San Francisco, and 57 Street in Manhattan. International locations include London, Berlin, Tokyo, and Cape Town (80).

Thus, over a period of fifteen years, Nike has successfully integrated a brand management strategy that has made it an international icon and a $4 billion company that continues to post profits for stockholders. A 2002 Nike profile demonstrates the following model of brand management characteristics:

- Major Markets: Basketball, Cross-Training Running, Soccer, Women, and Children's Shoes

- Key Sponsorships: Michael Jordan, Tiger Woods, Mia Hamm, and Brazilian Soccer

- Strategies:

    1. Focus on Domestic and International markets

    2. Regain market share in core Nike categories, running and basketball

    3. Extend Nike's golf reach with set of drivers, wedge, and irons

4. Change shoe designs frequently to stay ahead of competitors

5. Outsource production to Asian Trans-National Corporations to cut cut costs

6. Establish emotional link with the "Freestyle, Secret Tournament"

7. Integrate internal and external advertising with the joy of being active

8. Highlight the winning efforts of key sponsors

9. Expand recognition with youth soccer through nikefootball.com in 12 languages

Performance:

- Global business exceeds $500 million on the strength of brand management

- Right message, best athletes, and superior product

- Americas region met growth and revenue targets despite economic meltdown in Argentina.

- Double-digit growth in the key markets of Germany, France, and U.K.

- European market share leader in athletic footwear and apparel in Europe

- Asia Pacific region grew revenues in footwear and apparel.

Co-Presidents of Nike, Mark Parker and Charlie Denson summed it up best in their annual letter to shareholders saying: "This is our job, stewardship of a brand deeply rooted in the declaration that 'If you have a body, you're an athlete" (81).

VI. *Ralph Lauren Transforms Faux Authenticity With Branding*

The image marketing and branding techniques pioneered by Ralph Lauren's "real" clothes and home furnishings are the gold standard to which other human brands like Tommy Hilfiger aspire. So exactly how did Ralph Lauren, formerly known as Ralphie Lifschitz, capture the imagination and the wallets of people of all ages from every walk of

life? Traditionally, fashion has derived much of its power and allure from being original and exclusive. However, that fashion has been replaced by a new fashion that is about "inclusion," belonging to a lifestyle that feels good, looks good, and above all else, is accessible. Like the American dream, the new fashion has to appear available to all - regardless of the economic reality most people live. Lauren transformed an apparent oxymoron - "faux authenticity" - into a great selling tool that associates Polo and Ralph Lauren's other lines with the common need of citizens to be something other than common (82).

Founded in 1967, Polo Ralph Lauren had sales of $1.7 billion in the fiscal year ending April 1999 - translating into more than $5 billion in retail sales of apparel for men, women, and children, sheets, towels, furniture, cosmetics, china, crystal, and even designer paints to highlight Polo's lifestyle image. Ralph Lauren captured consumers' minds without ever having studied fashion in school or anywhere else. In fact, he didn't even sketch or sew (83). Lauren did not fantasize about becoming a fashion designer; he became a designer to fulfill his fantasy lifestyle of the American upper classes. Lauren began as a designer of neckties with a small showroom in the Empire State Building (84). His wide ties flew off the shelves, as consumers gravitated to their luscious, hand-made Indian, Swiss, and English fabrics. "It wasn't just a tie," said Ralph. "It was a major statement" (85).

Such success in the marketplace enabled Lauren to network a partnership with Beau Brummell, the second largest maker of neckties in America. Although he did not get a share of the profits, Lauren had his own line under his direct supervision in New York and Beau Brummell was merely his vehicle. He wanted to build a brand that was both

sporty and elegant, so he chose the name "Polo" for its snob appeal. "Polo" had an international quality, a sense of Europe and old world elegance. It was everything that Lauren envisioned for the lifestyle image of his brand. Incredibly, he turned down orders from stores like Macy's and Wallach's that he felt were beneath the brand image he wished to build for "Polo." In 1970, Lauren made a deal with Bloomingdale's flagship store, to put all his ties, suits, dress shirts, and raincoats together in his own special little boutique (86).

"The romance is where you buy it," said Lauren. Accordingly, he designed his boutique outpost to feel like a gentlemen's club, with mahogany paneling and brass fixtures. Once enveloped in the Polo lifestyle, shoppers who intended only to pick out a shirt would instead browse around and buy an entire outfit. His rich man's look stirred all kinds of dreams in people for prestige, wealth, and exotic adventure. While Lauren's old money look was more expensive than usual, it was still within reach of those who "lusted" for a piece of the good life - and millions of Americans did (87).

In addition to designing his store boutiques to convey his brand lifestyle image of affluence, Lauren convinced Bloomingdale's of the power of integrated brand marketing management. In blocks of as many as twenty pages in Vanity Fair and the New York Times Magazines, the advertising spreads showcased Polo ties in a seductive style (88). One eye-catching double-page advertisement in the New York Times featured a naked model reclining, strategically draped in Polo's wide ties (89).

Lauren's success with Bloomingdale's opened the door for similar deals with high-end stores such as Neiman Marcus and Saks Fifth Avenue. These stores effectively "gave Ralph paper" for orders of dozens more ties on paper to ensure Polo's creditworthiness

for loans to purchase fabrics for the next year's line (90).

At twenty-nine years old, Lauren ran a profitable division and was highly thought of, but he wasn't about to stop. He reasoned that if you liked his ties, you needed new shirts to go with them, and new suits too. Norman Hilton also envisioned selling a total look, but only wanted someone to design a line. Lauren held out for a 50 percent partnership and bought out Beau Brummell to keep the most significant asset he had, the Polo brand (91). Polo's new shirt was designed to feature their distinctive embroidered Polo player logo. Lauren's philosophy was that the way one makes money is to have basic items, season after season, in a great range of colors. In years to come, the Polo shirt would prove to be the key that would unlock Lauren's brand empire. (92).

Lauren resented that for $50,000, Norman Hilton owned half of Polo and was continuing to profit from Lauren's brand equity. In 1971, Lauren finally paid him $633,000, with $150,000 down and the rest to follow in $100,000 annual payments, plus interest on the outstanding balance for exclusive rights to Polo. Hilton never thought he'd ever get the rest of the money, but Lauren paid the entire amount in full (93).

Polo built its licensing business rapidly adding a line of men's suits, jackets, and trousers, as well as women's and children's apparel. The income from licenses was crucial to create the cast flow to service Polo's production costs. A licensing partnership with Kreisler, a women's wear company, provided Polo with initial access to the women's market. The height of fashion was reached only by dressing women and the Kreisler deal demonstrated that Lauren could hit the women's market. The Kreisler Group was doing $7 million a year in volume when Lauren arrived and tripled that by 1978 (94). In 1980 with the company prospering, Lauren determined that he needed to enhance his affluent

image by purchasing a new apartment on Fifth Avenue, a ten-room duplex facing Central Park. He redecorated the entire duplex and unveiled the new look in Architectural Digest and The New York Times Magazine (95).

In the early 70s, Polo Ralph Lauren's advertisements for men's clothing appeared in women's fashion magazines. Lauren viewed men as objects to be viewed by females. Furthermore, he believed that the market for men's clothes relies considerably on purchases that women make for the men in their lives. Therefore, Lauren directed marketing to design the advertisements to cater to women as potential purchasers for the men in their lives. Thus, in Polo's advertisements, the cowboy is not just a "man's man" but a "woman's man" as well (96).

