

Michael Kors Marketing Plan

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## Business Summary

### Our Company

Michael Kors Holdings Limited, now Capri Holdings Limited, is a globally-renowned American apparel, accessories and footwear designer company with a presence in over 100 countries across the world. It was started initially in 1981 by Michael Kors in New York (Michael Kors, n.d.).

This multinational fashion holding company has principal executive offices in London and operational headquarters in New York (“Michael Kors”, 2019). The company’s vision is to bring a sophisticated jet-set lifestyle to women and men around the globe, whether they are traveling for business to New York, Paris or Tokyo, or traveling for pleasure to Aspen, Capri or Bali (“Michael Kors”, 2019). The company’s mission is to bring their vision of a jet-set luxury to women and men around the globe (“Michael Kors”, 2019).

### SWOT Analysis

As Michael Kors’s marketing team, we want to help the brand lean into what it does well, improve what it doesn’t, capitalize on what it can do, and defend against what could challenge it. With that in mind, here is our SWOT analysis for 2010.

<b>Strengths</b>	<b>Weaknesses</b>	<b>Opportunities</b>	<b>Threats</b>
Strong presence in social media	Overexposure of brand	Growth in consumer’s spending	Many innovative competitors
Large celebrity clientele	Poor presence in Asia	Growth of e-commerce	A rise in inconspicuous consumption

## Business Initiatives

• Michael Kors has the ambitious goal of growing our business. To help the business do that, our marketing team will pursue the following initiatives in 2020. We will communicate the brand story through social platforms including Facebook, Instagram, and Vogue magazine and Vogue website.

The brand story will achieve more visibility of the brand through these different platforms.

**Brand partnerships:**

- Co-branding - Michael Kors x Zara
- Native content - Michael Kors x Vogue

Michael Kors x Zara

This partnership will happen on January 25th. The Michael Kors x Zara collection will be launched in February 6th at the New York Fashion Week. The partnership will reach roughly 111.8 million people based on the two brands’ number of followers in their social media accounts and their website’s monthly visitors.

<b>Platforms</b>	<b>Michael Kors</b>	<b>Zara</b>
Facebook (followers)	17.8 M	27.7 M
Instagram (followers)	15.8 M	37.1 M
Website (visitors)	409 K	13 M
<b>Total</b>	<b>34 M</b>	<b>77.8 M</b>
Reach: <b>111.8</b> Millions of people		

Michael Kors x Vogue

This partnership will begin on February 25th. The content will be in the magazine for two months and it will end on April 25th. The partnership will reach roughly 21.2 Million people based on Vogue Magazine’s websites, its number of subscribers and Natalie Portman’s Instagram followers.

<b>Platforms</b>	<b>Vogue</b>	<b>Natalie Portman</b>
Magazine Website	6.2 M	
Official Website	7.8 M	
Subscribers	1.6 M	
Instagram		5.6 M
<b>Total</b>	<b>15.6 M</b>	<b>5.6 M</b>
Reach: <b>21.2</b> Million people		

**Initiative 1**

**Description:** By 2020, we’ll open 20 pop-up stores in the most strategic places around the Asia continent. The stores will be located in the most fashionable cities including Shanghai, Tokyo, and Hong Kong.

**Goal of initiative:** To increase brand presence and visibility in Asia,

**Metrics to measure success:** As of 2018, there are about 829 Michael Kors stores around Asia, generating \$469 million in the same year.

**Initiative 2**

**Description:** We will enhance and innovate Michael Kors's website and create an app where our customers can easily order merchandise from anywhere, without having to go to a store. We will make possible for our customers to purchase merchandise online and pick it up in-store the next day.

**Goal:** Increase omnichannel business

**Metrics to measure success:** Michael Kors's website has 409,0000 visitors per month and the brand has about 1,400 stores around the world.

### Initiative 3

**Description:** We will launch an upcycle woman and men collection through a co-branding partnership with fast-fashion brand Zara. We will showcase our collection in Vogue Magazine through our native content partnership.

**Goal:** Reach conscious and innovative consumers

**Metric to measure success:** The collection could reach roughly 111.8 million people on both Michael Kors and Zara media platforms.

### Industries

In 2020, we are targeting the following industries where we'll sell our product and reach out to customers:

**Entertainment industry**

- ❖ We will reach out to customers through Michael Kors, Zara, and Vogue magazine's social media platforms. This includes Facebook and Instagram and their official websites.

### **Fashion industry**

- ❖ We will sell our products at Zara and Michael Kors stores around the globe. This includes the pop-up stores that we will open in Asia in 2020. The collection will also be available to purchase on both brands' official websites.

### **Technology industry**

- ❖ We will also reach out to consumers and sell our products in our new Michael kors app, where customers can instantly purchase an item and ship it to their house or to their nearest Michael Kors or Zara store.

### **Buyer personas**

Within our target market(s), we've identified the following buyer personas to represent our ideal customers:

- ❖ Keisha is 28 years old. She is a manager at a high-end retail store. She spends part of her free time with her two kids and her husband. She loves traveling with her family to different countries on vacation. She earns about 60,000 a year. She loves donating the clothes that she does not use anymore. She also spends some time on social media and at the salon doing her nails and hair. While at the salon, she always read magazines to see what the celebrities are wearing and to see if there is any collection launching anytime

soon. Although she does not have enough free time to go shopping very often, she tries to visit a store at least twice a month to try on new merchandise and check out the latest trends. Ultimately, Keisha has become a conscious consumer, and she tries to purchase durable, fashionable, and sustainable clothing that could last her at least a few years, instead of weeks.