With Polo's licensees generating about $400 million in annual sales in 1986, Lauren was ready to pull out the stops to make a historic footprint in the world of retailing. In the tradition of America's nineteenth-century department store, Ralph Lauren opened his own retail theme store on the corner of Madison Avenue and Seventy-second Street in the former Rhinelander mansion. He took a long-term lease on the mansion and spent $33 million to create retail's most elegant environment. The investment paid off, not for the profits the store generated, but for the way that it built Lauren's "posh" imagery so completely. Mahogany paneling, elaborate floral arrangements, and vintage paintings of noble gentry on horseback, enveloped visitors with the Polo ambience, as Cole Porter tunes filled the air (97).

The reception room, known as the Reading Room, was designed as a library in an English country estate with a majestic staircase, soft sofas, and leather wing chairs. Just like Polo's in-store displays, the Reading Room made for that all-important first

impression, which is the essence of Ralph Lauren. The man, the merchandise, and the

brand are one seamless unit of integrated brand marketing management (98).

Under Lauren's direction, the Polo machine was never careless with the

merchandise that bore his label. He retained control over design approval, including the

advertising. Ralph Lauren achieved a creative process that was more verbal than visual.

He liked to recite his concepts to his design team, who would return to him with

prototypes, sketches and storyboards (99). Since fragrance was a pure image business

and an inexpensive entry point for shoppers into a world of designer fantasy, it was an

extraordinary marketing tool for Lauren's other products. In addition, it was a source of

big volume and windfall profits. Lauren negotiated a deal with Warner Communications,

which provided Lauren with $6 million in loans and capitalization, 5 percent of the

company, and a 5 percent royalty.

Warner/Lauren Ltd. came up with Polo, the men's fragrance and the women's

fragrance "Lauren." Lauren taught his partner a lesson in brand image with the packaging.

Polo designed expensive bottles that were made of deeply colored glass with ornate bottle

caps, and the packages complimented those colors. Launched in March 1978, the scents

were an immediate success. Warner/Lauren registered $7.5 in sales its first year, $28

million in its second (when it expanded into broader distribution with Chaps, a lower-

priced drugstore-brand fragrance) and $75 million in 1980 (100). Advertising became

integral to Polo in large part thanks to Warner/Lauren. The launch of the fragrances was

accompanied by Lauren's first national print ads and two television commercials, paid for

by Warner. Those ads were a testament to Lauren's belief that "style outlives fashion."

Images featuring a polo match from Polo's first national print ads are still in use today

(101).

The exposure of the fragrance commercials provided an avenue for Lauren into the denim business. In 1992, Polo signed a license for the Polo Jeans Company with Sun Apparel which had its own manufacturing and denim washing facilities, so it could produce low-cost jeans. It built a company according to Lauren's tight specifications, one that would not only make jeans, but advertise them and sell them in stores. Polo Jeans Company was launched with a $20 million ad campaign. It generated over $100 million in wholesale volume its first year. By 1997, Polo Jeans sales had hit $198 million and were projected to reach $350 million in two years. The fashion culture had changed, and Polo had changed with it. Collection brands had become inconsequential, except insofar as they created a perception of quality that drove sales of lower-priced, higher-volume sub-brands. By keeping a promise that Lauren made to the Wall Street Journal in 1994 to court people who "can't afford Ralph Lauren," retail sales of Polo/Ralph Lauren goods were nearly $5 billion by 1996 (102).

L'Oreal launched a new scent under the Ralph Lauren brand in March 2002. The image of the scent and the event was to be one of class, sophistication, and glamour. The event venue was the Asian Civilization Museum, in Singapore. Magic was used to create and execute a high impact visual presentation that would bring out the feel of the perfume and thoroughly entertain the audience at the same time. "The Complete Magic Production House" conceptualized the original eight-minute storyboard for the illusion presentation and customized the illusionary effects, choreography, costuming, and music. The concept of the presentation was effective due to its simplicity. Like a modern day Cinderella, a girl was given a magical makeover in preparation for a fancy gala dinner. The preparations

were finalized when a bottle of the new fragrance was magically produced and given to her. Some of the customized illusion effects included:

- "Ralph Lauren Premiers New Scent Tonight! " lit up the sky.

- A girl's photograph was elegantly framed in gold and black.

- A diamond studded choker magically appeared from a flash of fire.

- The transformation of a bottle of wine into a new fragrance was magnetizing.

- The vertical levitation of the girl holding the bottle of new fragrance captured the the audience's attention.

- A gourmet spread of food and drink brought a memorable end to an enchanting evening (103).

Polo Ralph Lauren has further extended its brand equity into a new product line with Sara Lee Corporation, with the launch of a nationwide men's underwear program. Implementing its core belief of "strategy first, then design," Lauren considered how to make these related, but different brands stand out in a highly saturated retail arena. He concluded that simplicity of recognition and usage were key to maintain the brand's upscale image. After determining the optimum box package dimensions to suit all products, Polo developed color-coding that works for the retailer and the consumer: Polo Sport, a high-key white box; Polo Ralph Lauren, a saturated rich indigo blue. From select product groupings with one retailer, the program has expanded and rolled out to multiple retailers nationwide (104).

Ralph Lauren Lifestyle Paints collection represents a bold new concept of color for the home. It translates Ralph Lauren fashion and home collections to paint with translucent finishes that capture the essence of time-softened wallpaper. Soft textured

paints in faded colors also simulate the image of Americana. Specially designed rollers and brushers can be used to implement techniques that capture the look of fabric in paint. Ralph Lauren interior latex paints are exclusively engineered to capture these bold new finishes (105).

Ralph Lauren Polo has also attempted to increase its brand equity with "Feel Good Marketing." Polo has replaced the traditional fashion models this fall with something different. It recently launched a case marketing campaign that promotes volunteerism among youth through the Polo jeans line, and utilizes volunteer role models instead of professional supermodels. Lauren has attempted to make volunteerism sexy by using their budget, brand image, and marketing expertise to create awareness.

The models for the G.I.V.E. campaign are actual nonprofit leaders and all modeling fees are donated to the model's cause. Some of the nonprofits participating include Teach For America, Gilda's Club Worldwide, and Meals on Wheels. Polo has created a program that encourages its marketing professionals to help nonprofits develop and implement their marketing plans. In addition, Polo created an on-line messenger group so that program participants could contact Polo employees, and each other, for advice at any time of the day. Polo also plans to encourage individual employee volunteers to continue working with nonprofits that interest them so that the relationship extends well beyond the initial meeting. Polo benefits from this program in providing a venue to fill the vacuum between the corporate world and the community (106).

In November 2000, Ralph Lauren Media announced the launch of Polo.com to offer access to American Ralph Lauren lifestyle retail products. Ralph Lauren media was formed to develop Polo-branded media properties in book publishing, television

production, feature films and online.

> "Bringing the Polo sensibility to the Internet is the next logical step in our evolution," said Ralph Lauren. "Polo has always been about creating worlds and inviting customers to be part of our dream. We were the first to create multi-age ads that tell a story. We were the first to create stores that enable customers to interact with that lifestyle. Now, we're creating... a website that allows people to more fully interact and participate in the dreams and the worlds we've created."

Woven into Polo.com's shopping experience is editorial content and special service-oriented features. Users find stories and imagery by well-known and emerging writers, illustrators and photographers. Style guides present Lauren's perspective on tasteful living, Polo Travel, Polo Radio and Vintage. A person can not only see Ralph Lauren lifestyle in advertisements, they can buy the outfit, read and interview with the model who's wearing it, watch a video about how to style it, and even put an entire ensemble together. Polo.com literally allows its customers to jump into and interact with the world of Ralph Lauren (107).

Polo is growing internationally by entering new markets and working to simplify merchandising processes. By using the "Informatica" data integration program, Polo can meet Informatica Power Center consolidates data from the company's seven operating branches to one operational data store (ODS). The ODS feeds the Intranet, as well as a distributed network of departmental data marts through a Web portal. This system has resulted in the following benefits:

- Faster time to market with more targeted products

- Improved productivity and cost savings

- More focused merchandising efforts (108).

Thus, over a period of thirty-three years, Ralph Lauren Polo's profile has demonstrated the following model of brand management:

- He turned a $50,000 loan and a knack for neckties into a multibillion dollar fashion empire.

- Polo was ranked the number one designer brand, according to Women's wear Daily's annual ranking of the 100 most recognizable brand names (109).

- Lauren has successfully sold the image of English landed gentry in a men's and women's collection that includes:

Men's	Women's
1. Purple Label	Ralph Lauren Collection
2. Polo by Ralph Lauren	Ralph Lauren Black Label
3. Polo Sport	Ralph Lauren Sport
4. RLX	RLX
5. Polo Golf	Polo Golf

- Lauren retains complete control of the theme, style, color, and fabric of his products.

- Price range is set within the premium ready-to-wear apparel market for all lines except the Purple and Black Label Collections.

- Brand emphasis focuses on technical features and functions in its sport lines.

- Ralph Lauren Polo seeks to establish approximately 5,000 high-end department stores and specialty stores, in the U.S. and abroad (110).

- Lauren pocketed half a billion dollars in initial public offering.

- Higher margin products have boosted wholesale operating profits 270-basis points since 1997.

- Full-price stores have generated revenue, test products, and reinforce the brand.

- European goal is to triple business to $1 billion, in five years, to increase market share.

- European licensing rights to Polo brand have been bought back for $230 million.

- Expansion goal is to grow from four wholly owned stores to dozens.

- Retail sales account for 43 percent of retail sales

- Licensing segments account for 63.4 percent of revenue growth.

- Licensing partner contributes the majority of product development cost and operational infrastructure to support inventory.

- Accessories revenues offer longer shelf life and better profit margins than apparel (111).

The idea that a lifestyle fantasy could become reality through the medium of fashion was the foundation upon which Ralph Lauren built a brand and an empire (112).

VII. *Tommy Hilfiger Clones the Polo Ralph Lauren Brand Model*

Without Ralph Lauren, there would be no Tommy Hilfiger Corporation. For all intents and purposes, Tommy Hilfiger imitated Lauren's business model to perfection, having hired a number of Polo executives and alumni to help pull of his "coup." Hilfiger was a quick study and an innovator. Ralph Lauren and Tommy Hilfiger are living proof that the end of fashion was already here. Both men captured the "hearts and minds" - and the money - of millions of consumers by being "out" of fashion. They were designers

without portfolios; they didn't sketch; they hardly designed. Rather, they developed a brand image and stayed grounded in the classics: khakis, blazers, shirts, and sweaters which they recycled every season in new colors and fabrics, adding a little new detail here and there. They were the "haute couturiers" of integrated brand marketing management (113).

So how did Tommy Hilfiger pull off cloning the Ralph Lauren brand model? Hilfiger was a toothy, mop-topped high school senior in 1969 when he scraped together $450 and opened "People's Place," the only boutique in Elmira, NY specializing in bell-bottomed jeans. Three years later, he moved to Manhattan, where he landed a freelance assignment designing Jordache jeans. Mohan Murjani, head of Murjani International, maker of the hot-selling Gloria Vanderbilt jeans and Coca-Cola sportswear, launched Hilfiger as a men's wear designer in 1985. Murjani viewed the squeaky-clean Hilfiger as the ideal marketing vehicle to introduce what was essentially Polo at popular prices. Hilfiger referred to his style as "preppy classics with a twist." Murjani's line debuted with the following merchandise:

- $40 "public" pant in khaki ("made to fit the public")
- $25 "Harvard" button-down shirts.
- $30 "Newport" polo knit shirt

Hilfiger's answer to Polo's embroidered polo pony insignia was a Bavarian crest. Murjani made Hilfiger the centerpiece of a controversial campaign created by the famous adman George Lois. In the summer of 1985, a huge billboard high above Times Square telegraphed: "The Four Great American designers for men are R-L-,P-E-,C-K- and T - H - ." Another print ad boldly declared: "Every decade someone with talent and a

49

sense of the times takes a good look at the great classics and makes them better. That's what Tommy Hilfiger did when he redesigned the button-down shirt, the polo shirt, the sweater, and the classic chino.

There was no denying that Hilfiger's "cart-before-the-horse" approach was catchy and original. Shoppers began asking for that new designer they often called "hil-finger"— because the sportswear looked great and didn't cost much. However, Hilfiger would never live down his public relations leap into fashion's big leagues. As Lauren's most visible facsimile, he was branded with the scarlet letter as fashion's "great pretender." (114).

In reality, Hilfiger was not a "braggart." He looked foolish when he starred in his own ads in the late 1980s. There he was, grinning as he leaned against a vintage convertible above the caption: "Tommy and His T-bird," or sitting on a motorcycle, "Tommy and His Harley." He looked stiff instead of hip. Hilfiger realized his image did not work and had the good sense to quit doing his own commercials.

Starting in the early 90s, adman Michael Toth helped Hilfiger create a more believable persona. He left the modeling to groups of grinning, young models, which captured the feel-good side of the American dream, of Fourth of July picnics and parades. This was not an angle that had been filled in designer imagery. In contrast, Lauren had cornered the Wasp aesthetic while Klein had cornered the market for sex. Therefore, Hilfiger took the middle approach, the Norman Rockwell approach, in which you can aspire to being fun and having fun in your life. Millions of people identified with that lifestyle image. He made in-store appearances his trademark with at least a dozen appearances every year at department stores such as Macy's, Belk's and Dillard's.

Unlike Lauren who believed that consumers bought his product lifestyle, not the designer, Tommy Hilfiger loved pressing the flesh with his customers. At an appearance in Macy's in New York, Hilfiger stood at the end of the runway and ripped off his windbreaker and sunglasses, tossing them to the squealing spectators, just like a rock star. Then he sat at a table signing autographs and posing for pictures for more than an hour. These appearances also enabled him to check out first-hand what the coolest kids in the big city markets were wearing. He interacted with shoppers to learn how he could make his collections more appealing and then he took that information back to his staffers in New York (115).