- ❖ Hendry is 24 years old. He is single and lives in a studio in New York City. He graduated from college a year ago and is now working as a management consultant, earning 65,000 a year. He travels to different states for business purposes. In his free time, he goes out with friends to car shows and travels overseas for vacation. He buys professional, quality, and comfortable clothes for traveling. Hendrix is very active in social media. He orders most of his clothing from his laptop computer because he is always busy at work. Ultimately, with the new Michael Kors app, Hendry will enjoy making easy and quick purchases that he will receive in one two or three days, which will save him tons of time.

### Competitive Analysis

Within our target market(s), we expect to compete with the following companies:

#### **Coach**

Some of our products that compete with Coach are handbags, watches, fragrance and ready to wear. Chanel is able to charge a higher price for its merchandise due to the brand's value and



positioning in the luxury market. Coach's merchandise has better quality. Coach is also more proactive than us. They respond faster to changes in consumer behavior and innovation.

### **Kate Spade**

Some of our products that compete with Kate Spade are handbags, shoes, and clothing. Like Coach, Kate Spade is more innovative than us as it targets younger consumers, mostly Millennials. Kate Spade has a customization tool on its website that personalizes their products for their customers.

## **Market Strategy**

### **Product**

The products with which I will enter my target market are trenchcoat, purse, tote bags, jackets, and business wear. These products will be made with unused textiles and materials that are usually trashed or burn by different brands. Not only will these products be made with recycled textiles and materials, but many of them will also be innovative. For example:

- ❖ The trench coats will have a removable hoodie, perfect for a busy mom like Keisha and a business person like Hendri. This trenchcoat is a perfect fashion garment to always wear when traveling for business purposes or going out and the weather condition is not good. This raincoat could be used for a professional or special occasion.
- ❖ The tote bags in this collection will be reversible. They will be made with recycled leather or synthetic leather and will have double sides. This purse is perfect for a

fashionable and busy mom like Keisha that goes out a lot with her family. Instead of purchasing another handbag when she gets tired of using the same color or handbag style, she just needs to flip that side and she will have a completely different bag with different colors.

- ❖ The jackets in this collection will have a removable extra layer made of recycled faux fur. They will be made with recycled leather or synthetic leather and recycled textiles. These jackets will be perfect for any weather condition. In the winter and fall, the extra layer of the faux layer will be adjusted to the jacket for extra warmth. In the summer and spring, the jacket could be worn without the extra layer. These jackets are perfect for customers that love traveling to different places with different temperatures. With these jackets, they can adjust to any temperature.
- ❖ The business wear garments will complement these innovative products and create perfect outfits for work or business purposes. They will also be made of recycled materials and textiles. This includes dress skirts and shirts, cocktail dresses, and pantsuits for women and men.

These products will set us apart from our competitors because they do not have this type of innovation incorporated in any of their products yet. These products will also help us move ahead of our competitors in terms of innovation.

### **Price**

Because this will be a collection from a partnership with Zara, these products will be affordable for our consumers. Our products will be low-end prestige.

These prices are competitive and realistic to our customer's budget. Although the innovative products such as the reversible tote, removable trench coat, and a jacket with the extra layer will not be on sale or have any discount to keep its high value, the business wear garments will be on sale at the end of the season. In addition to that, any customers that donate any of their unused or old merchandise to either a Michael Kors or Zara store will receive a 10% discount off any purchase from our collection.

### **Promotion**

Our products will not only be promoted in Michael Kors and Zara's social media platform as well as on their websites but also in Vogue Magazine and its website. Our collection will also be featured on billboards in fashion capitals and important cities around the world. In order to directly reach consumers, we will send out flyers with our collection information and a special code for free shipping with any purchase. These flyers will be also sent digitally via email.

### **People**

The digital marketing team plays a very important role in our market strategy. Their priority is to make sure our collection reaches as many customers as possible. They are in charge of how our collection will be displayed on social media. This is very important because the first impression is what counts and they want to make sure consumers see the value of this collection in terms of innovation and sustainability. Not only that, but they also want to transmit that sense of luxurious, quality, and comfortable business wear, even if it is at an affordable price. They will work closely with the advertising team to make sure this is achieved. The marketing director will play an essential role by managing our advertising campaigns and organizing all the events that entail launching our collection.

**Process**

Since we are becoming an omnichannel company, our customers will now have the opportunity of making an order in our mobile app or website and picking it up at the nearest Michael Kors or Zara location. Our mobile app will make the purchasing process faster and will save them time. Our customers can also have their order delivered to their house. This will take 2-3 business days with a minimum purchase. It will be shipped from a central location to the consumer via FedEx or UPS.

**Positioning and image**

Michael Kors has always had the mission of bringing a jet-set lifestyle to women and men around the globe that travels for business or for pleasure. Therefore, we are trying to be consistent and trying to translate that sense of luxury to our customers at affordable prices.

Actress and influencer Natalie Portman will be the face of the collection. For our advertising campaign, she will be wearing our new merchandise from the 2020 women's collection. She will be portraying a luxury business lifestyle at the airport

**Marketing channels**

Over the course of 2020, we will launch/ramp up our use of the following channels for educating our customers, generating leads, and developing brand awareness:

- **Native content**

This native content will be placed in Vogue magazines. It will portray Natalie Portman wearing our low-end prestige products with a luxurious and business lifestyle.

**Purpose of the channel:** the purpose of this channel is to create brand and collection awareness

**Metrics to measure success:** 1.6 million subscribers

- **Michael Kors and Zara's websites**

This will be the main platform for showcasing our collection

**Purpose of the channel:** provide our customers with information about the collection.

**Metrics to measure success:** 13.4 M visitors monthly

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