Who were the business brains behind the "cloning" of Ralph Lauren by Tommy Hilfiger? The house of Hilfiger was built with none other than a number of former executives of Polo Ralph Lauren: Silas Chou, chairman, Joel Horowitz, CEO, and Lawrence Stroll, Vice Chairman. Chou wanted to build his own group of designer brands for Novel Enterprises, a publicly traded apparel manufacturing business founded by his family. He thought Tommy's clothes had a traditional American look, but with a modern 'twist,' as he called it. When Murjani experienced financial difficulties, Chou negotiated a take over of Hilfiger. Having incorporated Tommy Hilfiger Corp. in Hong Kong, Chou and Stroll provided the initial financing, and each took a 35 percent stake, while Hilfiger got 22.5 percent and Horowitz received 7.5 percent (116).

The Hilfiger brand was built around a twenty-five-year plan. Horowitz explained: It's a generational thing...The next generation doesn't want to wear what their parents did and that's how we've planned it. We're the next generation Ralph Lauren, because what better model to follow" (117).

Hilfiger knew the importance of symbols and insignias that would connect with shoppers. Initially, Hilfiger used logos as a clever way to draw attention to his department store displays when he didn't have in-store shops. In the 90s, logos served to align his brand with rap culture and the MTV generation. Hilfiger understood the power of rap culture, a style that the major forces in the fashion industry couldn't or wouldn't relate to easily. It was already established that black consumers followed the white mainstream, but fashion was not at all prepared for black youths to lead white consumers (118).

Hilfiger's "cool hunting" advertising strategy focused on the selling of white youth on their "fetishization" of black style and black youth on their "fetishization" of white wealth. When the designer realized that his clothes were identified with "living large status" sought after by poor and working-class kids, he began to target his clothes toward costly leisure activities, such as skiing, golfing, and boating. At the same time, the clothes were redesigned to appeal to the hip-hop essence with bolder colors, and a baggier style with more hoods, cords, and logos. These new styles have been highlighted by celebrity sponsors, including Puffy Combs and the Rolling Stones (119).

According to the marketing studies, a person's "aspirational age" is 17 years old. It is the age of Perfect Cool that everybody from 42 year-olds to "adultescents" to eight-year-olds aspires to be. If you are thinking integrated brand marketing then think sweet 17. Today's youth market is the most ethnically mingled bunch in history. Teenagers feel empowered by their differences and pride themselves on making friends across blurry racial lines. Hilfiger's ads target that multiculturism with scrubbed black faces lounging with their "wind-swept white brothers in that great country club in the sky."

Is it art imitating life or life imitating art? It is actually what sociologists call

"reflexivity," the tendency of communications to shape society. Thus, in a one step flow, the media show us how we could or should be living. The turning point for Tommy Hilfiger was when his nephew, who worked in the rap music industry, distributed Tommy shirts to some of his rapper friends. Then on a single night in March 1994, the Hilfiger brand skyrocketed when icon Snoop Doggy wore a preppie Tommy sport jersey branded boldly with the Hilfiger logo on Saturday Night Live (120).

Teenage Research Unlimited (TRU) found that the teen market is too big a consumer segment to ignore. TRU research found that there are 31 million teen buyers in America and they now spend a total of $141 billion dollars a year. According to Michael Wood, director of syndicated research at TRU, "This and the fact that teens are at the forefront of starting trends makes them a formidable group of consumers" (121).

Therefore, retailers such as Hilfiger targeted that group with a high tech theme environment presentation. Hilfiger redesigned their "store within a store" locations at Macy's in 1996 with a cutting edge technology idea that was integrated with their marketing program. Hilfiger's information technology director created an interactive kiosk that would attract shoppers to their corner of the Macy's store and enable the target audience to be immersed in the Hilfiger brand. Hilfiger's ad agency coordinated all film digitization efforts with information technology experts. Newspapers and magazines around the country ran stories on the Hilfiger kiosks, which produced a major industry buzz. Word of mouth spread quickly and sales volume at stores with the kiosks increased. As a result of the following advertising strategy, Tommy maximized profits and skyrocketed from a preppy so-so company, to a mega hip hop global status and industry innovator:

- Influenced understanding of whether or not the project could actually be accomplished as conceived of by the client

- Developed multiple equipment and technical vendors proposal

- Designed interface to position the Tommy Hilfiger brand image

The following actions were used to implement the concept:

- Executed a feasibility study with touch screen manufacturers, network vendors and store fixture experts

- Created a cutting edge interface that included interactive visuals, sound and video

- Coordinated all film digitization to accomplish technical implementation with the client's team

- Managed launch of kiosks in over 30 Macy's locations

The following criteria were used to measure success:

- Newspapers and magazines around the country ran stories on the Tommy Hilfiger kiosks producing a major industry buzz.

- Word of mouth among Hilfiger's target audience spread rapidly and their sales volume at stores with the kiosks increased.

- Hilfiger positioned itself as an industry innovator by undertaking such a large scale retail kiosk marketing project (122).

Hilfiger's approach of "full-frontal" branding was applied to everything from cityscapes and music to sports and films. Hilfiger decided that the energy of rock and rap would become his "brand essence." He was looking for an integrated experience that was in tune with his own brand identity. The results were evident in the Rolling Stones' Tommy-sponsored "Bridges to Babylon" tour in 1997. Not only did Hilfiger have a

contract to clothe Mick Jagger, he also had the same arrangement with the Stones'

opening act, Sheryl Crow. On stage, both modeled items from Tommy's newly launched

"Rock 'n Roll Collection."

Tommy reached full-brand culture integration with the January 1999 ad campaign

that launched the Stones "No Security Tour." In the ads, young Tommy models were

pictured in full-page frame "watching" a Rolling Stones concert taking place on the

opposite page. The photographs of the band members were a quarter of the size of those

of the models. In some of the ads, the Stones were nowhere to be found and the Tommy

models alone were seen posing with their own guitars. In all cases, the ads featured a

hybrid logo of the Stones' famous red tongue over Tommy's trademarked red-white-and-

blue flag. The tagline was "Tommy Hilfiger Presents the Rolling Stones No Security

Tour." Most significant was the fact there were no dates or locations for any tour stops,

only the addresses of flagship Tommy stores. In other words, this was not rock

sponsorship, it was "live-action advertising." The act was a background set, powerfully

showcasing the true rock-and-roll essence of the Tommy brand (123).

A significant element in Tommy's full-frontal branding effort was the November

2001 opening of its 36th store in the Soho area of Manhattan. The opening was

advantageously timed, in the aftermath of Sept.11th, to link Hilfiger's Americana brand

lifestyle with the patriotism inspired by the tragedy. The three-story, 11,500 square foot

unit featured the full line of men's and women's sportswear, denim and juniors, as well as

accessories. Of course, there are also vintage items in Hilfiger red, white and blue. Why

Soho? From Hilfiger's perspective, Soho was the best choice because of the age of the

customer. It's more of a youthful customer that exists there and should attract an eclectic,

hip audience.

The store was designed to match the company's showroom and features merchandise that department stores won't buy because it might be too special or too expensive. Tall windows, bright lighting and white walls reflect the youthful, energetic image of the line. Red, white and blue lighting illuminate the staircase centering the store, and stainless steel fixtures display the merchandise. A neon American flat is displayed from the second-floor windows. Classic rock play throughout the ground level and second floor of the store where the men's and women's sportswear is merchandised, while current rock music can be heard in the basement, where jeans and juniors are sold. Furniture includes a small sitting area on the second floor with an Americana-inspired couch and funkier beanbag chairs are in the basement. From the presentation to the visuals, the store has been designed to convey the integrated brand marketing image of the total Americana lifestyle of Hilfiger (124).

Hilfiger scored a major win with the innovative "Earn Your Stripes and Be a Star Contest." Tommy created the "Tommy Hilfiger Stars & Stripes" event that launched on Flag Day, June 14th. The promotion offered Hilfiger shoppers nationwide a top quality full sized American flag for $15 with any purchase of $50 or more. It also offered a star making opportunity by asking entrants to create a 20-50 second video that demonstrates what the American flat meant to them. Each video was recorded on VHS, Beta or digital formats. The first place winners were high school students who took home a check for $25,000 and had their video aired nationally on VH1, November 22, 2001. Once again, Tommy's Americana brand image was cemented in the minds of America's youth (125).

In an attempt to go back to its roots and balance its target market, Hilfiger

launched a nautical-themed sportswear line in August 2002. As a continuation of its integrated marketing approach, the collection hit retailers just before a company sponsored sailboat, the Tommy Hilfiger Freedom America, completed an eight-month-long around the world race. This campaign made a lot of sense for Hilfiger because their Americana brand heritage and design have always been tied to nautical themes. The collection was designed with a high-impact color palette of yellow, red, blue, and orange, and anchored by classic white and navy. Woven Tommy logos were subtly placed on the exterior of the clothing pieces. The integrated marketing effort included satellite feeds of the vessel, live chats, and a contest on its Website, Tommy.com. Brad Van Liew will captain the 50-foot Hilfiger yacht around the glove, while outfitted in state-of-the-art Hilfiger foul weather gear. Van Liew personified Hilfiger's embodiment of the American spirit saying: "Though Tommy and I express our passions through different vehicles--he through his designs, and I through my sailing-- we are inspired by the same ideal: the American dream" (126).

An excellent example of raising Hilfiger's brand equity through association and recognition is Tommy Hilfiger U.S.A., Inc., a wholly-owned subsidiary of Tommy Hilfiger Corporation. Hilfiger U.S.A. acquired sponsorship rights through Clear Channel Entertainment, to plaza stages at 10 of the amphitheaters it owns in major markets around the country. Branded the "Tommy Jeans Stage," the individual location plazas, located outside of the main amphitheater seating areas, featured pre-show performances by emerging musical acts. These performances are promoted via the Tommy Jeans brand name and include the following opportunities for Hilfiger:

- Runway fashion shows

- Branded apparel for performers

- Fragrance samples kiosks

- Video commercials broadcast

- Advertisement placement in concert program books

- Signage at designated areas throughout the venues (127).

Tommy Hilfiger U.S.A., Inc. has also been an avenue for Hilfiger demonstrating a sense of corporate social responsibility through the All-American Golf classic. Net proceeds from the charity golf tournament benefit the Anti-Defamation League and the Martin Luther King, Jr. National Memorial Project Foundation. Tommy Hilfiger expressed his sense of American purpose saying: "At Tommy Hilfiger, we have always believed that it is our duty - as well as our privilege - to share our professional good fortune by giving back to the community. As such, we make it our mission to support a wide variety of organizations that work to make our world a better place in which to live, work, and play" (128).

Thus, the Tommy Hilfiger Corporate profile demonstrates the following model of brand management:

- Top executives from Ralph Lauren provide financing and partnership with Tommy Hilfiger to create Tommy Hilfiger Corporation.

- Integrated marketing communication develops a brand link with the warm feeling of Americana through a color scheme of red, white, and blue.

- Customers press the flesh with an energetic designer who plays to "Generation X."

- Hilfiger undercuts Ralph Lauren's prices to create mass appeal with "Generation X."

- "Cool Hunters" track the best trends in the hip-hop culture.

- Hilfiger sponsors musical performers rock tours with custom designed wardrobe.

- American message of the brand is conveyed in the internal and external advertising scheme.

- Hilfiger brandscapes the consumers' environment with 37 themed store locations.

- Tommy expands to in house men's and women's sportswear, jeans wear, and children's wear lines.

- Strategic licensing agreements offer a broad array of related apparel, accessories, footwear, fragrance and home furnishings.

- Corporate sense of social responsibility is demonstrated through sponsorship of community programs.

VIII. *Survey Procedures and Findings*

A Research Survey was conducted by this author on a random sampling of 50 Cumberland County College undergraduate students. After pre-testing a small sample of the population to determine if the questionnaire was properly drawn, the survey was revised to improve the clarity of the classification terms. The quantitative survey displayed in Chart A was administered by this author to a random sampling of 50 students from each of two age groups, 18-25 and 26+. Percentage results for the quantitative survey are displayed in Charts C, D, E, and F for each respective age group. A qualitative discussion described in Chart B was conducted with one group consisting of 10 students from the 18 - 25 age group and another group of 10 students from the 26+ age group. Qualitative responses were categorized from each discussion group and students were then asked to agree or disagree with the category statements. Qualitative conclusions were tabulated in

percentages and are described in terms of the similarities and contrasts of the two age groups. General conclusions were drawn concerning Integrated Marketing Communication techniques for effective brand management in the 21st century marketplace.

Chart A (Quantitative Survey)

Dear Students:

　　　　Have you ever thought about why you buy a particular brand of clothes? <u>Brand awareness</u> occurs when consumers recognize the unique qualities of a particular brand and choose it over competing brands. Please take a few minutes to express your opinion about what you buy and why you buy it. Results of the survey will be part of a thesis on brand marketing and will be available to you in a few weeks. Thank you for your time.

Prof. Jan Damico-Nee

Please circle the answer that best applies to you.

1. What is your age range?　　18-25　　　　26+

2. Circle the number that best describes your <u>Brand Awareness</u> of the following brands:

　　　1. You are not aware of the brand's image or the distinctive qualities of its products.

　　　3. You are aware of the brand's image, but are not aware of the distinctive qualities
　　　　of its products.

　　　5. You are aware of both the brand's image and the distinctive qualities of its
　　　　products.

- Nike　　　　　　　1　　3　　5
- Ralph Lauren Polo　1　　3　　5
- Tommy Hilfiger　　1　　3'　5
- The Gap　　　　　1　　3　　5
- Old Navy　　　　　1　　3　　5

3. Circle never, occasionally, or repeatedly to describe how many brand items you have purchased for yourself or a loved one in the past six months and all of the factors which influenced your purchase: Image, Quality, and Price.

Nike	never (0) occasionally (1) repeatedly (2+)	Image	Quality	Price
Ralph Lauren Polo	never (0) occasionally (1) repeatedly (2+)	Image	Quality	Price
Tommy Hilfiger	never (0) occasionally (1) repeatedly (2+)	Image	Quality	Price
The Gap	never (0) occasionally (1) repeatedly (2+)	Image	Quality	Price
Old Navy	never (0) occasionally (1) repeatedly (2+)	Image	Quality	Price

Chart B: Guidelines for Qualitative Focus Groups

A qualitative discussion was conducted by the researcher of two groups, each consisting of ten students from each age.   The researcher led each discussion group, allowing approximately 20 minutes for group discussion at which time the researcher polled the group on specific responses that had been gathered in the group discussions.

Explain in detail what it is about the image, style of the product lines, quality, and price that motivates you to purchase or not purchase any of the following brands:

- *Nike*
- *Ralph Lauren Polo*
- *Tommy Hilfiger*
- *Old Navy*
- *The Gap*

Have you been exposed to an equal amount of print or television advertising for each of the following brands? Was it effective or ineffective?

- *Nike*
- *Ralph Lauren Polo*
- *Tommy Hilfiger*
- *Old Navy*
- *The Gap*

Chart C (18-25 years age group)

1. *You are not aware of the brand's image or the distinctive qualities of its products.*
3. *You are aware of the brand's image, but are not aware of the distinctive qualities of its products.*
5. *You are aware of both the brand's image and the distinctive qualities of its products.*

	(1)	(3)	(5)
Nike	4%	24%	72%
RL Polo	16%	40%	50%
Tommy Hilfiger	18%	38%	36%
The Gap	10%	46%	48%
Old Navy	8%	38%	64%

Circle never, occasionally, or repeatedly to describe how many brand items you have purchased for yourself or a loved one in the past six months and all of the factors which influenced your purchase: Image, Quality, and Price.

Chart D (18-25 age group)

	Never (0)	Occasionally (1)	Repeatedly (2+)	Image	Quality	Price
Nike	9%	36%	46%	60%	70%	40%
RL Polo	24%	46%	30%	48%	56%	14%
Tommy Hilfiger	28%	42%	30%	46%	46%	34%
The Gap	30%	44%	26%	28%	50%	40%
Old Navy	8%	26%	58%	32%	54%	70%

1. *You are not aware of the brand's image or the distinctive qualities of its products.*

3. *You are aware of the brand's image, but are not aware of the distinctive qualities of its products.*

5. *You are aware of both the brand's image and the distinctive qualities of its products.*

	(1)	(3)	(5)
Nike	4%	40%	56%
RL Polo	8%	46%	46%
Tommy Hilfiger	32%	44%	40%
The Gap	24%	40%	36%
Old Navy	8%	44%	48%

Circle never, occasionally, or repeatedly to describe how many brand items you have purchased for yourself or a loved one in the past six months and all of the factors which influenced your purchase: Image, Quality, and Price.

Chart F (26+ age group)

	Never (0)	Occasionally (1)	Repeatedly (2+)	Image	Quality	Price
Nike	20%	46%	34%	22%	20%	20%
RL Polo	28%	36%	34%	24%	26%	14%
Tommy Hilfiger	62%	18%	18%	14%	14%	18%
The Gap	56%	28%	18%	12%	16%	20%
Old Navy	14%	36%	32%	8%	24%	36%

<u>Qualitative Conclusions for the 18-25 age group:</u>

The following conclusions were drawn from an analysis of in depth qualitative responses concerning the buying habits of the participants:

<u>Nike conclusions:</u>

- Greater than 70 percent of participants indicated that the athletic image, style and quality of Nike motivated their purchase of Nike.

- Greater than 70 percent of participants think that Nike's television advertising and sports sponsorships make them feel that everyone is buying Nike, 'so why not me.'

- Greater than 70 percent of participants indicated that television exposure through advertising, sponsorships of athletic events, and print ads motivated their purchase of Nike.

- Greater than 60 percent indicated that celebrity endorsers motivated their purchase of Nike.

- Greater than 50 percent of participants indicated that the store environment motivated them to purchase Nike products.

- Less than 10 percent of participants think that 'there is too much Nike everywhere.'

<u>Ralph Lauren Polo conclusions:</u>

- Greater than 60 percent of participants were motivated to purchase Ralph Lauren Polo for its upper class image portrayed in its lifestyle advertising.

- Greater than 50 percent of participants think that RL Polo's television advertising has motivated them to purchase of RL Polo products.

- Less than 10 percent of participants think that RL Polo is for 'older people.'

Tommy Hilfiger conclusions:

- Greater than 60 percent of participants were motivated to purchase Tommy Hilfiger for the casual/baggy style of clothing portrayed in its American lifestyle advertising.

- Greater than 50 percent of participants will not purchase Tommy Hilfiger due to rumors of racist remarks that he may have made concerning his customers.

- Greater than 50 percent of participants were motivated by celebrity endorsers from the sports and music industry.

- Greater than 60 percent of participants think that they see little Tommy television advertising; rather they see it more in print ads.

- Greater than 50 percent of participants were motivated by the store environment to purchase Tommy apparel.

The Gap and Old Navy conclusions:

- Greater than 70 percent of participants were motivated in their purchase of Old Navy by the price, not style.

- Less than 10 percent of participants consider Old Navy products to have 'cheap quality.'

- Greater than 50 percent of participants considered The Gap to be a 'higher priced version of Old Navy' and do not think it is worth the increase in price.

- Greater than 50 percent of participants consider Old Navy as 'too mainstream.'

- Greater than 50 percent of participants considered The Gap as 'too plain' for the price.

- Greater than 60 percent of participants were positively motivated to purchase Gap products by celebrity endorsers including Madonna and Tyra Banks in print ads.

- Greater than 60 percent of participants thought that Old Navy's commercials were

'weird.'

- Greater than 50 percent of participants think that Gap uses more print advertising to reach consumers, while Old Navy uses more television advertising.

Qualitative Conclusions for the 26+ age group:

Nike conclusions:

- Similar to the 18-25 age group, greater than 70 percent of participants indicated that the athletic style and quality motivated their purchase of Nike.

- Similar to the 18-25 age group, greater than 70 percent of participants thought that Nike's television advertising and sports sponsorships made them feel that everyone is buying Nike, 'so why not me.'

- Similar to the 18-25 age group, greater than 70 percent of participants indicated that television exposure through advertising, sponsorships of athletic events, and print ads motivated their purchase of Nike.

- Similar to the 18-25 age group, greater than 50 percent of participants indicated that the store environment motivated their purchase of Nike.

- Similar to the 18-25 age group, greater than 60 percent of participants indicated that celebrity endorsers motivated their purchase of Nike.

- Similar to the 18-25 age group, less than 10 percent of participants thought that there was 'too much Nike everywhere.'

Ralph Lauren Polo conclusions:

- Similar to the 18-25 age group, greater than 50 percent of participants indicated that the upper class "Polo" style and quality motivated their purchase of Ralph Lauren Polo

apparel.

- Greater than 60 percent of participants (a full 10 percent higher than the 18-25 age group) indicated that television and print advertising exposure motivated their purchase of Ralph Lauren apparel.

- Similar to the 18-25 age group, greater than 60 percent of participants indicated that the store environment motivated their purchase of Ralph Lauren items.

- Greater than 70 percent of participants recognized that Ralph Lauren Polo has different lines, targeting both the age groups, 1-25 and 26+.

Tommy Hilfiger conclusions:

- In contrast to the 18-25 age group, greater than 70 percent of participants indicated that the baggy style does not appeal to them.

- Similar to the 18-25 age group, greater than 60 percent of participants indicated that they have been exposed to little television advertising to motivate their purchase of Tommy Hilfiger apparel.

- In contrast to the 18-25 age group, less than 50 percent of participants have been motivated by Tommy's celebrity endorsers from the sports and music industry.

- Less than 50 percent of participants indicated that the store environment motivates them to purchase Tommy Hilfiger apparel.

- Over 50 percent of participants indicated that the Tommy brand was having an identity crisis and trying to be everything to everyone.

The Gap and Old Navy Conclusions:

- 60 percent of participants were motivated to purchase Old Navy by price, not style.

- Similar to the 18-25 age group, less than 10 percent of participants considered Old

Navy product to have 'cheap quality.'

- Greater than 60 percent of participants indicated that exposure to television and print advertising motivated them to purchase Old Navy products.

- In contrast to the 18-25 age group, over 60 percent viewed the Old Navy television commercials as positive.

- Greater than 60 percent of participants indicated that they were exposed to little television and print advertising for the Gap that motivated them to purchase Gap products.

- Greater than 50 percent of participants indicated that when the Gap advertised with celebrity endorsers it did motivate them to purchase a Gap apparel.

- In contrast to the 18-25 group, greater than 60 percent did not find the style of Gap apparel as too plain for the price.

- In contrast to the 18-25 age group, greater than 60 percent of participants indicated that style, quality, and price motivated them to purchase Gap apparel.

General Conclusions:

The response data demonstrates the need to integrate the following brand marketing communication techniques for the 21st century marketplace:

- Identifiable brand lifestyle image for a target audience

- Identifiable endorser for brand association

- Awareness of brand and product for greater sales growth

    1. Chart C reflects that in the 18-25 age group, Tommy and Gap have low brand awareness of the quality of its products with 36 percent and 48 percent respectively for the (5) scale rating (awareness of the brand and its

69

the distinctive qualities of its products).

2. Chart D similarly reflects that in the 18-25 age group, Tommy Hilfiger and Gap have the lowest percentage of occasional and repeated purchases, with 72 percent and 70 percent respectively.

3. In contrast, high television exposure brands, including Nike, RL Polo, and Old Navy, scored much higher in product awareness with 72, 50, and 64 percent, also higher in Occasional and Repeated purchases with 82, 76, and 84 percent respectively.

4. A similar contrast is demonstrated in Chart E of the 26+ group with Tommy and the Gap scoring 40 percent and 36 percent in brand awareness of the distinctive quality of its products, far below Nike, Polo, and Old Navy at 56, 46, and 48 percent respectively.

5. Consequently, Chart F reflects a sharp difference in occasional and repeat sales between Tommy and the Gap at 36 and 46 percent and Nike, Polo, and Old Navy at 80, 70, and 68 percent.

Therefore, greater television commercial exposure is key to an integrated marketing plan that also includes print advertising and key sponsorships. Brandscape the store environment to grab the customers' attention and immerse them in the brand message. The perception of the brand by its audiences represents the first bottom line; profits are a result of that perception and represent the second bottom line. There is a life cycle to all brands, so continually seek market growth through developing new lines that tap into consumers' desire for totality.

CHAPTER 5

Summary and Suggestions for Further Research

I. *Summary*

Nike, Ralph Lauren Polo, and Tommy Hilfiger have clearly provided a model

of information on integrated brand marketing techniques to use in the 21st century

marketplace. Nevertheless, they have been challenged to remain strong brands as society

has been transformed and consumers no longer feel compelled to choose between one

designer and another. Polo has had to find more ways to capture the attention of

Generation X shoppers, while Tommy has been pressed to grow along with the young

consumers he won over in the 90s. Even the mighty Nike must pursue avenues that

provide growth. How have these super brands faired in the uncertain economic climate of

the new millennium?

Although Nike controls an estimated 40 percent of the U.S. athletic shoe market, it

has realized the "swoosh" can only take them so far. Accordingly, Nike has acquired such

wholly owned subsidiaries as Bauer Nike Hickey, Cole Haan and Hurley International. Its

most recent acquisition of Converse appeals to Nike with its strong brand management

team, access to a broader consumer base, and expansion of their apparel division (129).

Ralph Lauren Polo continues to maintain its core brand image, while expanding

into the "Generation X" market. To remain a retail superstar, companies such as Ralph

Lauren have devoted their resources to "multiple brand acquisitions" to squeeze more

value from every facet of their business. In this new emerging market, consumers crave

products that are "more uniquely tailored to their personal experience." Thus, Lauren penetrated the "Generation X" youth market with Polo Sport and RLX lines, while at the same time maintaining its loyal baby boomer customers who valued Polo classic styles. Furthermore, it acquired Club Monaco to achieve access to customers not normally attracted to the clean all-American look of the RL line. By having a moderately priced specialty retailer of European-styled fashion basics, RL gained access to 15-25 year-old hip customers it didn't have before, but does not compromise its own classic look. In financial terms, the acquisition of Club Monaco has been a financial success with increased sales of existing product lines, the introduction of new brands and products, expansion into international markets, and development of their retail operations (130).

While RL and Nike continue to meet dividend predictions for their stockholders, Tommy Hilfiger has fallen upon hard times of late. Tommy has faced sluggish growth in its department store business, and has been hurt by urban labels such as Sean John and Phat Pharm (131). After averaging an envious 48 percent growth over the past decade, Hilfiger's earnings plunged last year as much as 75 percent in the worst quarter. Tommy stock sank from a high of $41 to $6.30. Flagship stores in London and Beverly Hill were closed and flashy runway shows were canceled (132).

Fashion industry analysts suggest that Tommy has tried to be everything to everybody and is facing an identity crisis. Furthermore, analysts suggest that Tommy is the "single most vulnerable brand." Increasingly designer companies are being purchased by large apparel makers to add more high-end brands to their portfolio. The advantage for the designer companies is that they gain size and scale and reduce costs. Such may be the case as the Wall Street Journal has reported that there are informal talks between Hilfiger

and the Jones Apparel Group Inc. (133).

The fact is the nature of the pattern of distribution and the retail strength of the chains creates an inevitable path of distribution for any brand that reaches a certain volume level. It is impossible to grow beyond a certain point without widening distribution to the point that:

- "Fashionability" among those respected for their fashion leadership declines.
- The amount of merchandise available far exceeds the demand at regular (high) price points.

What is happening to discount department store brands versus the relative success of private designer brands? The national and designer brands are becoming over distributed and thus, their fashion image has "tipped" downward. They are becoming over distributed because, to build volume, they have to force massive distribution into their only outlets, the traditional department stores. Thus, they create huge inventories that can be seen and seen again in at least three places in the average mall. It is also true that people do not have to go to traditional department stores to find "branded," quality merchandise. The time has come when for a certain price range, store brands at Gap and Old Navy have gained credibility and compete in the consumer's mind with the department designer brands.

So why wait until you are in a position to have to sell down? Why not sell down as part of an integrated marketing plan for the brand's life cycle? The life cycle of every product takes the shape of a bell curve if we look at it from a sales or volume perspective.

- In the beginning, volume is at a very low level.
- Once a brand ascends the volume curve and moves toward the top, it is supported

by the Early Majority (13.5 percent) who are fashion-forward type consumers.

- They are followed by the Late Majority (34 percent) who are influenced by societal pressure, and the Laggards (16 percent), who are moved by price and are not brand loyal.

- As a brand peaks, it will be imitated, usually at lower prices.

- When a brand is at the stage where it is worn by the Late Majority, its name will not withstand price competition by market imitators (134).

- It is going to end up in the chains sooner or later, if it lasts that long.

- The price value to the consumer to actually purchase the brand will follow the bell curve pattern; in other words, the consumer will wait until it is 25, 30, or 50 percent off, depending on how far along the curve the brand is.

Such is the life cycle of all brands. It does not matter if it is Polo, Nike, or Tommy Hilfiger, all brands will pass through this life cycle. So what is the CEO of a designer branded company that is in the rising portion of the curve to do? Why not strategize the product to take maximum advantage of the time of the life cycle, as well as all the opportunities it holds? Instead of watching all those imitators take sales away at lower prices, why not plan for it? When the product is post peak and in danger of price competition within the original outlets, initiate sales to the chains, who, even if they buy at the same price as the department stores, will lower their retail. This strategy will outflank the knockoff artist by:

- Taking away their knockoff orders

- Putting downward price pressure on them by selling the product at lower prices in the chains

Although the department stores may be upset at this strategy, one can increase their regular price sales in lieu of huge markdown days. At the same time, one can be sourcing sufficient product to sell later into chains at prices low enough to meet their desired margins. Thus, the company avoids the large inventories that accumulate when the product and its imitators back up in the department specialty stores. In addition, the company can sell to the chains at high margins, rather than as 'distressed' goods. Furthermore, since chain store customers tend to be less fickle, the life cycle of the brand can be many times longer than that of the department stores. That enables one to design and manufacture products for that market for a long time.

The beauty of this strategy is that just as the product, sourcing and manufacturing folks are planning and executing this strategy to enhance the life cycle, the designer has created a new brand based on the newest, most exciting fashion that is happening in the sub-cultural trends of the world. Nike, Ralph Lauren, and Tommy Hilfiger may call this "selling out." However, one might suggest that "selling out" is really the art of integrated brand marketing management of a successful brand (135).

II. *Suggestions for Further Research*

Future research could examine the following related research topic questions:

- What would a longitudinal study reveal concerning the efforts of Nike, Polo, and Tommy Hilfiger to sustain each brand?

- Does branding affect our decision concerning how much we give to such non-profits groups as the United Way and the Salvation Army ?

- How have branding techniques been used to influence contributions to environmental groups, such as the Sierra Club?

- How has an automobile company, such as Buick, repositioned the brand with different models, new features, and a celebrity endorser, Tiger Woods?

- How has Oreo Cookies sustained its brand life cycle by reinventing the product to maintain consumers' desires for something old and something new?

- How has the branding of the Bill and Melinda Gates Foundation influenced a positive image of Microsoft's sense of social responsibility with the public?

- How have integrated marketing techniques been used by major universities to attract students?

- Finally, how might integrated marketing tools be used to influence voters in the upcoming 2004 presidential campaign?

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Appendix: Chart A (Quantitative Survey)

Dear Students:

Have you ever thought about why you buy a particular brand of clothes? <u>Brand awareness</u> occurs when consumers recognize the unique qualities of a particular brand and choose it over competing brands. Please take a few minutes to express your opinion about what you buy and why you buy it. Results of the survey will be part of a thesis on brand marketing and will be available to you in a few weeks. Thank you for your time.

Prof. Jan Damico-Nee

Please circle the answer that best applies to you.

1. What is your age range?   18-25   26+

2. Circle the number that best describes your *Brand Awareness* of the following brands:

> *1. You are not aware of the brand's image or the distinctive qualities of its products.*
>
> *3. You are aware of the brand's image, but are not aware of the distinctive qualities of its products.*
>
> *5. You are aware of both the brand's image and the distinctive qualities of its products.*

- Nike   1   3   5
- Ralph Lauren Polo   1   3   5
- Tommy Hilfiger   1   3   5
- The Gap   1   3   5
- Old Navy   1   3   5

3. Circle never, occasionally, or repeatedly to describe how many brand items you have purchased for yourself or a loved one in the past six months and all of the factors which influenced your purchase: Image, Quality, and Price.

Nike	never (0)	occasionally (1)	repeatedly (2+)	Image	Quality	Price
Ralph Lauren Polo	never (0)	occasionally (1)	repeatedly (2+)	Image	Quality	Price
Tommy Hilfiger	never (0)	occasionally (1)	repeatedly (2+)	Image	Quality	Price
The Gap	never (0)	occasionally (1)	repeatedly (2+)	Image	Quality	Price
Old Navy	never (0)	occasionally (1)	repeatedly (2+)	Image	Quality	Price

Appendix: Chart B
Guidelines for Qualitative Focus Groups

A qualitative discussion was conducted by the researcher of two groups, consisting of ten students from the 18-25age group and the 26+ age group. The researcher led each discussion groups, allowing approximately 20 minutes for group discussion after which time the researcher polled the group on specific responses that had been gathered in the group discussions.

Explain in detail what it is about the image, style of the product lines, quality, and price that motivates you to purchase or not purchase any of the following brands:

- *Nike*
- *Ralph Lauren Polo*
- *Tommy Hilfiger*
- *Old Navy*
- *The Gap*

Have you been exposed to an equal amount of print or television advertising for each of the following brands? Was it effective or ineffective?

- *Nike*
- *Ralph Lauren Polo*
- *Tommy Hilfiger*
- *Old Navy*
- *The Gap*

Appendix: Chart C (18-25 Age Group)

1. *You are not aware of the brand's image or the distinctive qualities of its products.*

3. *You are aware of the brand's image, but are not aware of the distinctive qualities of its products.*

5. *You are aware of both the brand's image and the distinctive qualities of its products.*

	(1)	(3)	(5)
Nike	4%	24%	72%
RL Polo	16%	40%	50%
Tommy Hilfiger	18%	38%	36%
The Gap	10%	46%	48%
Old Navy	8%	38%	64%

Circle never, occasionally, or repeatedly to describe how many brand items you have purchased for yourself or a loved one in the past six months and all of the factors which influenced your purchase: Image, Quality, and Price.

Appendix: Chart D (18-25 age group)

	Never (0)	Occasionally (1)	Repeatedly (2+)	Image	Quality	Price
Nike	9%	36%	46%	60%	70%	40%
RL Polo	24%	46%	30%	48%	56%	14%
Tommy Hilfiger	28%	42%	30%	46%	46%	34%
The Gap	30%	44%	26%	28%	50%	40%
Old Navy	8%	26%	58%	32%	54%	70%

Appendix: Chart E (26+ age group)

1. You are not aware of the brand's image or the distinctive qualities of its products.

3. You are aware of the brand's image, but are not aware of the distinctive qualities of its products.

5. You are aware of both the brand's image and the distinctive qualities of its products.

	(1)	(3)	(5)
Nike	4%	40%	56%
RL Polo	8%	46%	46%
Tommy Hilfiger	32%	44%	40%
The Gap	24%	40%	36%
Old Navy	8%	44%	48%

Circle never, occasionally, or repeatedly to describe how many brand items you have purchased for yourself or a loved one in the past six months and all of the factors which influenced your purchase: Image, Quality, and Price.

Appendix: Chart F (26+ age group)

	Never (0)	Occasionally (1)	Repeatedly (2+)	Image	Quality	Price
Nike	20%	46%	34%	22%	20%	20%
RL Polo	28%	36%	34%	24%	26%	14%
Tommy Hilfiger	62%	18%	18%	14%	14%	18%
The Gap	56%	28%	18%	12%	16%	20%
Old Navy	14%	36%	32%	8%	24%	36%